

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Board of Education of Baltimore County
A Component Unit of Baltimore County, Maryland
6901 North Charles Street, Towson, Maryland 21204

FISCAL YEAR ENDED JUNE 30, 2020

Kathleen S. Causey, *Chair*

Julie C. Henn, *Vice Chair*

Erin R. Hager

Moalie S. Jose

Russell T. Kuehn

Lisa A. Mack

Rodney R. McMillion

John H. Offerman, Jr.

Cheryl E. Pasteur

Lily P. Rowe

Makeda Scott

Omer Reshid, *Student Board Member*

Darryl L. Williams, *Superintendent and Secretary-Treasurer*

Brian Scriven, *Chief Administrative and Operations Officer*

Mychael Dickerson, *Chief of Staff*

Prepared by the Division of Business Services

Acknowledgements

Student Artwork

The student artwork displayed in this report are the work of Baltimore County Public School students. We appreciate their contribution and acknowledge the hard work of the students and their teachers.

The students who provided the artwork are as follows:

Nya Cameron	Grade 11	Perry Hall High
Yogesh Rai	Grade 12	Ridge Ruxton
Kyaia Moss	Grade 11	Parkville High
Gideon Brown	Grade 11	Western School of Technology
Ilin Mehdizadeh	Grade 11	Kenwood High
Anthony Le	Grade 12	Owings Mills High
Aubrey Calderone	Grade 12	Loch Raven High

Board of Education of Baltimore County
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2020

TABLE OF CONTENTS

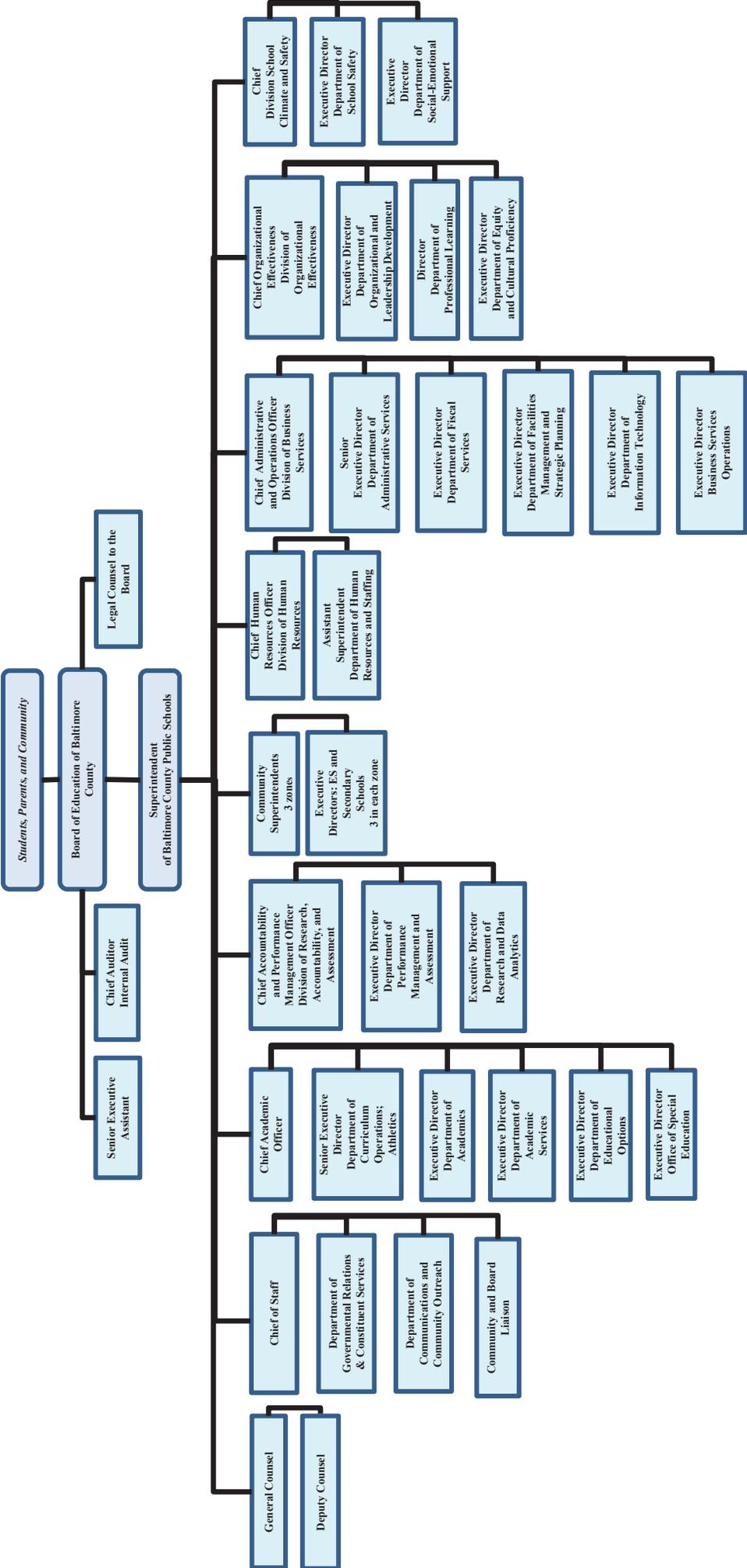
	Page
INTRODUCTORY SECTION	
Organization Chart.....	1
Interim Superintendent’s Staff.....	2
Letter of Transmittal	3
GFOA Certificate of Achievement	18
ASBO International Certificate of Excellence.....	19
 FINANCIAL SECTION	
Independent Auditor’s Report.....	21
Management’s Discussion and Analysis	24
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	42
Statement of Activities.....	43
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	44
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	45
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	46
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	47
Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund - Budget and Actual (Non - GAAP Basis)	48
Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund - Budget and Actual (Non-GAAP Basis).....	49
Statement of Net Position - Proprietary Funds	50
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds.....	51
Statement of Cash Flows - Proprietary Funds	52
Statement of Fiduciary Net Position - School Activities Fund.....	53
Notes to the Basic Financial Statements	54
Required Supplementary Information:	
Schedule of the Board’s Proportionate Share of the Net OPEB Liability	91
State Teachers Retirement and Pension System of Maryland - Employer Contributions	92
Schedule of the Board’s Proportionate Share of the Net Pension Liability - State Teachers Retirement and Pension System of Maryland	93
Employees’ Retirement System of Baltimore County - Employer Contributions	94

	Page
Schedule of the Board’s Proportionate Share of the Net Pension Liability	
- Employees’ Retirement System of Baltimore County.....	95
Notes to the Required Supplementary Information:	
State of Maryland Retirement and Pension Systems	96
Employees’ Retirement System of Baltimore County - Plans A & B	97
Individual Fund Financial Statement:	
Statement of Changes in Assets and Liabilities – School Activities Fund	99

STATISTICAL SECTION

Financial Trends Information:	
Net Position by Component	102
Changes in Net Position by Component	104
Fund Balances of Governmental Funds	106
Changes in Fund Balances of Governmental Funds	108
Government-wide Expenses by Function	110
Government-wide Revenues	112
Governmental Funds Revenues by Source	113
Governmental Funds Expenditures by Function.....	114
Final Approved Operating Budgets - Expenditures	116
General Fund Revenue and Expenditures - Budgetary Basis	118
Ratios of Outstanding Debt	120
Cost Per Pupil - Budgetary Basis.....	122
Demographic Information:	
Enrollment by Schools	124
Enrollment by Grade and Student to Teacher Ratio	126
Operating Information:	
Other Data	128
Office of Food and Nutrition Services Data.....	130
Full-time Equivalent Positions.....	132
Capital Asset Information	134
Student Academic Performance.....	136
Baltimore County, Maryland Economic Data:	
Ratios of Net General Obligation (GO) Debt to Estimated Actual	
Value of Property and Net GO Debt Per Capita	138
Legal Debt Margin Information	139
Demographic and Economic Statistics.....	140
Principal Employers	141
Principal Property Taxpayers	142
Property Tax Rates.....	143
Property Tax Levies and Collections	144
Taxable Assessed Value and Estimated Actual Value of	
Taxable Property	145

Baltimore County Public Schools Organization Chart



Superintendent's Staff

As of June 30, 2020

Darryl L. Williams	Superintendent
Mychael Dickerson	Chief of Staff
Margaret-Ann Howie, Esq.	General Counsel
Dr. Mary Boswell-McComas	Chief Academic Officer
Dr. Monique Wheatley-Phillip	Chief Accountability and Performance Management Officer
Vacant	Chief Communications Officer
William Burke	Chief of Organizational Effectiveness
Dr. Brian Scriven	Chief Administrative and Operations Officer
Maria Lowry	Acting Chief Human Resources Officer
Dr. Michael J. Zarchin	Chief of School Climate and Safety
Dr. George Roberts	Community Superintendent East Zone
Christina Byers	Community Superintendent Central Zone
Dr. Racquel Jones	Community Superintendent West Zone

BALTIMORE COUNTY PUBLIC SCHOOLS

Darryl L. Williams, Ed.D. ♦ Superintendent ♦ 6901 North Charles Street ♦ Towson, MD ♦ 21204

September 30, 2020

Members of the Board of Education
and Citizens of Baltimore County, Maryland:

In compliance with the public school laws of the state of Maryland, the Division of Business Services (the division) annually publishes the Comprehensive Annual Financial Report (CAFR) of the Board of Education of Baltimore County (the Board). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation rests with the administration of Baltimore County Public Schools (BCPS). We believe that the data as presented are accurate in all material aspects and are presented in a manner designed to set forth the financial position and results of operations of the Board as measured by the financial activity.

All matters relating to education and operations in BCPS are governed by the Board, as provided by the public school laws of Maryland. The Board has the responsibility to maintain a reasonable, uniform system of public schools, providing quality education for all students of Baltimore County. With the advice of the superintendent, the Board establishes schools and determines the geographical attendance areas for them. Upon recommendation of the superintendent, the Board approves education policy that governs the management and conduct of the school system. The activities, funds, and entities related to BCPS included in this CAFR are those in which the Board exercises oversight responsibility.

All funds and accounts of the Board are included in this CAFR. While the Board is an entity created and governed by state law, it has been defined as a component unit of the Baltimore County government for financial reporting purposes. Therefore, the Board is included in the CAFR of Baltimore County.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management 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 MD&A can be found at the beginning of the financial section.

The report is available to all interested parties. Copies of the report are forwarded to Board members, the superintendent's staff, and appropriate officials of the state of Maryland and Baltimore County. Copies are also posted on the BCPS Web site and distributed to other school districts, individuals, and organizations upon request.

THE REPORTING ENTITY AND ITS SERVICES

BCPS is the 25th largest school system in the United States. The county covers 612 square miles in the north central part of the state, and combines urban, suburban, and business regions with vast farmland and waterfront areas. The school system reflects this diversity in the student population of 115,038 students in Grades PreK–12. These students are served by 18,496 employees, including 9,628 teachers, making BCPS one of the largest employers in the region. More than 20,000 trained volunteers support student achievement throughout the school system.

For the 2019–2020 school year, BCPS operated 175 schools, centers, and programs: 107 elementary schools that served the needs of children in Grades Preschool–5; one school serving Grades 4–8; 26 middle schools that served students in Grades 6–8; and 24 high schools that served students in Grades 9–12. Additionally, four special education schools served children of various ages with disabilities. Another nine centers and three programs provided services – including evening high school, alternative education, home assessments, technical programs, and virtual instruction – to students in need of specialized educational and instructional services. A charter school that opened in FY2020 accommodated Grades K-3.

MAJOR INITIATIVES

The Compass: Our Pathway to Excellence

The Compass eight-year strategic plan, adopted by the Board of Education on July 14, 2020, prioritizes classroom instruction and support through five focus areas:

- **Learning, Accountability, and Results:** Increase achievement for all students while preparing a variety of pathways to prepare students for career and college.
- **Safe and Supportive Environment:** Provide a safe, orderly, and caring environment for students and staff.
- **High-Performing Workforce and Alignment of Human Capital:** Recruit and retain a qualified, highly effective and diverse workforce, and create a systemic professional development plan to improve work performance and readiness.
- **Community Engagement and Partnerships:** Communicate, engage, and partner with our parents and communities.
- **Operational Excellence:** Ensure resources are aligned to our system priorities and are distributed efficiently and effectively.

For the Year 2019–2020

During the 2019–2020 school year, BCPS continued to serve as a national educational model for high achievement, digital citizenship, and financial excellence, thanks to hard-working and determined students, teachers, and administrators, supported by parents, community, and elected officials.

The following represent highlights of recent BCPS achievements:

- For the fifteenth straight year, BCPS was recognized among the Best Communities for Music Education by the NAMM Foundation.
- For the fifth year, BCPS earned the designation of Common Sense District for its commitment to responsible student use of digital media, a particularly relevant achievement during remote learning.
- BCPS celebrated 15 consecutive years of earning the Annual Achievement of Excellence in Procurement® (AEP) award from the National Procurement Institute, Inc.
- BCPS received the Meritorious Budget Award for excellence in the preparation and issuance of its school system budget for the seventeenth consecutive year from the Association of School Business Officials International.
- 85.5% of our schools earned 3, 4, or 5 stars on the Maryland Report Card in 2019.
- The 2020 Stakeholder Survey garnered more than 83,000 responses from students in Grades 3–12, parents, community members, and staff members. As in prior years, 91% of parents continued to rate their child’s school as effective.

These achievements provided a stark contrast to the challenges presented to families, staff, and community members due to the global COVID-19 pandemic, which prompted State Superintendent Dr. Karen Salmon to close schools statewide on March 13, 2020. After two weeks of closure for all but essential personnel, BCPS operated schools and offices remotely for the remainder of the fiscal year. Virtual learning was provided in three-week units, and free meals were distributed to students at more than 70 locations.

As of June 30, 2020, Baltimore County’s COVID-19 positivity rate was 5.65% and there were 7,985 reported cases. A remote format was determined to be the safest for students. The BCPS Recovery Plan began with traditional targeted summer learning programs adapted for virtual instruction. These programs are Extended School Year for students with disabilities, Extended Learning Opportunity for students in Title I schools, English Speakers of Other Languages for English Learners and the Extended Year Learning program for secondary students seeking to recover or accelerate course work. The first Summer Learning Hike was designed to support re-engagement for students with whom BCPS did not have contact with during spring remote learning and to support continued engagement over the summer for all students in the school system on a voluntary basis. Universal student access was offered to computer-based adaptive reading and math review and each school developed a plan to re-engage targeted students in their community.

Capital Facilities

In FY2020, BCPS received \$45.4 million from the state of Maryland for a variety of capital projects. Funding provided by Baltimore County Government is based on a two-year budget cycle in which capital improvement bonds are issued every other year. The adopted county budget for FY2020 totals \$260.3 million. The six-year capital program for FY2020 through FY2025 projects funding of \$675.3 million.

Our Capital Improvement Plan (CIP) remains focused on four main areas identified in close collaboration with our state and county fiscal partners, the Board of Education, state and county elected officials, communities, and other stakeholders.

Our first priority is the completion of our air-conditioning program for all of our schools. BCPS has made substantial progress in the last few years installing central air conditioning in our older schools. In 2010, 90 schools in Baltimore County lacked central air conditioning. Our students and staff started this school year in air-conditioned schools in all but five of our facilities. At the beginning of the school year 2020-21, the Berkshire and Colgate replacement elementary schools will open with central air conditioning in place.

Additionally, in FY2020, Baltimore County was awarded \$14.2 million from the Healthy School Facility Fund which, combined with local county matching funds, will allow us to install air conditioning at Dulaney and Lansdowne high schools, Catonsville Alternative Center, Campfield Early Learning Center and Bedford Elementary School and provide air conditioning to non-air-conditioned classrooms at Western School of Technology and Eastern Technical High School. This funding will allow us to install vertical packaged unit air conditioning at Dulaney and Lansdowne high schools and Bedford Elementary School. It will also allow us to install roof top air conditioning units at the Western School of Technology and Eastern Technical High School. With these projects finished, all Baltimore County Public Schools Board-owned buildings will be air-conditioned.

The second priority of our Capital Improvement Plan is focused on accommodating our growing population. Over the last decade, student enrollment increased by 10,883 students – creating an additional need for seats that is roughly equivalent to 15 large elementary schools or eight moderately-sized secondary schools. Enrollment is projected to increase from 115,038 students to over 120,262 students by 2025.

Our design decisions are carefully made by including the economic analysis of the design by incorporating value engineering, feasibility studies, and energy efficiency analysis, and the development of an educational program. Whenever possible, prototype designs are adapted to the site for improved cost efficiency.

Our third, and equally important priority, is to continue our ongoing program to modernize our high schools through either limited renovations or replacement schools. The renovation projects at Patapsco and Woodlawn high schools were completed in August 2019. In prior years, the county has provided partial funding for preliminary design work to begin for three new replacement high school projects for Dulaney, Towson and Lansdowne high schools. While these project requests represent the final three major BCPS projects for this Capital Improvement Plan cycle, they also clearly reflect a system wide need to include secondary schools in our capital planning. Therefore, in early 2020 a consultant was commissioned to assess all school buildings in order to develop a Multi-Year Improvement Plan for All Schools (MYIPAS). The vision of the MYIPAS is to provide BCPS facilities with a 21st-century instructional capability that addresses student enrollment trends and incorporates future flexibility, fully supports the highest performance of students and staff while accommodating enrollment projections, and provides safety, comfort, and well-being for every student. The MYIPAS is being developed to move BCPS from a reactionary

mode to a proactive mode, with a clear vision of the future.

If instruction is going to drive facilities, then the MYIPAS must focus on each facility as it relates to the following three functions: 1) enrollment projections, capacity, and utilization, 2) facility condition, and 3) educational adequacy and equity.

A public process was planned as an integral part of the MYIPAS development. The result will be a prioritized Master Plan that can be updated continuously for many years into the future. Initially, the assessment will be performed for the high schools, so that it can be implemented by BCPS in making recommendations for new high school projects starting in the upcoming FY2022. The remainder of the plan will be completed for all schools, so that BCPS can provide comprehensive recommendations for new projects starting in FY2023.

Our fourth priority is the advancement of the BCPS systemic program to replace aging roofs, boilers, chillers, windows, doors, and other essential building systems.

In total, approximately 200 construction and building projects, including new school construction, major renovations, and modernizations at various elementary, middle, and high schools, are currently underway in BCPS. In addition to renovations of schools' plumbing, electrical, ventilation, heating, and cooling systems, the work includes improvements to cafeterias, media centers, computer systems, security systems, and other features. The capital budget includes funding to repair or replace critical infrastructure, to provide for watertight buildings, and to improve occupant comfort and well-being through the installation of modern mechanical air distribution systems in an effort to enhance the learning environment and decrease energy costs. The capital budget also includes upgrades and replacements to lighting, interior and exterior doors, windows, floors and walls, Americans with Disabilities Act (ADA) accessibility requirements, and a variety of other enhancements to improve school buildings.

A Sample of National Achievements

BCPS distinguished itself nationally through the achievements of students, staff, and schools in a wide range of areas that indicate a well-rounded curriculum.

Students

- Morgan Warfield (Franklin High) spent the year in Germany living with a host family, attending high school, and engaged in cultural immersion as a recipient of the Congress-Bundestag Youth Exchange scholarship.
- Nicole Tsygan (Hereford Middle) and Puru Raghav (Padonia International Elementary) earned third place in the first-ever International Team Spelling Olympiad.
- Deasia Tillman (Milford Mill Academy) was named a finalist in the High School Honors Concert Choir of the Honors Performance Series.
- Eli Golding (George Washington Carver Center for Arts & Technology) and Kaya Abramson (Carver Center and The Cooper Union) earned merit awards in the 2020 YoungArts competition.

- BCPS boasts seven of the 31 students in the inaugural class of participants in the Youth Diplomats Program from the World Trade Center Institute.
- Students earned 343 Regional Scholastic Awards for 2020 including 24 Gold Keys in visual arts and 17 in writing.
- Students from George Washington Carver Center for Arts and Technology and Dumbarton Middle earned 16 Gold and Silver Medals in the 2020 Scholastic Art & Writing Awards competition, coordinated by the Alliance for Young Artists & Writers.
- Student leaders from Chesapeake, Dulaney, Eastern Technical, and Pikesville high schools were featured speakers on a panel at the Champion Our Children Forum at the National School Board Association's Advocacy Institute.
- Gabriella Chalker (Hereford High) was named one of Maryland's six Distinguished Finalists in the Prudential Spirit of Community Awards program.
- The Jack Kent Cooke Foundation announced that Ferdinand "Vee" Virtudes, Jr. (Pikesville High) was one of only 68 current Cooke Young Scholars named a Cooke College Scholar.
- Josh Hunt (Kenwood High) was one of just 200 Air Force Junior ROTC cadets worldwide to earn a Chief of Staff Private Pilot Scholarship from Headquarters Air Force Junior ROTC.
- Madelyn Sadera (Cromwell Valley Elementary Regional Magnet School of Technology) pitched virtual investors for a capital investment to seed her dream of a writing center, and her \$920,000 financial plan was so compelling that it earned her fourth place in the nation in the Fall 2019 InvestWrite® competition.
- Eleanor G. Queeney (Catonsville High) and Sreesaisowmya Potluri (Dulaney High) were named among the first group of winners in the 65th annual National Merit® Scholarship Program.
- Victoria Jin (Dulaney High) and Mary Kumcheva (Eastern Technical High) were named among the 2,500 distinguished high school seniors who won \$2,500 National Merit Scholarship awards financed by the National Merit Scholarship Corp.
- A short story by Claire Doll (Catonsville High) was published in the fifth volume of "Otherwise Engaged Literature and Arts Journal," a biannual publication featuring work by artists, writers, and photographers worldwide.
- Five students were named among the first group of College-Sponsored Merit Scholarship winners in the 65th annual National Merit Scholarship Program.

Staff

- AVID Center identified Sandra G. Reid (principal, Pikesville High) as an outstanding principal and invited her to serve on its AVID Principals' Network.
- The National Association of State Boards of Education named Michelle St. Pierre (social studies department chair and magnet coordinator, Loch Raven Technical Academy) as one of four national Civic Engagement Champions for her work promoting civics education and active citizenship.

- Allison Robinson (teacher, Perry Hall High) was named a 2019 American Geographical Society Teacher Fellow, which offers a one-year professional development opportunity.
- Ian Chisholm (consulting teacher) was inducted into the United States Kuo Shu Hall of Fame.
- Bryan Price (music teacher, Sparks Elementary) and Steve Brusio (physical education teacher, Fifth District), and Mark DiPaula (Grade 5 teacher, Fifth District Elementary) secured a Fund for Teachers Fellowship grant to spend two weeks in India.
- The National Art Education Association selected Rachel Valsing (visual arts department chair, Towson High) as its Monthly Mentor for July.
- Dr. Michael Grubbs (coordinator, career and technical education) was named an ACTE New Professionals Fellow by the Association for Career and Technical Education and was appointed to the board of the National Alliance for Partnerships in Equity Education Foundation.
- Samuel L. Mason III (field representative, food and nutrition services) was named by No Kid Hungry to its first-ever cohort of 12 national Afterschool Meals Champions.
- Casey Lane (English teacher, Deep Creek Middle) achieved National Board Certification from the National Board for Professional Teaching Standards. Her new designation brings the total number of National Board-certified teachers in Baltimore County Public Schools to 140.
- Anthony V. Carter, Jr. (career and technical education department chair, Middle River Middle) was selected as a 2019–20 Teacher Fellow in the Northrop Grumman Foundation Teachers Academy.
- Dr. Deboarea Montgomery, principal, and Kelli Santoni, Grade 1 teacher, from Powhatan Elementary School were awarded the opportunity to present at the National ESEA Conference.
- Abeer Shinnawi (social studies resource teacher) joined students from Chesapeake, Dulaney, Eastern Technical, and Pikesville high schools as featured speakers on a panel at the Champion Our Children Forum at the National School Board Association’s Advocacy Institute.
- For the first time, more than two staff members were selected to serve as national staff developers for 2020 AVID Summer Institutes: Michael Barberesi (supervisor, college and career readiness; AVID district director); Lesley Beavers (AVID Title I resource teacher, college and career readiness); Jessica Cuzzo (AVID coordinator, Dundalk Middle); Molly LaBricciosa (AVID coordinator, Pikesville High); and Dr. Heather Wooldridge (coordinator, college and career readiness; AVID co-district director).
- Eight BCPS administrators earned a prestigious Certified Education Technology Leader (CETL) designation, joining three other BCPS educators who were recognized last year by the Consortium for School Networking.
- Bridget Moore (English language arts teacher, Golden Ring Middle) was selected from among 1,800 international applicants to receive one of 20 grants from the Sustainable Arts Foundation.
- Victor Medina (video technician, BCPS-TV) earned a bronze prize from the 41st Annual Telly Awards in the category of General – Educational Institution for Television for “Trashy Fashion Show at Sparrows Point High School.”

Schools

- Pinewood Elementary was named the 22nd National Blue Ribbon School in BCPS by the U.S. Department of Education, in the category of high achieving school.
- Stemmers Run Middle School became the first Baltimore County public school authorized by the International Baccalaureate as an IB World School for the Middle Years Programme.
- Eastern Technical and Towson high schools were named among the nation's 500 best high schools for STEM (science, technology, engineering, and mathematics) by Newsweek magazine and STEM.org. Six other BCPS high schools appeared on Newsweek's Top 5,000 STEM High Schools list: Catonsville, Dulaney, George Washington Carver Center, Hereford, Pikesville, and Western Tech.
- The International Baccalaureate Organization (IB) authorized Wellwood International School as the first BCPS school to earn IB World School for the Primary Years Programme designation.
- The U.S. Department of Education announced that Wellwood International School is among the 2020 U.S. Department of Education Green Ribbon Schools award honorees.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to BCPS for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2019. This was the twenty-fourth consecutive year that the Board has achieved this prestigious award. In order to be awarded a certificate of achievement, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A certificate of achievement is valid for a period of one year only. We believe that the current CAFR continues to meet the certificate of achievement program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to BCPS for its CAFR for the fiscal year ending June 30, 2019. The Certificate of Excellence in Financial Reporting is the highest form of recognition in school system financial reporting issued by ASBO International. This is the twenty-fourth consecutive year that BCPS has received this award. We believe that the current CAFR continues to meet the certificate of excellence program requirements and are submitting it to ASBO for consideration.

ECONOMIC CONDITION AND OUTLOOK

The County is situated in the geographic center of Maryland, surrounding the City of Baltimore almost entirely. The County is the largest jurisdiction by population in a metropolitan area with more than 2.8 million people. The City of Baltimore and the County are entirely separate political units.

The County has the third largest land area of any political subdivision in the State of Maryland. Within its 612 square miles (plus an additional 28 square miles of water with over 200 miles of shoreline) are situated at least 29 identifiable, unincorporated communities which, as of 2010, ranged in population from approximately 4,300 to 63,000. The County's overall population grew 2.9% from 805,029 in 2010 to 828,431 in 2018. The 2019 population estimate for Baltimore County is 827,370. Today, the County has the third highest population in the State of Maryland.

Healthcare and education, the sectors that generally report job stability and growth despite economic downturns, are well represented in the County by five regional medical centers and five major colleges and universities. BD Diagnostic Systems shares a zip code with one of the largest concentrations of computer game developers on the East Coast. Headquarters for the Social Security Administration and Centers for Medicare and Medicaid Services and a core of IT contractors form the Woodlawn Federal Center, the epicenter of national health care reform implementation. Major operations of T. Rowe Price, Toyota Financial Services, Euler Hermes, Zurich America, Baltimore Life, and Bank of America form a powerful finance-insurance community. Manufacturing holds its place with BD Diagnostics, McCormick, Stanley Black & Decker, Lockheed Martin, AAI Textron, Middle River Aircraft and Coty (formerly Procter & Gamble Beauty).

New Business and Real Estate Activity

The following section highlights a sampling of business and real estate activity in the County from July 2019 to June 2020:

Towson Circle East – Retail Properties of America, the owner of Towson Square is now redeveloping the former Towson Circle building and the site across the street into Towson Circle East. The two projects will be integrated in design and street level amenities. This project is a \$125 million mixed-use development located at the traffic circle at York and Joppa Roads. The project includes 371 mid- and high-rise apartments and over 24,000 square feet of new and refurbished retail space with some underground parking.

Towson Row - This 1.2 million square foot mixed-use development situated at downtown Towson's southern gateway is bounded by York Road, Towson Boulevard, Chesapeake Avenue, and Susquehanna Avenue. When fully developed, this \$350 million project will offer roughly 145,000 square feet of Class A office space, 250 market rate apartments and condominiums, 220 limited service and extended stay hotel rooms, 985 beds for student housing, and roughly 140,000 square feet of commercial space, including shops, restaurants, and a Whole Foods grocery store. The first phase of the student housing portion of the development, which includes the Whole Foods garage, is expected to be completed in 2020.

Towson University/Downtown Towson – Towson University has leased the former Towson Armory and is renovating the space to accommodate a number of programs and offices focused on community engagement and outreach, entrepreneurship, continuing education and workforce development. The University has also purchased 401 Washington Avenue, across the street from the Armory, and will use the 130,000 square foot office building for administrative functions.

Stanley Black & Decker Global Tools & Storage – The company signed a lease for an additional 92,000 square feet in the Greenleigh development in Middle River to accommodate projected employment growth resulting from the two major purchases in the past few years of the Newell Brands’ tool business and the Craftsman line of tools from Sears. Towson will continue to be the headquarters for Stanley Black & Decker’s Global Tools and Storage business. The company currently occupies a total of 525,000 square feet in the Towson area, split between the 31 acre campus they own at 701 E. Joppa Road and several nearby leased properties. They currently employ 1,600 full-time employees and 350 private contractors.

Towson Commons Retail - Affiliates of MFI and Woodmont Properties II are redeveloping 115,000 square feet of retail space along York Road and Pennsylvania Avenue. Existing businesses, including CVS Pharmacy, Chipotle, Hair Cuttery, Blaze Pizza, Brown Rice, New Generation Hot Pot, Insomnia Cookies, First National Bank, C&R Pub, and Rosen, Sapperstein & Friedlander have opened, and renovations are underway for others.

Mill Station – The former Owings Mills Mall site has been redeveloped as an outdoor shopping center called Mill Station. This is a 575,000 square foot, \$108 million project anchored by a new 148,000 square foot Costco warehouse store. Other new tenants include Lowe’s Home Improvement, Marshalls, Burlington, Homesense, Five Below and Giant Food.

Metro Centre at Owings Mills – Metro Centre at Owings Mills is a \$1 billion mixed-use, transit oriented special taxing district that is being developed by Owings Mills Transit, LLC. At completion, the project will support more than 1.2 million square feet of commercial office space, 300,000 square feet of complementary retail space and 700 residential units and a full service 225 room hotel amenity. The project adjoins the Owings Mills Metro stop and two commuter parking garages with a total of 5,277 spaces. The project includes a County library, community college branch, and two five story upscale buildings with 232 apartments that are over 90% leased and ground floor retail and restaurant space. Construction is almost complete on a new seven story apartment building, which will bring the total number of apartments at Metro Centre to 350. The 114 Class A unit building called The Met at Metro Centre is complete and has begun leasing. A fourth apartment building, “The Willard,” with 237 Class A units, is in the design phase. A new ten story, 225 room full service Marriott International hotel with conference facilities and a 1,000 seat ballroom is under construction and expected to open in 2021. The project represents a \$70 million investment.

Foundry Row – This \$140 million mixed-use development in Owings Mills, anchored by a Wegmans grocery store, includes 356,000 square feet of retail space and 48,000 square feet of office space.

Hunt Valley Towne Centre - Towne Centre owner Greenberg Gibbons has announced a \$150 million plan for the expansion of the Town Centre. The plan would include apartments, office space and a hotel in the northwest corner of the property, behind the former Sears building.

Kaiser Foundation Health Plan of the Mid-Atlantic States – This company is investing over \$200 million in a new regional medical hub project in Timonium. The 227,000 square foot facility on five acres will include 25 medical specialties and employ 350 people upon opening with another

150 expected to be added within ten years. Construction is underway and the project is expected to open in 2022.

Point Breeze Credit Union (PBCU) – PBCU is constructing a new two story, 20,000 square foot addition to their current corporate offices at 11104 McCormick Road. The addition will increase its headquarters to 40,000 square feet while consolidating all of the credit union’s administrative functions under one roof.

Aviation Station – In September 2019, local real estate developer Blue Ocean acquired the former Middle River Depot, a two story, 1.92 million square foot facility on over 50 acres in Middle River. Located only hundreds of yards from the Middle River MARC train station, the developer hopes to acquire Transit Oriented Development status from MDOT. In addition, Aviation Station was awarded the highest allocation of state historic tax credits available. The proposed mixed-use development includes a family-friendly focus with athletic playing fields, retail, office and light manufacturing spaces, and parking for hundreds of vehicles. The development is expected to create hundreds of new jobs.

Greenleigh at Crossroads – Greenleigh at Crossroads broke ground in May 2016 on a \$750 million mixed-use community of offices, shops, apartments, single-family homes, and a hotel. The project will occupy 250 acres of the 1,000 acre Baltimore Crossroads and is expected to build out over 10 to 15 years.

MedStar Franklin Square Hospital – Work has begun on the MedStar Franklin Square Medical Center \$70 million project to replace old surgical facilities with a new two story 75,000 square foot building and 14 operating rooms on the hospital's Rosedale campus. About \$40 million for the project will come from tax exempt debt financing, \$10 million will come from hospital operations, and the other \$20 million will come from several private and public investments.

Social Security Administration (SSA) – Social Security headquarters in Woodlawn announced that they will receive a \$150 million Congressional Appropriation for major renovations of their main administrative building. SSA employs approximately 11,000 at this site and this significant investment ensures that Baltimore County remains home to the Social Security Administration for decades to come.

Industrial Redevelopment

Sparrows Point/Dundalk

Tradepoint Atlantic (TPA) acquired the 3,250 acre former steel production facility at Sparrows Point. In May 2017, Maryland's Public Service Commission (PSC) approved two development companies, U.S. Wind Inc. and Skipjack Offshore Wind LLC, to build offshore wind projects off the coast of Ocean City, Maryland. As part of its project approval order, the PSC set certain conditions for the developers, including the use of port facilities in Greater Baltimore and Ocean City, and collectively invest at least \$39.6 million to support port upgrades at Tradepoint Atlantic and \$76 million in a steel fabrication plant in Maryland. In July 2019, Tradepoint Atlantic announced a landmark agreement with Orsted U.S Offshore Wind to develop Maryland’s first state-of-the-art offshore wind energy staging area and facility, a major milestone in the development of Orsted’s Skipjack offshore wind farm 19.5 miles off Maryland’s coast, and in the

expansion of the offshore wind energy workforce in Baltimore County and Maryland. The agreement is part of Orsted's \$13.2 million commitment to invest at Tradepoint Atlantic. Tradepoint Atlantic purchased Sparrows Point Shipyard in the summer of 2018 for \$33.5 million to expand maritime operations. The property will be redeveloped for industrial use; recent activities include:

Amazon at Tradepoint Atlantic - Amazon will open its fourth fulfillment center in Maryland, and second at Tradepoint Atlantic, creating more than 500 new full-time jobs and hundreds of local construction jobs. The more than one million square foot facility adds to Amazon's presence at Tradepoint where the company currently operates an 855,000 square foot robotics fulfillment center with more than 2,000 full-time employees. When completed, the center will allow Amazon employees to pick, pack and ship larger consumer items, such as bulk paper goods, sports equipment, patio furniture and larger home goods and electronics. The facility, which will house innovative Amazon technologies and energy efficient zero emission power industrialized truck (PIT) equipment, is expected to launch in time for the 2020 holiday shopping season.

The Shoppes at Tradepoint Atlantic - The Shoppes at Tradepoint Atlantic is a planned retail development comprising more than 70 acres of Tradepoint Atlantic. The first tenant, Royal Farms Development, has signed a long-term lease that includes retail gas and diesel fueling, a convenience store, and car wash.

Technology Locations

bwtech@UMBC

The [bwtech@UMBC](#) Research & Technology Park (the "Park") is a 71-acre community engaged in research, entrepreneurship, and economic development. The Park contains eight buildings, including multi- and single-tenant buildings and three incubators. Over 40 cyber security companies currently reside and do business in the Park. The Park is adjacent to the main UMBC campus with direct access to the innovative research and amenities of a major university.

The Park includes 133 tenants and 1,500 employees, including mature, emerging and incubator companies. The [bwtech@UMBC](#) companies have access to UMBC campus amenities and enjoy the strategic location only minutes away from BWI Thurgood Marshall Airport, downtown Baltimore, and the federal agencies located in the Washington, D.C. corridor. The location, coupled with the opportunity to collaborate with the talented students and faculty of UMBC's nationally recognized science and engineering programs, makes [bwtech@UMBC](#) an ideal location for technology, bioscience and research organizations at all stages of development.

Bwtech@UMBC recently announced the establishment of a new internal cybersecurity center called iCyberCenter. The iCyberCenter will provide an executive training session, a 12-month incubator program, and other support to companies from the United Kingdom and other nations to help them establish a foothold in the U.S. market. The new iCyberCenter connects to mentors, thought-leaders, potential customers, investors and partners while being part of an unparalleled cybersecurity ecosystem.

UMBC was designated as a RISE Zone institution by the State of Maryland. This designation provides income tax credits to incubator companies for each new job created. UMBC has significant resources and expertise in the areas of economic development and community relations that it expects to apply to these goals.

Virtually all the Park's 525,000 square feet are leased, and the Park generated nearly \$500 million in income and business sales. These figures speak to UMBC's economic development ability.

Enterprise Zones

An enterprise zone is a tool the State of Maryland offers to local jurisdictions for promoting economic development in certain qualifying areas. The County has three Enterprise Zones - the Chesapeake Zone (formerly known as the North Point Zone), located along the industrial North Point corridor in eastern Baltimore County; the Southwest Zone, located in the Washington Boulevard/Hollins Ferry Road industrial corridor; and the Federal Center at Woodlawn Zone. These three areas contain over 10,000 acres of industrial and office-zoned land, and over 700 businesses. In addition, approximately 3,700 new jobs have been created.

The program offers two primary benefits to businesses in the designated zone that make new investments or hire new employees:

1. *Property Tax Credits.* The local jurisdiction provides an annual property tax credit that is phased out over a ten year period. For the first five years, the credit is equal to 80% of the increase in property tax resulting from the new investment in real property. In the subsequent five years, the credit decreases 10% annually until it is phased out entirely in the eleventh year.
2. *Income Tax Credits.* For each new, fulltime job created in an enterprise zone, the State grants a \$1,000, onetime State income tax credit to the employer. If a worker who is certified as economically disadvantaged fills the new job, the credit can total as much as \$6,000 over three years.

The local property tax credit is applied only to the increased tax liability resulting from the new investment. Therefore, the County experiences no loss in property tax revenue as a result of the program; it simply foregoes a portion of the increase in property tax revenue that results from the new investment. Additionally, the State of Maryland reimburses the County for 50% of the property tax credits to businesses.

Opportunity Zones

The 2017 Tax Cuts and Jobs Act permits the designation of distressed communities as Opportunity Zones, a federal incentive which allows private investors to defer paying taxes on capital gains invested in an Opportunity Zone fund. There are ten census tracts in Baltimore County designated as Opportunity Zones - UMBC/Spring Grove, Woodlawn, Owings Mills, Middle River, Essex, and Southern Dundalk.

Economic Development Financing Assistance

In FY 2020 the County approved financial assistance to four businesses from the County's Revolving Financing Fund totaling \$295,000. Additionally, during FY 2020 the County approved four loans totaling \$645,000 from the County's Boost loan program. The Boost Fund provides flexible financing to assist in the acquisition of business assets, working capital, equipment, owner-occupied commercial real estate, construction of new facilities, and leasehold improvements.

FINANCIAL INFORMATION

Budgeting and Accounting Controls

The Board is totally fiscally dependent on the County, State and federal governments for its funding. The Board has no authority to levy taxes. The minimum amount of funding provided to the Board by the County and State governments is mandated by state law and follow formulas commonly referred to as 'Maintenance of Effort'. The Maintenance of Effort laws guarantee funding per student comparable to the prior year's funding and can be supplemented by additional funding. Revenue and expenditures are forecasted based on the past ten years and the most current information available about the next four years. Funding should continue to grow as enrollment is projected to continue growing.

The Board prepares an annual budget for both the general and special revenue funds. These budgets are submitted to the county government for approval 120 days prior to the end of the current fiscal year. The Baltimore County Council adopts the budget by June each year. The general fund budget is adopted by categories (e.g., administration, instructional salaries, and special education) prescribed in Maryland State law. Transfers between categories during the year also require Baltimore County Council approval. The special revenue fund budget is adopted at the fund level.

BCPS maintains a system of budgeting and accounting controls designed to assist management in meeting its responsibilities for reporting reliable financial information. The system is designed to provide reasonable assurance that assets are safeguarded, and transactions are executed and recorded with management's authorization. Internal control systems are subject to inherent limitations with regard to the necessity of balancing costs against the benefits produced. Management believes that the existing system of budgeting and accounting controls provides reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period. During the year, interim financial reports are available to the Board and school system administrators. Account managers are responsible for assuring that planned expenditures are within remaining appropriation balances delineated by category, object of expenditure, and in some cases, by location.

OTHER INFORMATION

Independent Audit

The financial statements for fiscal year 2020 have been audited by CliftonLarsonAllen LLP in accordance with Section 5-109 of the public school laws of Maryland. The independent auditor's report is included in the financial section of this report.

General Information

The statistical section of this report provides the reader with supplemental information, including entity-wide and governmental funds expenditures and revenues on a multi-year basis. Enrollment tables and miscellaneous statistics are also included in this section.

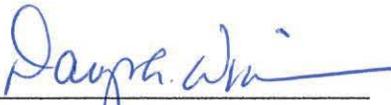
Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Fiscal Services and CliftonLarsonAllen LLP. The Department of Fiscal Services would like to express appreciation to all other departments and individuals who assisted in the timely closing of the BCPS financial records and the preparation of this report.

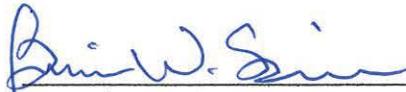
Conclusion

This report has been prepared to provide financial information for fiscal year 2020, which ended June 30, 2020, in a manner consistent with the goals and objectives of the Board of Education of Baltimore County. Should you have any questions about the financial details, needs, or plans for BCPS, please do not hesitate to call or write.

Sincerely,



Darryl L. Williams, Ed.D.
Superintendent



Dr. Brian Scriven
Chief Administrative and Operations Officer
Division of Business Services



George L. Sarris
Executive Director
Department of Fiscal Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Baltimore County Public Schools
Maryland**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Baltimore County Public Schools

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink that reads 'Claire Hertz'. The signature is written in a cursive style.

**Claire Hertz, SFO
President**

A handwritten signature in black ink that reads 'David J. Lewis'. The signature is written in a cursive style.

**David J. Lewis
Executive Director**



Nya Cameron

Perry Hall High

Grade 11



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Members of the
Board of Education of Baltimore County
Towson, Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of Baltimore County, Maryland (the Board), a component unit of Baltimore County, Maryland as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the component unit governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 24 through 40, and the other required supplementary information, as listed in the table of contents on pages 91 through 97 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The introductory section, the Statement of Changes in Assets and Liabilities – School Activity Fund and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Statement of Changes in Assets and Liabilities – School Activity Fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Statement of Changes in Assets and Liabilities – School Activity Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Members of the
Board of Education of Baltimore County

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2020 on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Baltimore, Maryland
September 29, 2020

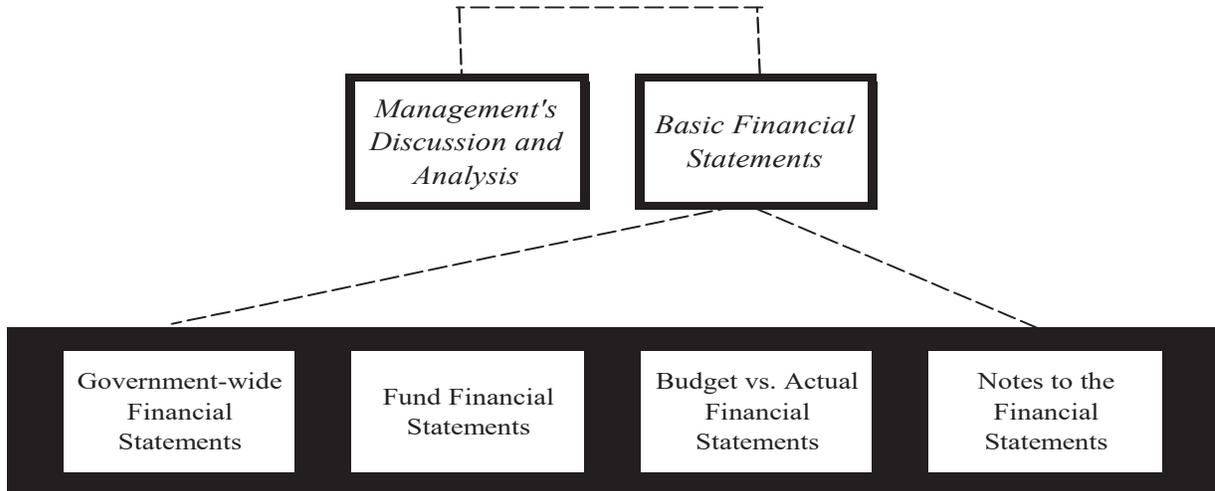
Board of Education of Baltimore County Management's Discussion and Analysis

As management of the Baltimore County Public Schools, we offer the readers of the Board of Education of Baltimore County's (the Board) financial statements this narrative overview and analysis of the financial activities of the Board for the fiscal year ended June 30, 2020. The Management's Discussion and Analysis, financial statements, and related notes are the responsibility of management. We encourage readers to consider the information presented here in conjunction with the Board's basic financial statements which follow.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. The Board's basic financial statements include four components: 1) government-wide financial statements, 2) fund financial statements, 3) budget and actual financial statements, and 4) notes to the financial statements.

Required Components of the Board's Annual Financial Report



BASIC FINANCIAL STATEMENTS

The basic financial statements include three kinds of financial statements that present different views of the Board – the *Government-wide Financial Statements* (pages 42 and 43), the *Fund Financial Statements* (pages 44, 46, 50-52, and 53), and the *Budget & Actual Financial Statements* (pages 48 and 49). These financial statements also include the *Notes to the Basic Financial Statements* (pages 54-89) that explain some of the information in the financial statements and provide more detail.

Government-wide Financial Statements

The Board's *Government-wide Financial Statements* provide a broad view of the Board's operations in a manner similar to a private sector business enterprise. The statements provide both short-term and long-term information about the Board's financial position, which assists in assessing the Board's economic condition at year end. They are prepared using the economic resources focus and full accrual basis of accounting. These methods are like those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if the cash has not been received. The Government-wide Financial Statements include two statements:

The *Statement of Net Position* presents all of the Board's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported as "net position." The statement combines and consolidates all of the Board's components of assets and deferred outflows, and liabilities and deferred inflows, distinguishing between governmental and business-type activities. The end result is net position segregated into three components, net investment in capital assets, restricted, and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

The *Statement of Activities* presents information showing how the Board'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 not result in cash flows until future fiscal periods (such as earned, but unused, vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the Board. The majority of the Board's revenue is unrestricted general revenue - grants and contributions from other governments.

Both of the above statements include separate sections to distinguish between those functions that are supported primarily by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant part of their costs through fees and charges (*business-type activities*).

The governmental activities of the Board include Administration, Mid-level Administration, Instruction, Special Education, Student Personnel Services, Health Services, Student Transportation, Operation of Plant, Maintenance of Plant, Food Services, Community Services, and Capital Administration. These activities are mostly supported by county and state appropriations mandated in accordance with state law, and state and federal grants.

The Board's only business-type activity is the food service operation, which serves breakfast and lunch in all Baltimore County Public Schools. The food service operation is primarily supported by charges for meals, donated federal food commodities, and reimbursements from government sponsored food programs.

The government-wide financial statements can be found immediately following *Management's Discussion and Analysis*.

Fund Financial Statements

The fund financial statements focus on major funds and on individual parts of the Board's operations. All of the funds of the Board can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds, each of which use different accounting approaches and should be interpreted differently. The three categories are as follows:

Governmental Funds Financial Statements – Most of the basic services provided by the Board are accounted for in the governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on balances of spendable resources at the end of the fiscal year. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds in reconciliations found on pages 45 and 47.

The basic governmental fund financial statements can be found on pages 44 and 46 of this report.

Proprietary Funds Financial Statements – The Board maintains two different types of proprietary funds. An enterprise fund is used to report the function presented as a business-type activity in the government-wide financial statements. The enterprise fund operates more like those of a commercial enterprise, charging fees for services that are provided to outside customers. The enterprise fund provides the same type of information as the government-wide financial statements, only in more detail. The Board has one enterprise

fund, the Food Service Fund, which is considered a major fund for presentation purposes. The Food Service Fund operates all the school cafeterias and provides breakfast and lunch to students and staff. An internal service fund is an accounting device used to accumulate and allocate costs internally among various functions. The Board maintains one internal service fund, the Workers' Compensation Fund, which is used to account for the self-insured workers' compensation program. All claims are paid from the fund, and participating governmental funds are charged for their share of the expenses. Because the plan predominantly benefits the governmental rather than business-type functions, it has been included within the governmental activities in the entity-wide statements.

Like the government-wide financial statements, proprietary fund financial statements use the full accrual basis of accounting and the economic resources measurement focus. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

The basic proprietary fund financial statements can be found immediately following the governmental fund financial statements on pages 50-52 of this report.

Fiduciary Fund Financial Statements – The fiduciary funds are used to account for resources held for the benefit of parties outside the Board. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support the Board's own programs. Accordingly, there is no analysis of the Board's fiduciary funds included in this Management's Discussion and Analysis. The accounting used for fiduciary funds is much like that used for proprietary funds – the accrual basis of accounting.

The Board's only fiduciary fund is the School Activities Fund. The School Activities Funds are primarily raised by students for their benefit and are held in an agency capacity by the Board.

The basic fiduciary fund financial statement, the Statement of Fiduciary Net Position, can be found immediately following the proprietary funds financial statements on page 53 of this report.

Budget and Actual Financial Statements

A Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Basis) is presented for the General Fund and Special Revenue Fund – both of which have legally adopted annual budgets. These statements show both original and final adopted budgets, along with actual revenues and expenditures compared to the final budget. In these statements, open encumbrances are treated as expenditures. The Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual can be found immediately following the basic governmental fund financial statements on pages 48 and 49.

FINANCIAL HIGHLIGHTS AND ANALYSIS

GOVERNMENT-WIDE HIGHLIGHTS

The Board is a component unit of Baltimore County, Maryland, and is fiscally dependent on the Baltimore County Government and State of Maryland to appropriate funding for the Board. The Board receives 49% of its governmental activities funding from the county, and 46% from the state. Additionally, the Board receives federal entitlement grants and competitive grants from the state and federal governments. Essentially all of the Board's funding for governmental activities is derived from these sources. The Board has no authority to levy taxes or issue bonded debt. Accordingly, the financial condition of the Board is directly related to the financial condition of the funding authorities – the county and state. Any appropriated funds that are unspent at the end of a fiscal year must be re-appropriated by the county government in a subsequent fiscal year before they can be spent. Key financial highlights are as follows:

- The Board's net position at the end of the fiscal year total \$758 million, substantially all of which is net investment in capital assets.
- Governmental activities net position decreased \$166.5 million during the year. The decrease is primarily attributable to the increase in the Other Post-Employment Benefits (OPEB) liability of \$796 million. This was offset somewhat by an increase in Deferred Outflows related to OPEB and pensions of \$570 million, and an increase in capital assets of \$35 million. Capital construction projects are funded by the county and state governments. The county government issues debt to finance school construction; however, it is debt of the county government, and therefore is not reported in the Board's financial statements.
- Governmental activities general revenues account for \$1.6 billion, 83% of governmental activities revenues and 81% of total government-wide revenues. Governmental activities program revenues in the form of charges for services, operating and capital grants, accounted for \$323 million or 17% of all governmental activities revenues.
- Business-type activities net position is \$30.5 million as of the end of the fiscal year, decreased by \$3.0 million during the year. This decrease was primarily a result of the closure of schools due to the pandemic which resulted in a reduction in revenues. A transfer of approximately \$0.8 million of capital assets from governmental activities accounted for a minor change in this decrease.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the Board, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$758 million at the close of the fiscal year.

The most significant portion of the Board's net position reflects its net investment in capital assets (land, buildings, vehicles, and equipment). Due to the deficit unrestricted net position, the Board's net investment in capital assets represents 260 % of the total net position. The Board uses these assets in providing an education to the students of Baltimore County Public Schools. Consequently, these assets are not liquid, nor available for future spending or liquidation of any liabilities. Any school buildings that are no longer used by the Board are returned to the county government, since the county is the primary funding source for school construction. Because the Board has no authority to issue bonded debt, the only debt outstanding related to capital assets are capital leases for energy saving building improvements and the purchase of vehicles (primarily school buses). The county and state government may issue debt to finance school construction; however, it is not debt of the Board, and is not reported in these financial statements. Consequently, school buildings and construction in progress related to school buildings appear in the Board's Statement of Net Position, while any related outstanding debt issued by the county or state government does not.

The schedule below presents the net position of the Board's governmental and business-type activities as of June 30, 2020 and 2019:

The Board of Education of Baltimore County's Net Position (in thousands)

	Governmental Activities		Business-type Activity		Total	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 202,902	\$ 167,722	\$ 22,341	\$ 23,229	\$ 225,243	\$ 190,951
Capital assets	2,006,420	1,971,463	11,452	12,081	2,017,872	1,983,544
Total assets	2,209,322	2,139,185	33,793	35,310	2,243,115	2,174,495
Deferred outflows of resources	958,130	387,958	-	-	958,130	387,958
Current liabilities	96,029	84,214	2,794	1,335	98,823	85,549
Long-term liabilities	2,328,731	1,520,101	456	390	2,329,187	1,520,491
Total liabilities	2,424,760	1,604,315	3,250	1,725	2,428,010	1,606,040
Deferred inflows of resources	15,168	28,785	-	-	15,168	28,785
Net position:						
Net investment in capital assets	1,895,954	1,857,095	11,452	12,081	1,907,406	1,869,176
Restricted	10,565	11,113	-	-	10,565	11,113
Unrestricted (deficit)	(1,178,995)	(974,165)	19,091	21,504	(1,159,904)	(952,661)
Total net position	\$ 727,524	\$ 894,043	\$ 30,543	\$ 33,585	\$ 758,067	\$ 927,628

A small portion of the Board's net position (1.4%) represents resources that are subject to external restrictions on how they may be used. The governmental activities restricted net position results from funds restricted for special education and health related services as mandated by the Maryland State Department of Education.

Change in Net Position

The Board's net position decreased \$170 million. This is primarily because of the increase in the OPEB liability net of related deferred outflows and inflows of \$582 million and related OPEB expenses of \$214 million.

The Board receives intergovernmental capital grants and contributions (revenue) for school construction projects yet has no corresponding liabilities. Additionally, most of the capital grants and contributions are capitalized as capital assets. Accordingly, there is little current expense (i.e., depreciation) associated with this revenue. Also, since the Board is fiscally dependent on the county, state, and federal governments, operating expenses closely match revenue, with the exception of timing differences in relation to when an expense is recognized. The funding government(s) appropriate funds to the Board, which it spends to accomplish its goal of providing education to the children of Baltimore County Public Schools. Any unspent funds are returned to the funding authorities and can be re-appropriated in subsequent fiscal years.

The difference between the current year and prior year change in net position was a decrease of \$60 million. Governmental Activities change in net position decreased by \$56 million, while the change in business-type activities was an increase of \$4 million. Program expenses for governmental activities increased \$188 million; while the corresponding program revenue increased by \$39 million, which was related to increases in Operating and Capital grants and contributions. General revenues from the county grew by \$35 million, and state general revenues grew by \$59 million. During fiscal year 2020, \$129 million of capital grants revenue was received and spent on school construction and renovation projects. This was an increase of \$17 million from the prior year amount. The current year saw an increase in spending on new and replacement schools. The Board has undertaken a significant systemic phased school renovation and modernization program over the last few years. Renovation work continues on several of the high schools and will continue for several years. Work continued on several new and replacement schools and additions to expand school capacity. Accordingly, expenditures on capital construction projects were \$129 million in fiscal year 2020, \$112 million, \$229 million, \$192 million, and \$163 million in fiscal years 2019, 2018, 2017, and 2016, respectively. Those expenditures capitalized as assets exceeded current year depreciation by approximately \$43 million.

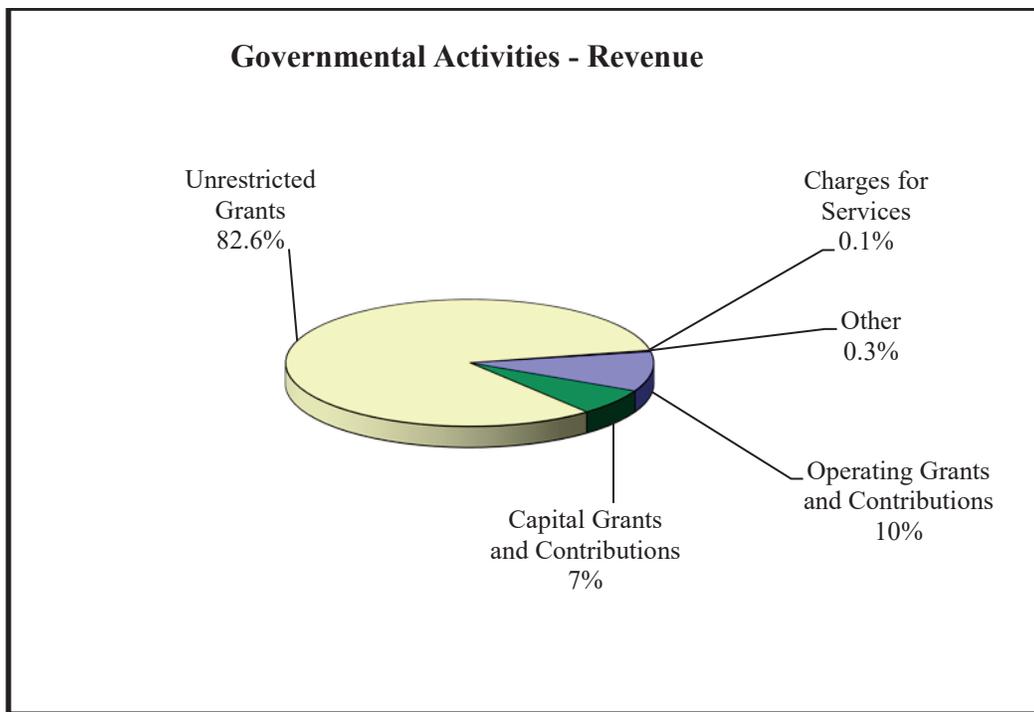
The schedule below shows the change in net position for the Board's governmental and business-type activities for the current and prior years.

**The Board of Education of Baltimore County's
Changes in Net position (in thousands)**

	Governmental Activities		Business-type Activity		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 228	\$ 178	\$ 8,807	\$ 12,707,000	\$ 9,035	\$ 12,885
Operating grants and contributions	193,276	170,988	32,644	37,533	225,920	208,521
Capital grants and contributions	129,228	112,470	-	-	129,228	112,470
General revenues:						
Grants and contributions not restricted to certain programs	1,584,341	1,491,209	-	-	1,584,341	1,491,209
Other	7,233	8,555	-	-	7,233	8,555
Total revenues	<u>1,914,306</u>	<u>1,783,400</u>	<u>41,451</u>	<u>50,240</u>	<u>1,955,757</u>	<u>1,833,640</u>
Expenses:						
Administration	83,755	74,608	-	-	83,755	74,608
Mid-level administration	167,491	152,790	-	-	167,491	152,790
Instruction	1,126,208	1,029,595	-	-	1,126,208	1,029,595
Special education	345,016	307,237	-	-	345,016	307,237
Student personnel services	24,774	22,077	-	-	24,774	22,077
Health services	28,664	25,907	-	-	28,664	25,907
Student transportation	94,912	94,003	-	-	94,912	94,003
Operation of plant	129,991	117,569	-	-	129,991	117,569
Maintenance of plant	49,513	45,754	-	-	49,513	45,754
Community services	386	664	-	-	386	664
Capital administration	20,633	18,714	-	-	20,633	18,714
Interest on long-term debt	4,207	3,076	-	-	4,207	3,076
Food services	4,496	-	45,272	50,709	49,768	50,709
Total expenses	<u>2,080,046</u>	<u>1,891,994</u>	<u>45,272</u>	<u>50,709</u>	<u>2,125,318</u>	<u>1,942,703</u>
Increase in net position before transfers	(165,740)	(108,594)	(3,821)	(469)	(169,561)	(109,063)
Transfers	(779)	(1,958)	779	1,958	-	-
Change in net position	(166,519)	(110,552)	(3,042)	1,489	(169,561)	(109,063)
Net position, beginning of year	894,043	1,004,595	33,585	32,096	927,628	1,036,691
Net position, end of year	<u>\$ 727,524</u>	<u>\$ 894,043</u>	<u>\$ 30,543</u>	<u>\$ 33,585</u>	<u>\$ 758,067</u>	<u>\$ 927,628</u>

Governmental Activities

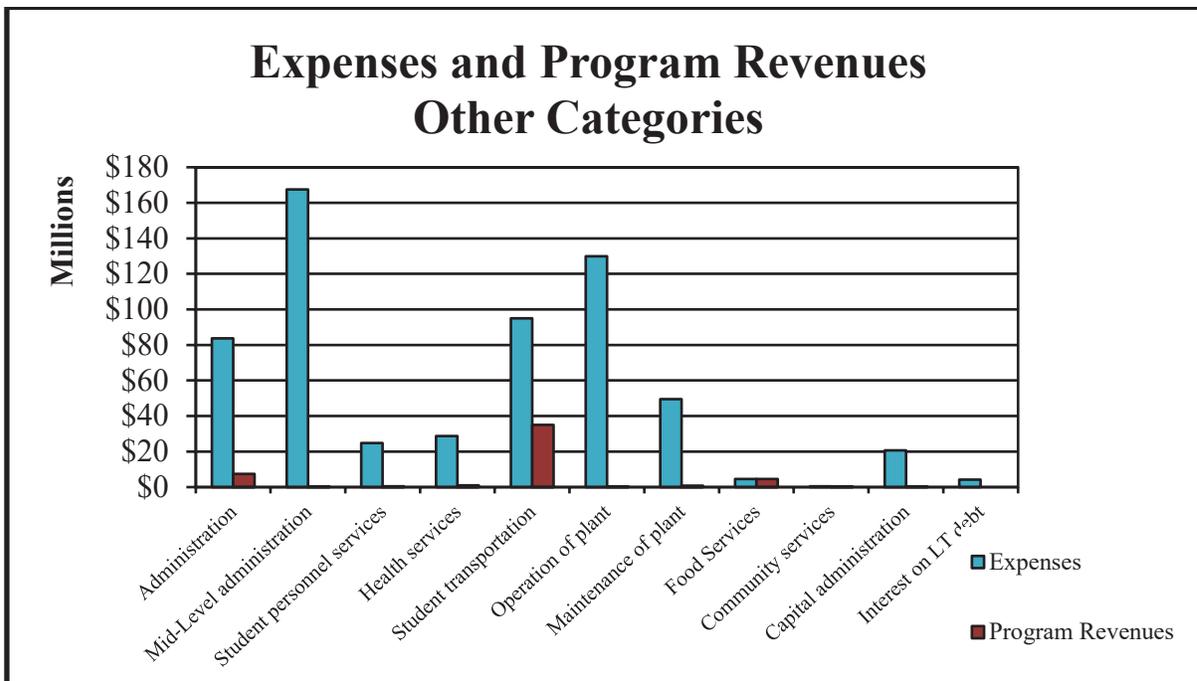
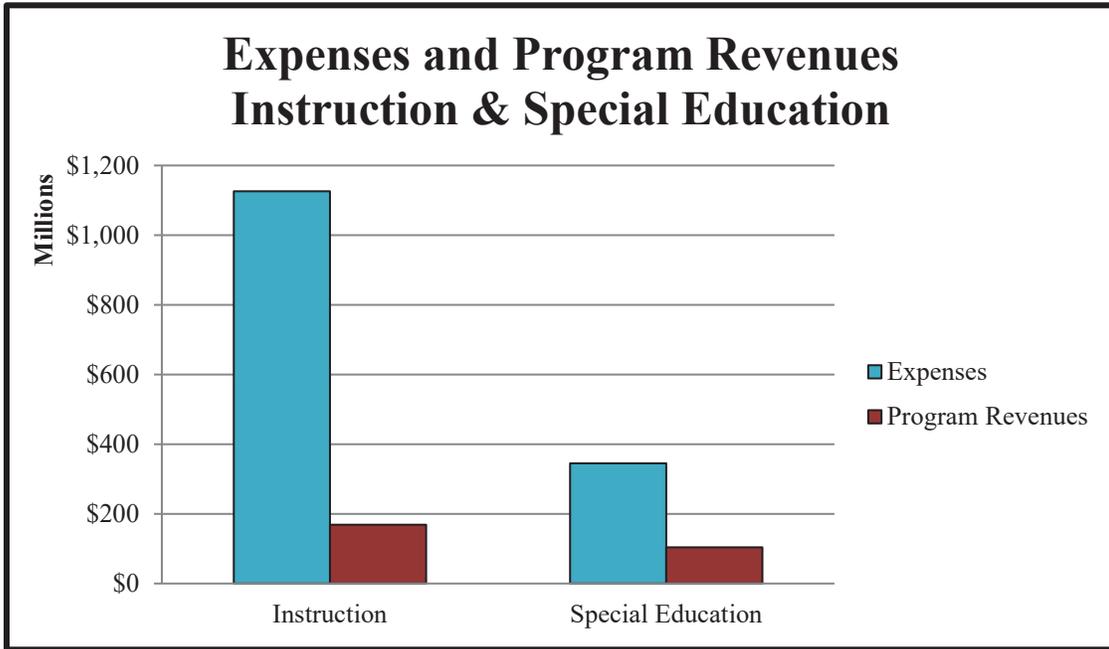
Governmental activities account for essentially all of the decrease in net position of the Board. General revenues from the county and the state increased by \$93.1 million during the current year. General revenues from the federal government and other sources declined by \$1.3 million. Program revenues from the county for capital projects increased by \$5.4 million, while program revenue from the state for capital projects increased by \$11.3 million. Program revenue from the federal government grew by \$6 million. Corresponding program expenses increased by 10% (\$188 million). Much of this increase in expense is from the impact of the OPEB plan which includes an increase in OPEB plan expenses of \$79 million. The remainder of the increase in program expenses is closely matched by increases in program revenue because of the funding model described previously. The chart below presents the Board's governmental activities revenue for the fiscal year ending June 30, 2020.



Governmental activities revenue increased overall \$131 million from fiscal year 2019 to fiscal year 2020. The most significant changes were the increase in county and state general revenues of \$35 million and \$58 million respectively. County and state operating grants and capital grants also increased by \$22 million and \$17 million respectively.

The graphs below represent the cost of each of the Board’s instructional programs, as well as the program revenues (primarily intergovernmental aid) generated by each activity.

Governmental Activities



The following shows the cost of the Board's major governmental activities, their cost as a percentage of total governmental activities expenditures and, the corresponding program and general revenues:

- The cost of all the Board's educational programs was \$2.08 billion.
- Instructional and special education programs was \$1.47 billion (84%).
- School based and other instructional administration was \$167 million (8%).
- General administration cost was \$84 million (4%).
- Operation and maintenance of plant accounted for \$180 million (9%).
- Student transportation cost was \$95 million (5%).
- Revenue from charges for services was less than 0.1% of total expenses.
- Total program revenues were \$323 million – 15.5% of total expenses.
- Capital grants and contributions was \$129 million - 40% of total program revenues.
- Total general revenues were \$1.6 billion - 77% of total expenses.

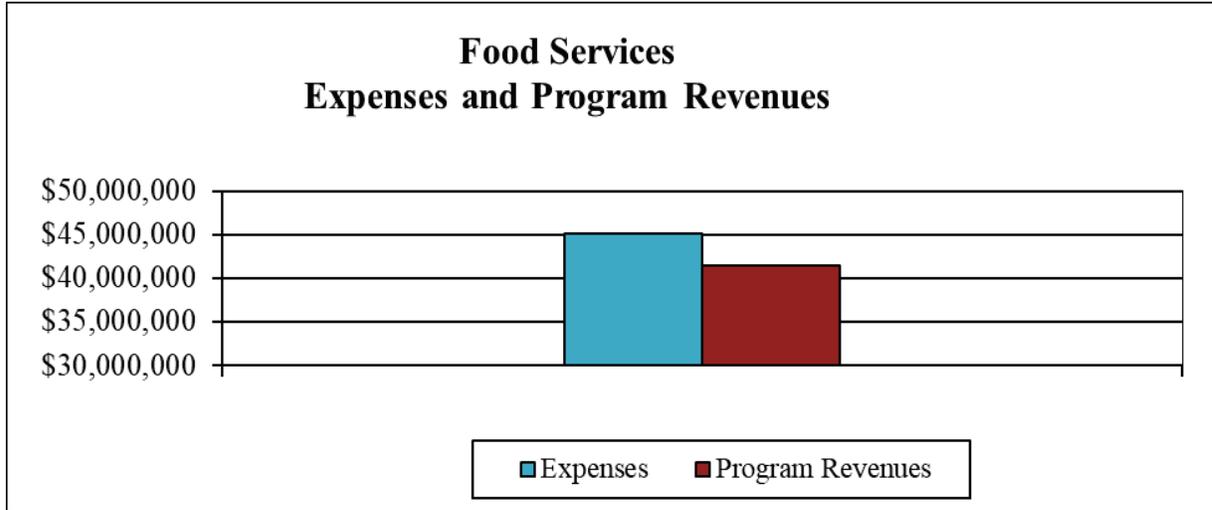
Business-type Activities

The Board's only business-type activity is the food service operation that serves meals to students and staff in schools. In fiscal year 2020, the COVID-19 pandemic presented significant disruptions and challenges in services provided by the Office of Food and Nutrition Services (OFNS). As a result, "regular" meal services were suspended after March 13, 2020. When these regular meal services ended, OFNS, pivoted to a "Mobile Meals" emergency feeding program through the end of the fiscal year. In this program, bags of meals were prepared using shelf-stable food and were distributed at identified sites from which families could obtain meals for an entire day. These emergency services were provided under the Summer & At-Risk programs of the Federal government and not under the National School Lunch and Breakfast Programs. The shift in strategy precipitated a decrease in total revenues by approximately \$3.9 million (-17.6%) from fiscal year 2019 to fiscal year 2020.

As noted, as a result of the pandemic closure of schools, participation in the lunch program decreased by 2.7 million meals (31.0%) and participation in the breakfast program decreased by 1.7 million meals (28.5%) when compared to the prior year. There were fifty-eight less regular serving days in fiscal year 2020 when compared with the regular serving days in fiscal year 2019.

An increase in the federal reimbursement rates helped bolster revenue. In addition, despite an increase in salaries, wages and benefits, total expenses fell from fiscal year 2019 to fiscal year 2020 by \$5.4 million (11.0%). This change was primarily due to a decrease in the cost of food (\$3.6 million), decrease in salaries (\$1.0 million), and decreases in supplies and other costs (\$1.0 million). A net loss of \$3.8 million, coupled with \$0.8 million in capital contribution resulted in a decrease in net position of \$3.0 million.

Business-type Activity



Key indicators of the change in net position of the business-type activity follow:

- The contributed capital assets from the capital projects fund for equipment total \$0.7 million.
- Operating expenses total \$45.3 million, the largest portion being salaries, wages, and benefits of \$23.5 million and cost of food sold of \$17.3 million.
- Charges for services total \$8.8 million.
- Federal and state reimbursement of food costs and donated federal food commodities total \$32.4 million.

FUND HIGHLIGHTS

Governmental Funds

The assets of the Board's governmental funds exceeded liabilities at the end of the current fiscal year by \$99 million (*fund balance*). Total governmental revenues increased from last fiscal year by \$111 million. This change includes \$40 million more from the county, \$66 million more from the state, and \$6 million more from the federal government. The general fund revenue from the county increased by \$35 million and capital funding from the county grew by \$5 million. Similarly, state general funding grew by \$53 million, state capital projects funding grew by \$11 million, and state special revenue funding grew by \$2 million. The increase in federal funds was due to \$6 million more in restricted grant revenues.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds – Fund Balances

The focus of the Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Board's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$99.3 million, an increase of \$21.7 million.

The general fund is the primary operating fund of the Board. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$16.4 million while the total fund balance was \$89 million. The total general fund balance represents 5.3% of total general fund expenditures. These are typically useful as a measure of the general fund's liquidity. However, it is important to note that the Board is fiscally dependent on grants and appropriations from the county, state, and federal governments for its operating resources, as the Board has no authority to levy taxes or issue bonded debt.

During the fiscal year, the fund balance of the Board's general fund increased by \$22.2 million. This is due to general fund revenue exceeding expenditures by \$13.8 million, which was supplemented by capital lease issuances of \$8.4 million.

The fund balance of the special revenue fund decreased slightly by \$0.5 million during the current fiscal year due to Medicaid reimbursement expenditures exceeding revenues.

Capital projects fund revenues and expenditures grew by approximately \$16.8 million due to a number of school renovation projects, several school replacement and addition projects, and school air conditioning projects. Most of the increase resulted in an increase in state revenue (\$11.2 million), the remaining increase was in county revenue of (\$5.4 million).

Proprietary Funds

The Board's proprietary funds include the Food Services Fund and the Workers' Compensation Internal Service Fund. The enterprise fund provides the same type of information found in the government-wide financial statements, but in more detail. The internal service fund includes inter-fund revenues from charges to participating funds and expenses for claims and administrative costs of operating the workers' compensation plan.

During the current fiscal year, the net position of the Food Services Fund decreased by \$3.0 million. Much of this was due to the closure of schools in mid-March due to the COVID-19 pandemic. Operating revenues decreased by \$3.9 million or 31%. Federal reimbursements and donated commodities of food service costs and federal donated commodities decreased by \$5.1 million or 14%. State reimbursements increased by \$0.4 million or 23.5%, due to the Maryland Cares for Kids Act, which increased funding of reduced-price eligible meals. Operating expenses decreased by \$5.4 million or 11% primarily due to a decrease in the cost

of food of \$3.6 million or 17% and decrease in salaries and benefits of \$1.0 million. Other cost savings include decreases in the cost of supplies, maintenance and repair of equipment and other expenses for a combined total of \$1 million. After a capital contribution of \$0.7 million, the Food Services Fund incurred a net loss of \$3.0 million in fiscal year 2020.

In fiscal year 2014, the Board assumed responsibility from the county government for operating the self-insured workers compensation plan. This included the transfer from the county of the liability for all outstanding claims pertaining to Board employees. During fiscal year 2020, the Workers' Compensation Fund recognized \$9.4 million in chargeback revenue from other funds. Claims incurred and administrative costs totaled \$6.0 million. This includes a \$1.8 million reduction in the provision for future claims, resulting in an increase in net position of \$3.4 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final general fund budget was unchanged from the original adopted budget. During the year, transfers of appropriations were made between categories. Estimated excess funds were transferred from the Mid-level Administration, Instructional Salaries, Student Personnel Services, Health Services, Student Transportation, Operation of Plant and Fixed Charges categories, due to savings in salaries, benefits, contracted services, and energy costs. The funds were transferred to the Administration, Instructional Textbooks and Supplies, Other Instructional Costs, Special Education, and Maintenance of Plant, to provide funding for additional instructional materials, technology services, relocatable classrooms, and special education private placement costs.

Actual revenues were greater than budgeted revenues (\$4.2 million) due to higher than expected state grant revenues for the Non-Public Placement Program (\$2.9 million), increases in State Aging Schools revenues (\$0.7 million), Erate reimbursements (\$1.0 million), and greater investment income (\$0.5 million). The increases were offset by lower amount for State Blueprint for Maryland's Future funds of \$1.1 million. This minor variance in total revenue is attributed primarily to the fact that the Board is fiscally dependent on the county and state governments for its funding, and the funding is adopted through the budget process prior to the start of the fiscal year. Once adopted, these appropriated amounts from the county and state rarely change.

Actual expenditures during fiscal year 2020 grew by \$75.4 million (5.0%) over fiscal year 2019. Salaries grew by \$54.8 million (5.9%) due to additional teachers for enrollment growth and regular salary increases. Contracted services decreased by \$7.1 million (5.1%), due primarily to costs reductions related to a reduction of the ratio of computers for students and less expensive devices.

Actual expenditures were \$31.9 million (2.0%) less than the adopted budget. Most of this was attributed to the cost of salaries and related fringe benefits, which were lower than expected due to personnel turnover and vacancies.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Board's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$2.0 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, and construction in progress. The Board has no infrastructure assets (roads, bridges, streets, etc.).

The following schedule shows the Board's governmental and business-type activities capital assets (net of depreciation) by type:

	Governmental Activities		Business-type Activity		Total	
	2020	2019	2020	2019	2020	2018
Land	\$ 32,051	\$ 32,051	\$ -	\$ -	\$ 32,051	\$ 32,051
Buildings	1,612,889	1,564,028	3,647	3,918	1,616,536	1,567,946
Improvements other than buildings	45,908	51,270	-	-	45,908	51,270
Furniture, fixtures, and equipment	55,550	56,243	7,805	8,163	63,355	64,406
Construction in progress	260,022	267,871	-	-	260,022	267,871
Total	\$ 2,006,420	\$ 1,971,463	\$ 11,452	\$ 12,081	\$ 2,017,872	\$ 1,983,544

The total net increase in the Board's capital assets during the year was \$34 million (net increase resulted from \$135 million in additions offset by depreciation and disposals of \$101 million). Major capital additions during the fiscal year ended June 30, 2020, included the following:

- \$9 million for renovations and additions at five schools
- \$109 million for ten replacement schools
- \$3 million for new schools
- \$3 million for roof replacements

At the end of the current year, the Board had outstanding contractual commitments on construction projects totaling more than \$87 million. Additional information on the Board's capital assets can be found in Note 5 on pages 70 - 72 of this report.

Debt Administration

The Board has no authority to issue bonded debt. The county or state may issue debt to finance school construction. The outstanding debt for school construction financing is reported in the financial statements of the issuing government, while the corresponding assets are reported in the Board's financial statements. During the fiscal year ended June 30, 2020, the total debt service costs paid by the county government to finance public school construction were \$62 million.

The debt carried by the Board is in the form of capital lease-purchase financing. This includes short-term financing (5 years) for school buses and other vehicles, and long-term capital leases (20 year) to finance energy saving improvements in numerous schools. Additional details of the Board's debt obligations can be found in Note 8 on pages 75 - 77 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Maryland state law requires the Board to submit its proposed fiscal year budget to the Baltimore County Executive by March 1st of the prior fiscal year. The county executive then submits a proposed budget to the Baltimore County Council, which must adopt a budget by June 1st of the prior fiscal year. Accordingly, the new fiscal year budget is known prior to the end of the current fiscal year.

Maryland state law mandates a certain level of state and county funding for the Board based on formulas that include factors such as student enrollment, prior fiscal year per pupil expenditures, and the wealth of the county. The county is required, in compliance with state maintenance of effort calculations, to provide funding at least equal to the current year student enrollment multiplied by the county's local appropriation on a per pupil basis for the prior fiscal year. The county may also provide funding for one-time items that do not impact the maintenance of effort calculation in future years.

The general fund operating budget for the fiscal year July 1, 2020 – June 30, 2021 was adopted by the county council on May 29, 2020. Due to anticipated county revenue declines as a result of the COVID-19 pandemic, the FY2021 budget request was reduced by the county council by \$20.2 million to the minimum required under the Maintenance of Effort Law. The total general fund operating budget adopted for fiscal year 2021 is \$1.65 billion. The fiscal year 2021 operating budget is \$38.7 million (2.4%) more than the fiscal year 2020 final budget. This increase is attributable to the following:

- The adopted FY2021 budget includes additional state funding of \$27.9 million, an increase of 3.9% over fiscal year 2020 budgeted state revenue. The additional state funds are based on state formula funding driven by increased enrollment and decreasing local wealth factor such as property assessments and net taxable income, which accounts for \$23 million. An additional \$3 million is from an increase in the state portion of special education non-public placement costs, and an increase of \$1.5 million in Blueprint for Maryland's Future funds.
- An increase in county funding of \$9.5 million (1.1%), This is primarily due to the mandated maintenance of effort formula from enrollment increases (\$7.6 million).
- Other revenues increased by \$1.2 million primarily due to an increase in the amount of prior year fund balance being re-appropriated.

The adopted capital projects budget for fiscal year 2021 represents a substantial decrease of \$348 million from \$306 million to \$58 million. The FY2021 state funding includes the following major projects:

- \$16.5 million for the replacement of Chadwick Elementary School
- \$13.5 million for the replacement of Colgate Elementary School
- \$9.3 million for the replacement of Berkshire Elementary School
- \$13.3 million for a new northeast area elementary school

- \$5.3 million for various major maintenance projects

The adopted budget for the special revenue fund (\$89.8 million) is a decrease of approximately \$4.5 million over the prior fiscal year. The decrease is primarily due to expected decreases in various grant and other Special Revenue programs.

The *Every Student Succeeds Act* (ESSA), replaced and updated the No Child Left behind Act of 2015. ESSA took full effect in FY2018 and shifted much of the federal requirements to the states to implement and oversee. Some of the key requirements of ESSA are:

- Accountability plans, goals, and systems
- Identification and intervention in low-performing schools
- Testing in reading and math beginning in third grade and continuing into high school
- Maintaining challenging academic standards
- Continued maintenance of effort requirements for funding

All of these requirements have significant potential cost impacts associated with them. The State passed the Blueprint for Maryland's Future legislation in 2019 which provided additional funding. However, the Blueprint funding is not expected to continue.

The unprecedented COVID-19 pandemic has already impacted funding in FY2021. County funding has generally exceeded Maintenance of Effort (MOE) funding requirements in past years. However, FY2021 is the first time since 2014 that county funding is the minimum MOE level. Certain FY2021 salary increases, and other costs, such as travel and conferences expenses, have not been funded. There is, however, unanticipated federal funds available through the CARES act to address, technology, tutoring, digital curriculum, and other needs to ensure the continuity of learning during the closure of school buildings.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Board of Education of Baltimore County's finances for all those with an interest. The report seeks to demonstrate the Board's accountability for the funds it receives. Questions concerning any of the information contained in this report, or requests for additional information should be addressed to: Executive Director, Department of Fiscal Services, Baltimore County Public Schools, 6901 N. Charles St., Towson, Maryland 21204.



Yogesh Rai

Ridge Ruxton

Grade 12

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2020
(In Thousands)

	Governmental Activities	Business-type Activity	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 124,760	\$ 19,199	\$ 143,959
Accounts receivable, net:			
Baltimore County	27,467	-	27,467
State of Maryland	17,592	1,034	18,626
United States Government	19,005	-	19,005
Other	4,839	4	4,843
Inventories:			
Food and supplies	-	2,104	2,104
Other	300	-	300
Prepaid items	353	-	353
Investments restricted for lease purchases	8,586	-	8,586
Capital assets (net of accumulated depreciation):			
Land	32,051	-	32,051
Buildings	1,612,889	3,647	1,616,536
Improvements other than buildings	45,908	-	45,908
Furniture, fixtures, and equipment	55,550	7,805	63,355
Construction in progress	260,022	-	260,022
Total assets	2,209,322	33,793	2,243,115
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Retirement and OPEB plans	958,130	-	958,130
 <u>LIABILITIES</u>			
Accounts payable	42,274	282	42,556
Retainage payable	7,900	-	7,900
Accrued salaries and withholdings	31,786	1,107	32,893
Other liabilities	2,596	-	2,596
Unearned revenue	2,887	1,405	4,292
Liabilities payable from restricted investments	8,586	-	8,586
Long-term liabilities:			
Due within one year	24,185	204	24,389
Due in more than one year	2,304,546	252	2,304,798
Total liabilities	2,424,760	3,250	2,428,010
 <u>DEFERRED INFLOWS OF RESOURCES</u>			
Retirement and OPEB plans	15,168	-	15,168
 <u>NET POSITION (DEFICIT)</u>			
Net Investment in capital assets	1,895,954	11,452	1,907,406
Restricted for special education services	10,565	-	10,565
Unrestricted (deficit)	(1,178,995)	19,091	(1,159,904)
Total net position	\$ 727,524	\$ 30,543	\$ 758,067

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activity	Totals
Governmental activities:						
Administration	\$ 83,755	\$ 7,266	\$ 85	\$ (76,404)	\$ -	\$ (76,404)
Mid-level administration	167,491	262	-	(167,229)	-	(167,229)
Instruction	1,126,208	39,532	128,733	(957,715)	-	(957,715)
Special education	345,016	103,622	384	(241,010)	-	(241,010)
Student personnel services	24,774	454	-	(24,320)	-	(24,320)
Health services	28,664	953	-	(27,711)	-	(27,711)
Student transportation	94,912	34,969	12	(59,931)	-	(59,931)
Operation of plant	129,991	192	-	(129,799)	-	(129,799)
Maintenance of plant	49,513	894	-	(48,619)	-	(48,619)
Food Services	4,496	4,496	-	-	-	-
Community services	386	353	-	(33)	-	(33)
Capital administration	20,633	283	14	(20,336)	-	(20,336)
Interest on long-term debt	4,207	-	-	(4,207)	-	(4,207)
Total governmental activities	2,080,046	193,276	129,228	(1,757,314)	-	(1,757,314)
Business-type activity:						
Food services	45,272	32,644	-	-	(3,821)	(3,821)
Total	\$ 2,125,318	\$ 225,920	\$ 129,228	(1,757,314)	(3,821)	(1,761,135)
Unrestricted general revenues:						
Baltimore County				851,563	-	851,563
State of Maryland				732,089	-	732,089
United States Government				689	-	689
Other				7,233	-	7,233
Transfers				(779)	779	-
Total unrestricted general revenues and transfers				1,590,795	779	1,591,574
Change in net position				(166,519)	(3,042)	(169,561)
Net position, beginning of year				894,043	33,585	927,628
Net position, end of year				\$ 727,524	\$ 30,543	\$ 758,067

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020
(In Thousands)

	General	Special Revenue	Capital Projects	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 117,721	\$ -	\$ -	\$ 117,721
Accounts receivable, net:				
Baltimore County	-	-	27,467	27,467
State of Maryland	12,562	2,517	2,513	17,592
United States Government	-	19,005	-	19,005
Other	3,850	155	261	4,266
Due from other funds	10,861	-	-	10,861
Inventories	300	-	-	300
Prepaid items	353	-	-	353
Investments restricted for lease purchases	8,586	-	-	8,586
Total assets	\$ 154,233	\$ 21,677	\$ 30,241	\$ 206,151
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 23,948	\$ 1,290	\$ 17,036	\$ 42,274
Retainage payable	21	-	7,879	7,900
Accrued salaries and withholdings	30,289	1,494	-	31,783
Due to other funds	-	5,535	5,326	10,861
Other liabilities	2,310	-	286	2,596
Unearned revenue	94	2,793	-	2,887
Liabilities payable from restricted investments	8,586	-	-	8,586
Total liabilities	65,248	11,112	30,527	106,887
Fund balances (deficit) :				
Non-spendable	653	-	-	653
Restricted	-	10,565	-	10,565
Assigned	71,956	-	-	71,956
Unassigned (deficit)	16,376	-	(286)	16,090
Total fund balances (deficit)	88,985	10,565	(286)	99,264
Total liabilities and fund balances	\$ 154,233	\$ 21,677	\$ 30,241	\$ 206,151

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2020
(In Thousands)

Total fund balances - governmental funds (page 44)	\$	99,264
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The cost of the assets is \$3,039,742 and the accumulated depreciation is (\$1,033,322).		2,006,420
Long-term liabilities, including capital leases of (\$102,567), compensated absences of (\$29,796), the estimated liability for workers' compensation claims and judgements of (\$12,450), the liability for unfunded post employment health benefits of (\$2,045,949), and the unfunded liability for the county's Employees' Retirement System of (\$137,969) are not due and payable from current resources and, therefore, are not reported as liabilities in the funds.		(2,328,731)
An internal service fund was established to account for the activities of the workers' compensation plan. The assets and accrued expenses of this fund are included here, but were not shown on the Governmental statements.		7,608
The net effect of the Deferred Outflows and Deferred Inflows of Resources recorded in conjunction with the recognition of the county retirement and OPEB liability is shown here but not included in the Governmental Statements.		942,963
Total net position - governmental activities (page 42)	<u>\$</u>	<u>727,524</u>

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	General	Special Revenue	Capital Projects	Total Governmental Funds
Revenues:				
Baltimore County	\$ 851,563	\$ 2	\$ 79,556	\$ 931,121
State of Maryland	817,446	6,498	49,463	873,407
United States Government	689	80,619	-	81,308
Other	7,461	546	209	8,216
Total revenues	<u>1,677,159</u>	<u>87,665</u>	<u>129,228</u>	<u>1,894,052</u>
Expenditures:				
Current:				
Administration	54,105	5,626	-	59,731
Mid-level administration	103,139	241	-	103,380
Instruction:				
Instructional salaries	561,966	23,677	-	585,643
Textbooks and supplies	23,162	3,167	-	26,329
Other instructional costs	59,035	4,549	-	63,584
Special education	209,057	25,360	-	234,417
Student personnel services	14,795	342	-	15,137
Health services	17,129	838	-	17,967
Student transportation	69,364	426	-	69,790
Operation of plant	96,185	194	-	96,379
Maintenance of plant	40,431	20	-	40,451
Fixed charges	397,200	18,691	-	415,891
Food services	-	4,496	-	4,496
Community services	-	301	-	301
Capital administration	4,215	285	129,180	133,680
Debt service:				
Principal	9,338	-	-	9,338
Interest	4,207	-	-	4,207
Total expenditures	<u>1,663,328</u>	<u>88,213</u>	<u>129,180</u>	<u>1,880,721</u>
Excess (deficit) of revenues over expenditures	<u>13,831</u>	<u>(548)</u>	<u>48</u>	<u>13,331</u>
Other financing source :				
Capital lease issuance	8,398	-	-	8,398
Total other financing source	<u>8,398</u>	<u>-</u>	<u>-</u>	<u>8,398</u>
Net change in fund balances	22,229	(548)	48	21,729
Fund balances (deficit), beginning of year	<u>66,756</u>	<u>11,113</u>	<u>(334)</u>	<u>77,535</u>
Fund balances (deficit), end of year	<u>\$ 88,985</u>	<u>\$ 10,565</u>	<u>\$ (286)</u>	<u>\$ 99,264</u>

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

**BOARD OF EDUCATION OF BALTIMORE COUNTY
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, 2020
(In Thousands)**

Total net change in fund balances - governmental funds (page 46)	21,729
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report the construction and purchase of capital assets as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capital asset additions \$263,418 adjusted for assets converting from construction-in progress (\$128,810), other disposals from CIP (\$31,862), contributions to the Food Services business type activities (\$779), other excess accumulated depreciation on disposals \$23,260 exceed depreciation expense of (\$90,270) in the current period.	34,957
Repayment of capital lease principal is an expenditure in the governmental fund but the repayment reduces long-term liabilities in the statement of net position.	9,338
Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This is the amount by which vacation leave earned (\$16,708) is greater than vacation leave used (\$12,693) in the current period.	(4,015)
Proceeds of capital lease issuance which provide current financial resources in the governmental funds, are not reported as revenues in the statement of activities.	(8,398)
Decrease in the estimated liability for workers' compensation claims included in long-term obligations.	1,761
Net effect of the expenditures for recording the net OPEB liability.	(214,004)
Net effect of the expenditures for recording the liability due to the Employees' Retirement System of Baltimore County.	(9,521)
Increase in the assets of the Internal Service Fund are not included in the Governmental Statements.	1,634
Change in net position of governmental activities (page 43)	<u><u>(166,519)</u></u>

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Adopted	Final	Actual Amounts	
Revenues:				
Baltimore County	\$ 851,563	\$ 851,563	\$ 851,563	\$ -
State of Maryland:				
Foundation Program	416,980	416,980	416,972	(8)
Geographic Cost of Education	6,355	6,355	6,355	-
Compensatory Education	154,225	154,225	154,225	-
Limited English Proficiency	27,866	27,866	27,866	-
Transportation	34,547	34,547	34,545	(2)
Formula-Students with Disabilities	40,256	40,256	40,256	-
Out-of-County Living Arrangements	1,100	1,100	1,159	59
Non-public Placements	18,582	18,582	21,472	2,890
Blueprint for Maryland's Future	22,622	22,622	21,531	(1,091)
Aging Schools	897	897	1,583	686
Quality Teacher Incentive	153	153	86	(67)
Total State of Maryland	723,583	723,583	726,050	2,467
United States Government	600	600	689	89
Other	35,766	35,766	37,433	1,667
Total revenues	<u>1,611,512</u>	<u>1,611,512</u>	<u>1,615,735</u>	<u>4,223</u>
Expenditures:				
Current:				
Administration	54,622	55,322	53,468	1,854
Mid-level administration	106,734	105,034	103,605	1,429
Instruction:				
Instructional salaries	577,221	570,021	561,967	8,054
Instructional textbooks and supplies	22,325	26,025	25,476	549
Other instructional costs	60,140	63,290	60,820	2,470
Special education	207,353	213,953	212,620	1,333
Student personnel services	16,037	15,537	14,805	732
Health services	18,476	17,776	17,117	659
Student transportation	78,559	77,053	72,719	4,334
Operation of plant	108,703	108,203	104,838	3,365
Maintenance of plant	40,382	44,338	41,690	2,648
Fixed charges	316,135	310,135	305,801	4,334
Capital administration	4,825	4,825	4,660	165
Total expenditures	<u>1,611,512</u>	<u>1,611,512</u>	<u>1,579,586</u>	<u>31,926</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	36,149	<u>\$ 36,149</u>
Fund balance, beginning of year			44,194	
Reappropriation of prior year fund balance included in Other Revenues			(30,000)	
Liquidation and cancellation of prior year encumbrances			3,815	
Fund balance, end of year			<u>\$ 54,158</u>	

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Adopted	Final		
Revenues:				
Baltimore County	\$ 6	\$ 6	\$ 2	\$ (4)
State of Maryland	6,573	6,573	7,939	1,366
United States Government	84,557	84,557	82,200	(2,357)
Other	3,135	3,135	580	(2,555)
Total revenues	94,271	94,271	90,721	(3,550)
Expenditures:				
Administration	5,500	5,500	5,525	(25)
Mid-level administration	330	330	346	(16)
Instruction:				
Instructional salaries	27,219	27,219	23,677	3,542
Instructional textbooks and supplies	4,216	4,216	3,717	499
Other instructional costs	5,550	5,550	6,392	(842)
Special education	27,566	27,566	25,698	1,868
Student personnel services	250	250	330	(80)
Health services	1,100	1,100	1,354	(254)
Student transportation	350	350	490	(140)
Operation of plant	300	300	206	94
Maintenance of Plant	-	-	20	(20)
Fixed charges	21,460	21,460	18,690	2,770
Community services	425	425	332	93
Food services	-	-	4,496	(4,496)
Capital administration	5	5	(4)	9
Total expenditures	94,271	94,271	91,269	3,002
Excess (deficit) of revenues over expenditures	\$ -	\$ -	(548)	\$ (548)
Fund balance, beginning of year			11,113	
Fund balance, end of year			\$ 10,565	

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020
(In Thousands)

	Food Service Enterprise Fund	Internal Service Fund
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 19,199	\$ 7,038
Due from other governments	1,034	-
Accounts receivable - other	4	574
Inventories, at cost	2,104	-
Total current assets	22,341	7,612
Capital assets (net of accumulated depreciation):		
Building	3,647	-
Furniture, fixtures and equipment	7,805	-
Total capital assets - net	11,452	-
Total assets	33,793	7,612
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	282	-
Accrued salaries and withholdings	1,107	4
Compensated absences	204	-
Claims and judgements	-	4,169
Unearned revenue	1,405	-
Total current liabilities	2,998	4,173
Noncurrent liabilities:		
Compensated absences	252	-
Claims and judgements	-	8,281
Total noncurrent liabilities	252	8,281
Total liabilities	3,250	12,454
<u>NET POSITION (Deficit)</u>		
Net investment in capital assets	11,452	-
Unrestricted (deficit)	19,091	(4,842)
Total net position (deficit)	\$ 30,543	\$ (4,842)

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Food Service Enterprise Fund	Internal Service Fund
Operating Revenues:		
Charges for services	\$ 8,807	\$ -
Employer's contributions	-	9,408
Total operating revenue	<u>8,807</u>	<u>9,408</u>
Operating Expenses:		
Cost of food sold	17,264	-
Salaries, wages, and benefits	23,528	183
Claims and judgements paid	-	6,498
Provision for claims and judgements	-	(1,762)
Supplies	1,310	-
Maintenance and repair of equipment	627	-
Administration and support	562	1,094
Depreciation	1,631	-
Other	350	-
Total operating expenses	<u>45,272</u>	<u>6,013</u>
Operating income (loss)	<u>(36,465)</u>	<u>3,395</u>
Nonoperating Revenues:		
Federal reimbursement of food service costs	27,860	-
State reimbursement of food service costs	1,896	-
Federal donated commodities	2,660	-
Other revenue	228	-
Total nonoperating revenues	<u>32,644</u>	<u>-</u>
Income (loss) before capital contribution	(3,821)	3,395
Capital contribution	<u>779</u>	<u>-</u>
Change in net position	(3,042)	3,395
Net position (deficit), beginning of year	<u>33,585</u>	<u>(8,237)</u>
Net position (deficit), end of year	<u>\$ 30,543</u>	<u>\$ (4,842)</u>

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Food Service Enterprise Fund	Internal Service Fund
Cash flows from operating activities:		
Cash received for services	\$ 9,089	\$ -
Cash paid to employees	(22,411)	(179)
Cash paid to suppliers	(18,328)	-
Claims and judgements paid	-	(6,676)
Administration and support	-	(1,094)
Employer's contributions	-	9,263
Net cash provided by (used in) operating activities	(31,650)	1,314
Cash flows from non-capital financing activities:		
Governmental and other subsidies	30,466	-
Net cash provided by non-capital financing activities	30,466	-
Cash flows from capital and related financing activities:		
Purchase of capital assets	(352)	-
Other	125	-
Net cash used in capital and related financing activities	(227)	-
Cash flows from investing activities - interest received	233	-
Net increase (decrease) in cash and cash equivalents	(1,178)	1,314
Cash and cash equivalents, beginning of year	20,377	5,724
Cash and cash equivalents, end of year	\$ 19,199	\$ 7,038
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (36,465)	\$ 3,395
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities:		
Depreciation expense	1,631	-
Federal donated commodities	2,660	-
Effect of changes in operating assets and liabilities:		
Accounts receivable - other	(3)	(144)
Inventories	(996)	-
Accounts payable	(129)	(178)
Accrued salaries and withholdings	1,115	4
Compensated absences	-	-
Liability for claims and judgements	-	(1,763)
Unearned revenue	537	-
Net cash provided by (used in) operating activities	\$ (31,650)	\$ 1,314
Noncash investing, capital and financing activities:		
Contributions of federal donated commodities	\$ 2,660	\$ -
Contribution of capital equipment from other fund	779	-

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

BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF FIDUCIARY NET POSITION
SCHOOL ACTIVITIES FUND
JUNE 30, 2020
(In Thousands)

ASSETS

Cash and cash equivalents	\$	5,023
Investments		2,574
Inventories		172
Total assets	\$	7,769

LIABILITIES

Accounts payable	\$	338
Due to others		10
Due to school organizations		7,421
Total liabilities	\$	7,769

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

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Board of Education of Baltimore County (the Board) is a body politic and corporate established by the Public School Laws of Maryland with the adoption of the Maryland Constitution in 1865. Section 3-103 of the Education Article of the Annotated Code of Maryland establishes a board of education for each county school system. It is composed of eleven voting members, seven who are elected for four - year terms and four who are appointed by the Governor of Maryland for terms of five years, and one student member who serves for one year. The Board has the responsibility to maintain a reasonable, uniform system of public schools to provide quality education for all youth of Baltimore County.

The financial statements of the Board are prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America, applicable to governmental entities, as prescribed by the Governmental Accounting Standards Board (GASB).

The Board is a component unit of the Baltimore County Government and the Board's financial statements are included in the County's financial statements. This conclusion was reached based on the following criteria: (1) the County Council is responsible for approving the Board's budget and establishing spending limitations; and (2) the County Council is responsible for levying taxes and collecting and distributing the funds to the Board. The Board is fiscally dependent upon appropriations and grants from the County.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (the statement of net position and the statement of activities) report information of all non-fiduciary activities of the Board. For the most part, inter-fund activity, which results primarily from activities in the Internal Service Fund, has been removed from these government-wide statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who purchase, use, or directly benefit from goods or services provided by a given function. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Items not properly included among program revenues are reported instead as general revenues. Internally allocated resources are reported as general revenues (transfers) rather than program revenues. The majority of the intergovernmental revenues from the county and state are general revenues. This is because the county and state funding is driven by mandatory state law formulas based primarily on the number of students enrolled, and the majority of these funds are not directly attributable to a specific program or

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

activity. Those intergovernmental county and state revenues that are specifically for a specific program or activity are recognized as program revenues. The Board does not allocate general government administration or indirect expenses to other functions.

Net position is restricted when constraints imposed are either externally imposed or imposed by legal requirements. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

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 the proprietary funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

- 1) ***Government-wide Financial Statements*** – The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as eligibility requirements have been met.
- 2) ***Governmental Fund Financial Statements*** – The governmental 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 are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 180 days of the end of the current fiscal year. Principal revenue sources considered susceptible to accrual include federal and state grants and local county government appropriations. Other revenues are considered to be measurable and available only when cash is received by the Board.

Expenditures generally are recorded when a liability is incurred, as under full accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as expenditures when used. The amount of accumulated annual leave unpaid at June 30, 2020, has been reported only in the government-wide financial statements.
- Interest on long-term obligations (capital leases) is recognized when paid.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

- Amounts encumbered as purchase orders are recorded as an assignment of fund balance.

The Board reports the following major governmental funds:

- a) The General Fund is the Board's primary operating fund. It accounts for all financial resources of the Board, except those required to be accounted for in another fund.
 - b) The Special Revenue Fund accounts for revenues, primarily from state and federal governments, which are subject to restrictions as to their use.
 - c) The Capital Projects Fund accounts for the resources used for the acquisition, construction, or improvement of major capital facilities, including those of the proprietary fund.
- 3) ***Proprietary and Fiduciary (Agency) Fund Financial Statements*** – The financial statements of the Board's proprietary funds, the Food Service Enterprise Fund and the Internal Service Fund, are prepared using the economic resource measurement focus and the accrual basis of accounting, similar to the government-wide statements described above. Because the food services fund is a significant operation of the Board, and student participation in the Free and Reduced Price Meals Program drives other fund revenue formulas, it is reported as a Major Fund. The only fiduciary fund maintained by the Board are agency funds that report only assets and liabilities, and accordingly do not have a measurement focus; they use the accrual basis of accounting to recognize receivables and payables.

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 operation. The principal operating revenues of the Food Service Enterprise Fund are charges for meals. Operating expenses include costs of food sold, salaries, wages and benefits, supplies, maintenance of equipment, and depreciation on capital assets. All other revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The most significant source of revenue for the Food Service Enterprise Fund is the reimbursement of food costs from the federal government.

The Internal Service Fund accounts for the financial activities of the Board's self-insured workers' compensation program. The revenues of this fund are generated by charges to other Board funds which have salary expenditures. The operating expenses of the Internal Service Fund include expenditures for claims paid, third-party administrative fees, and premiums for excess liability insurance coverage.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

An agency fund is used to account for the School Activities Fund assets held by the Board. These funds are primarily raised by student organizations and activities and are held by the Board for custodial and investment purposes. The agency funds are not reported in the government-wide financial statements as these funds cannot be used to support the government's programs.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS AND INFLOWS, AND NET POSITION OR EQUITY

- 1) *Deposits and Investments* – Board cash receipt and disbursement transactions relating to the major funds (General, Special Revenue, Capital Projects, and Proprietary) are initiated through a pooled cash and investment account. Unique account numbers are used to track each fund's transactions. The Board has pooled amounts from these funds, as well as certain amounts held for school activities funds, to be used for investment purposes. In the fund financial statements, each fund's specific share of the pooled cash, investments, and inter-fund transactions are shown as cash and cash equivalents, or as "due (to) from other funds", if the fund's inter-fund liabilities exceed its share of pooled cash and investments. The Food Service Proprietary and School Activities Agency funds are allocated interest income, on a daily basis, based on their share of the investment pool. Remaining interest income is allocated to the General Fund.

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield. In this regard, the Annotated Code of Maryland authorizes the Board to invest in the following: time deposits, savings accounts, and demand deposit accounts in banks and savings and loan associations that are federally insured; or are secured with collateral as set forth in the State Finance and Procurement Article; any investment portfolio created under the Maryland Local Government Investment Pool that is administered by the Office of the State Treasurer; obligations for which the United States has pledged its full faith and credit for the payment of the principal and interest; obligations that a federal agency or federal instrumentality has issued in accordance with an act of Congress; repurchase agreements collateralized (in an amount not less than 102% of the principal amount) by an obligation of the United States, its agencies or instrumentalities; bankers' acceptances guaranteed by a financial institution and commercial paper and money market mutual funds receiving the highest possible rating.

The Board's cash and cash equivalents are considered to be short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity at the time of purchase that they present insignificant risk of changes in value because of changes in interest rates.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

Cash and cash equivalents are recorded at cost or amortized cost. Investments are recorded at fair value, based on closing market prices at June 30, 2020. The investments in the Maryland Local Government Investment Pool (Pool) are valued on an amortized cost basis. The fair value of the Board's position in the Maryland Local Government Investment Pool is the same as the value of the pool shares.

- 2) **Receivables** – Accounts receivable in all funds represent amounts that have arisen in the ordinary course of business and are stated net of allowances for uncollectible amounts. Governmental fund type receivables consist primarily of amounts due from county, state, or federal governments and from other Maryland Boards of Education. These intergovernmental receivables are generally collected within 90 days of the end of the fiscal year. Certain intergovernmental receivables may extend up to 180 days from the end of the fiscal year. Uncollectible amounts of as June 30, 2020 are expected to be minimal based upon collection experience and review of the status of existing receivables.
- 3) **Inter/Intrafund Transactions** – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” The Board has no long-term advances or inter-fund loans, and all inter-fund transactions are considered current activity. Inter-fund activity consists primarily of transfers between funds to cover cash deficits. These deficits arise primarily because many grants and capital projects are reimbursed to the Board by the granting government after the Board has incurred the expenditure.
- 4) **Inventories and Prepaid Items** – Inventories of materials and supplies are determined by both physical counts and through perpetual inventory systems. Inventory in the General Fund consists of expendable supplies and materials. These inventories are accounted for under the consumption method, where expenses are recorded as the items of inventory are used, and are stated at cost, using the average cost method. The General Fund inventories on hand at year-end are reflected as non-spendable fund balance.

The inventories of the Food Service Enterprise Fund include federal government donated food commodities that are valued at estimated market value. The remaining fund inventories are accounted for under the consumption method and are stated at cost, using the average cost method.

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both the government-wide and fund financial statements, these payments are expended in future periods using the consumption method of accounting.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

- 5) **Capital Assets** – Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Board as assets which have a cost of \$5,000 or more at the date of acquisition and have a useful life of two years or more. Such assets are stated at historical cost or estimated historical cost, if actual cost is not known. Donated capital assets are recorded at acquisition value at the date of donation. The Board has no infrastructure assets.

The cost of normal maintenance and repairs that do not add to the value or materially extend the useful life of an asset are not capitalized. Building improvements, additions, and renovations with a cost greater than \$500,000 are capitalized.

Capital assets utilized in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements, as well as the proprietary fund financial statements. Capital assets are depreciated over the useful life of the asset using the straight-line method. There is no depreciation recorded for land and construction in progress. Generally, estimated useful lives are as follows:

Furniture, fixtures and equipment	5 – 25 years
Buildings and Improvements	20 – 50 years

- 6) **Deferred Outflows** – A deferred outflow of resources represents a consumption of net position that applies to a future period; therefore, will not be recognized as an outflow of resources (expenditure) until the future period. At June 30, 2020, the Board had deferred outflows of resources in the amount of \$958,130 that relate to changes in activity, experience, assumptions, and contributions to the Employees Retirement System of Baltimore County and the Other Post Employment Benefits (OPEB) plan.
- 7) **Compensated Absences** – Employees of the Board, excluding ten-month employees, may earn annual vacation leave at various rates depending on the bargaining unit that represents them and their length of service. Unused annual vacation leave may be accrued up to a maximum of 45 days. All accrued annual vacation leave is payable upon separation from employment. The governmental fund financial statements record expenditures when employees are paid for leave taken, on a first-in first-out (FIFO) basis. The government-wide and proprietary fund financial statements present the cost of accumulated vacation leave and related payroll taxes as a liability. A liability for these amounts is reported in the governmental fund financial statements only if they have matured due to resignations or retirements. There is no liability for unpaid accumulated sick leave since the Board does not pay this amount when an employee separates from service.
- 8) **Long-term Obligations** – The Board has no authority to issue bonded debt. Debt incurred by the county or state governments to finance school construction is a debt of the issuing government and, along with the related debt service, is not reported in the Board’s financial statements. The long-term obligations of the Board include capital leases, compensated

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

absences (as discussed above), estimated workers' compensation claims, and the net pension liability and net liability for OPEB which are discussed in detail in Note 9. The capital leases represent obligations for financing the purchase of school buses, other vehicles, and building energy improvements for heating and air conditioning, lighting, and corresponding control systems in a number of schools. These capital leases are being paid over periods from 5 to 25 years from the date of inception. In the government-wide financial statements, the long-term obligations are presented in the column for governmental activities. The Board's Food Services business-type activity has no long-term obligations other than compensated absences previously discussed.

In prior years, governmental fund long-term liabilities have been liquidated through the General Fund and Special Revenue Funds. Compensated absences, pension and workers' compensation liabilities have been liquidated based on where an employee's salary has been funded, while payments on capital leases and OPEB liabilities have been liquidated through the General Fund.

- 9) ***Unearned Revenue*** – Unearned revenue arises when a liability is incurred from funds received prior to the Board having a legal claim to them. Unearned revenue for governmental activities consists primarily of restricted grant funds advanced to the Board. Unearned revenue for the business-type activities consists of prepaid accounts for school lunches, donated food commodities, and grant revenues. Revenue is recognized when the student attends a summer program: participates in the school lunch program; when donated commodities are utilized; or when the grant revenues are recognized as expenditures.
- 10) ***Deferred Inflows*** – A deferred inflow of resources represents an acquisition of net position that applies to a future period, therefore, will not be recognized as an inflow of resources (revenue) until that time. For government-mandated and voluntary non-exchange transactions, a deferred inflow is reported when resources are received before time requirements are met. At June 30, 2020, the Board had deferred inflows of resources totaling \$15,168 related to the difference between actual and expected experience, the difference between projected and actual earnings on investments, and changes in proportion and differences between Board contributions and proportionate share of contributions to the Employees Retirement System of Baltimore County and the OPEB health plan.
- 11) ***Net Position and Fund Balance*** – In the Statement of Net Position, net position is reported as net investment in capital assets (which is the net book value of the capital assets less the related debt, including any unpaid retainage due to contractors from capital projects), restricted, or unrestricted. Restricted net position is based on externally imposed restrictions on the use of the funds, such as grant funding for a specific purpose. The net position restricted for special education services are required to be utilized to fund those activities by regulations from the Maryland State Department of Education.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

Fund balance amounts are reported within one of the fund balance categories listed below:

- a) *Non-spendable* – Includes fund balance amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact such as a permanent fund. Not in spendable form includes items that are not expected to be converted to cash, such as inventories and prepaid items.
- b) *Restricted* – Includes amounts that are restricted to specific purposes when constraints are placed on the use of resources by constitution, external resource providers, or through enabling legislation.
- c) *Committed* – Includes fund balance amounts that can be used only for the specific purposes determined by formal action of the Board (the highest level of decision-making authority). Formal action of the Board would be those actions which are voted on at public Board meetings that are in compliance with Maryland law. Similar action of the Board is required to modify or rescind such commitments.
- d) *Assigned* – Includes fund balance amounts that are intended to be used by the Board for specific purposes. Assignment of the fund balance for the general fund may be made upon adoption of the subsequent year's budget by the Board at a public meeting. Additionally, in accordance with the Board's policies on purchasing and contracts, the purchasing manager may assign fund balance for contractual commitments encumbered prior to year-end. Constraints imposed on the use of assigned amounts do not rise to the level required to be classified as either restricted or committed.
- e) *Unassigned* – Represents the residual classification for the Board's funds and includes all spendable amounts not contained in the four classifications described above. The general fund is the only fund that may report a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in those funds.

12) ***Order of Fund Balance Spending Policy*** - The Board has established a fund balance spending policy for those instances where an expenditure is incurred for a purpose for which amounts in any of the restricted or unrestricted fund balance classifications (committed, assigned, or unassigned) could be used. The Board's policy is to apply expenditures against restricted funds first followed by committed, assigned, and then unassigned amounts.

Amounts reported as encumbrances may be classified as either, restricted, committed or assigned depending on the constraints and approval in place at year end. Encumbrances outstanding at year-end are reported as assignments of fund balance in the General Fund and do not constitute expenditures or liabilities because the obligation will be honored

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

during the subsequent year. All amounts in the Special Revenue Fund are considered restricted as the entire fund balance of this fund is restricted for use in special education by the Maryland State Department of Education.

- 13) *Notes to the Basic Financial Statements* – To be consistent with the presentation in the financial statements, substantially all amounts reported in the notes to the basic financial statements are reported in thousands of dollars.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGET REQUIREMENTS

The Board operates within the following budget requirements for local educational agencies as specified by State law:

- 1) The Board must submit an annual budget, for its governmental funds, in writing to the County Executive within 120 days prior to the end of the current fiscal year. The General, Special Revenue, and Debt Service funds have legally adopted annual budgets. The Capital Projects Fund has a legally adopted project budget.
- 2) The County Executive must submit his recommended school system budget to the County Council not later than 75 days prior to the end of the current fiscal year.
- 3) The County Council must approve the budget ordinance by June 1st of each year. Subsequent supplemental appropriations also require County Council approval.
- 4) The General Fund budget is prepared and approved by major expenditure categories as specified in the State law. Actual expenditures may not exceed appropriations for a category. These categories include:

Category	Category
Administration	Mid-level Administration
Instructional Salaries	Textbooks and Instructional Supplies
Other Instructional Costs	Special Education
Student Personnel Services	Health Services
Student Transportation	Operation of Plant
Maintenance of Plant	Fixed Charges
Capital Administration	Community Services

The Special Revenue Fund and Debt Service Fund appropriations are authorized annually by the County Council at the Fund level, which is the legal level of control.

- 5) The Board may transfer funds between major categories with the approval of the County Council. The Board has the authority to transfer funds between objects of expenditures (i.e., salaries and wages, contracted services, supplies and materials, other charges, and equipment) within the major categories, but must notify the County Council of such action at the end of each month. In accordance with Education Article, Title 5, §5-105, of the Annotated Code of Maryland, the Board may not exceed the appropriation by category. Failure by the County Council to take action within thirty days of receipt of written requests for transfers constitutes Council approval.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

- 6) The management staff of Baltimore County Public Schools is responsible for preparing the budget, monitoring budgetary expenditures, reporting on the status of the budget, and making recommendations for transfers between objects of expenditure and major categories of expenditures. All such recommendations are subject to Board and/or County Council approval.
- 7) Unencumbered appropriations lapse at the end of each fiscal year, except in the Capital Projects Fund where appropriations do not lapse. Encumbered appropriations are primarily liquidated through expenditures in the subsequent fiscal year. The portion of fund balance related to lapsed appropriations must be re-appropriated to be spent.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds for Budgetary Basis financial reporting purposes. Open encumbrances are treated as restricted or assigned fund balances since the commitments will be honored through subsequent years expenditures.

During the year, the County Council approved certain transfers between General Fund categories. The approved categorical transfers of the General Fund are presented below:

	Categorical Transfers
Administration	\$ 700
Mid-level Administration	(1,700)
Instructional Salaries	(7,200)
Instructional Textbooks and Supplies	3,700
Other Instructional Costs	3,150
Special Education	6,600
Student Personnel Services	(500)
Health Services	(700)
Student Transportation	(1,506)
Operation of Plant	(500)
Maintenance of Plant	3,956
Fixed Charges	(6,000)
Capital Administration	-
	<u>\$ -</u>

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

B. RECONCILIATION BETWEEN GAAP AND BUDGETARY BASIS

The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the General and Special Revenue Funds have been prepared on a legally prescribed budgetary basis of accounting that differs from GAAP. The primary difference is that the budgets are prepared using encumbrance accounting where encumbrances are treated as expenditures of the current period. In addition, for budgetary purposes revenues related to encumbrances are recorded in the Special Revenue Fund and in the General Fund in certain cases. The reconciliations from GAAP to budgetary basis are presented below:

	Revenues	Expenditures	Other Financing Sources/ (Uses)	Excess/(Deficiency) of Revenue and Other Financing Sources Over Expenditures	Fund Balance
General Fund					
Reported on the basis of GAAP	\$ 1,677,159	\$ (1,663,328)	\$ 8,398	\$ 22,229	\$ 88,985
Effect of encumbrances	-	(20,980)	-	(20,980)	(20,980)
Retirement cost paid on the Board's behalf by the State of Maryland	(92,105)	92,105	-	-	-
Reappropriation of prior year fund balance	30,000	-	-	30,000	
Effect of capital leases	-	8,398	(8,398)	-	(8,398)
Other budgetary adjustments	681	4,219	-	4,900	(4,900)
Reported on the Budgetary Basis of Accounting	<u>\$ 1,615,735</u>	<u>\$ (1,579,586)</u>	<u>\$ -</u>	<u>\$ 36,149</u>	<u>\$ 54,707</u>
Special Revenue Fund					
Reported on basis of GAAP	\$ 87,665	\$ (88,213)	\$ -	\$ (548)	\$ 10,565
Effect of encumbrances	3,056	(3,056)	-	-	-
Reported on the Budgetary Basis of Accounting	<u>\$ 90,721</u>	<u>\$ (91,269)</u>	<u>\$ -</u>	<u>\$ (548)</u>	<u>\$ 10,565</u>

C. DEBT SERVICE BUDGETARY SCHEDULE

As discussed in Note 1, debt issued by the County government to fund school construction and related debt service is not reported in the Board's Basic Financial Statements. The authorization for the annual debt service expenditures related to this debt emanates from the Baltimore County Government Operating Budget, and, is included in the Board's annual authorized budget. The reporting of the annual county debt service and related revenues pertaining to the Board in the Debt Service Fund is required by state law. The schedule below reports the budgetary basis debt service activity for the current fiscal year.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual Amounts	
Revenues - Baltimore County	\$ 61,587	\$ 61,587	\$ 61,587	\$ -
Expenditures:				
Current -				
Principal	44,065	44,065	44,065	-
Interest	17,522	17,522	17,522	-
Total expenditures	61,587	61,587	61,587	-
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	-	\$ -
Fund balance, July 1, 2019			-	
Fund balance, June 30, 2020			\$ -	

D. DETAILS OF FUND BALANCES

The details of the Governmental Funds balances at June 30, 2020 are shown as follows:

The Non-spendable general fund balance consists of the following:

Inventories	\$ 300
Prepaid Items	353
	<u>\$ 653</u>

The Assigned general fund balance consists of the following:

Encumbrances for:	
Contracted services	\$ 17,170
Supplies and materials	11,122
Equipment and other	12,339
Total encumbrances	<u>40,631</u>
For use in FY2020 Operating Budget	31,325
	<u>\$ 71,956</u>

The Special Revenue fund balance of \$10,565 is considered as restricted since this amount can only be used to provide services to special education students or for medical related purposes based upon a directive from the Maryland State Department of Education.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

E. NET POSITION

- 1) *Deficit fund balance* - The Capital Projects Fund had an unassigned fund balance deficit of \$286. The deficit reflects an accrual for the estimated cost of remediation work on current capital projects. It is anticipated that this deficit will be eliminated over the construction periods by funding from local sources.
- 2) *Internal service fund deficit net position* - The Internal Service Fund has a deficit net position of \$4,842 resulting from estimated workers' compensation claims, including the transfer of estimated workers' compensation claims from the Baltimore County Government in September 2013. It is anticipated that this deficit will be funded by the County Government as these claims are finalized and the liabilities are liquidated.

NOTE 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

A. CASH DEPOSITS

The Board's bank deposits are insured either by Federal depository insurance or by a collateralization agreement with the depository bank. The Board's policy is to maximize the investment of cash balances available for investment according to depository bank records. Short-term investments included in cash and cash equivalents are available to meet cash disbursement requirements.

The Board's deposits are subject to custodial credit risk, which is the risk that in the event of bank failure the Board's deposits may not be returned. The Annotated Code of Maryland requires funds on deposit with a financial institution be fully secured by deposit insurance, surety bonds, obligations of the United States or its agencies, obligations of the State of Maryland or any of its agencies, or obligations of a county, other governmental authority, or municipal corporation in the State of Maryland.

At June 30, 2020, the Board's and the fiduciary funds' net deposits were approximately \$133 million. These balances were fully collateralized as described above, including in the case of the Board's operating account maintained at the Manufacturers and Traders Trust Company, eligible collateral posted by the bank for the benefit of the Board. The collateral required is based upon a security and custodial agreement between the Board and Manufacturers and Traders Trust Company.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

B. INVESTMENTS

The Board's investments are subject to both interest rate risk and custodial credit risk, which are risks that are inherent with investment activities. Interest Rate Risk results from fair value of investments potentially declining as rates increase. Custodial Credit Risk is the risk that, in the event of failure of the counter party, the Board may not be able to recover all or a portion of its investments or collateral securities that are in the possession of an outside party. To limit exposure to these risks, the Board's policy is to invest generally in overnight investments, which provide daily access to the funds invested and limits the potential from loss due to interest rate changes.

The Board's investments are in the Maryland Local Government Investment Pool (Pool) at PNC Bank, which is under the administrative control of the State Treasurer. The Pool is a 2a7 like pool, which is not registered with the Securities & Exchange Commission (SEC), but generally operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 (Rule 2a7). The Pool, which maintains a \$1 per share value, is designed to give local government units of the State an investment vehicle for short-term investment of funds. The investment objectives of the Pool are: to preserve the capital value of the dollars invested; to provide a competitive rate of return; and to provide a readily available source of daily liquidity. The Pool is rated "AAAm" by Standard and Poor's (their highest rating). The money market portfolios are also rated "AAAm" by Standard and Poor's, and generally are invested in funds with the same investment parameters as those invested in the Pool.

Funds restricted for lease purchase are held in custodial escrow accounts with Duetsche Bank National Trust. The funds held in escrow are fully invested in JP Morgan US Treasury money market funds.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

C. SUMMARY OF DEPOSIT AND INVESTMENT BALANCE

The following is a reconciliation of the Board's deposit and investments balances as of June 30, 2020:

	Pooled Cash and Investments	Other	Total
Deposits	\$ 121,034	\$ 5,023	\$ 126,057
Investments:			
MLGIP	25,499	-	25,499
Money market mutual funds	-	8,586	8,586
Total	\$ 146,533	\$ 13,609	\$ 160,142

	Government-wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
<u>Unrestricted</u>			
Cash and cash equivalents	\$ 143,959	-	\$ 143,959
<u>Restricted</u>			
Cash and cash equivalents	-	5,023	5,023
Investments	8,586	2,574	11,160
Total cash and investments	\$ 152,545	\$ 7,597	\$ 160,142

NOTE 4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2020, the Capital Projects Fund owed \$5,326 to the General Fund for cash advanced to pay contractors for work performed on ongoing contracts. The Special Revenue Fund owed \$5,535 to the General Fund to provide funding while waiting for reimbursements from the federal government for expenditures incurred through year end.

A summary of the interfund transfers for the fiscal year ended June 30, 2020 follows:

Transfers from	Transfers to	Purpose	Amount
Governmental Activities	Business Type Activity	Food Service equipment	\$ 779

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 5. CAPITAL ASSETS

A. ACTIVITY

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 32,051	\$ -	\$ -	\$ 32,051
Construction in progress	267,871	121,740	(129,589)	260,022
Total capital assets not being depreciated	<u>299,922</u>	<u>121,740</u>	<u>(129,589)</u>	<u>292,073</u>
Capital assets being depreciated:				
Buildings	2,388,159	129,638	(19,774)	2,498,023
Improvements other than buildings	102,242	567	(3,296)	99,513
Machinery and equipment	54,531	3,193	(3,101)	54,623
Vehicles	92,921	8,280	(5,691)	95,510
Total capital assets being depreciated	<u>2,637,853</u>	<u>141,678</u>	<u>(31,862)</u>	<u>2,747,669</u>
Less accumulated depreciation for:				
Buildings	(824,131)	(73,701)	12,698	(885,134)
Improvements other than buildings	(50,972)	(4,820)	2,187	(53,605)
Machinery and equipment	(38,281)	(4,343)	2,793	(39,831)
Vehicles	(52,928)	(7,406)	5,582	(54,752)
Total accumulated depreciation	<u>(966,312)</u>	<u>(90,270)</u>	<u>23,260</u>	<u>(1,033,322)</u>
Total capital assets, being depreciated, net	<u>1,671,541</u>	<u>51,408</u>	<u>(8,602)</u>	<u>1,714,347</u>
Governmental activities, net investment in capital assets	<u>\$ 1,971,463</u>	<u>\$ 173,148</u>	<u>\$ (138,191)</u>	<u>\$ 2,006,420</u>

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets being depreciated:				
Buildings and Improvements	\$ 7,270	\$ -	\$ (76)	\$ 7,194
Furniture, fixtures and equipment	28,760	1,013	(280)	29,493
Total capital assets being depreciated	<u>36,030</u>	<u>1,013</u>	<u>(356)</u>	<u>36,687</u>
Less accumulated depreciation for:				
Buildings and Improvements	(3,352)	(270)	75	(3,547)
Furniture, fixtures and equipment	(20,597)	(1,361)	270	(21,688)
Total accumulated depreciation	<u>(23,949)</u>	<u>(1,631)</u>	<u>345</u>	<u>(25,235)</u>
Business-type activities capital assets, net	<u>\$ 12,081</u>	<u>\$ (618)</u>	<u>\$ (11)</u>	<u>\$ 11,452</u>

Depreciation expense was charged to program activities as follows:

Governmental activities:

Administration	\$ 1,344
Mid-level administration	17
Instruction	80,247
Special education	456
Student transportation	6,265
Operation of plant	136
Maintenance of plant	1,691
Capital administration	114
Total depreciation expense - governmental activities	<u>\$ 90,270</u>

Business-type activities:

Food Services	<u>\$ 1,631</u>
---------------	-----------------

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

B. CONSTRUCTION AND LEASE PURCHASE COMMITMENTS

The Board has active construction projects as of June 30, 2020. The projects include new school construction, additions, and renovations to school buildings. School capital project construction is financed primarily from county and state grants. At year-end, the Board's commitments with contractors are as follows:

<u>Projects</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
New school construction	\$ 468,572	\$ 47,092
Additions	1,412	2,357
Improvements and renovations	113,318	37,057
Total	<u>\$ 583,302</u>	<u>\$ 86,506</u>

During the fiscal year, the Board made commitments for the acquisition of vehicles under new capital lease agreements totaling approximately \$8.6 million. The assets to be acquired are described below:

<u>Description</u>	<u>Class</u>	<u>Amount</u>
School buses	Vehicles	\$ 4,713
Trucks and other vehicles	Vehicles	3,873
Total		<u>\$ 8,586</u>

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 6. RISK MANAGEMENT

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; illness and injuries to employees, students and the public; natural disasters; and employee health benefits.

The Board participates in the Baltimore County Government self-insurance program for employee and retiree health and dental insurance. The Board pays premiums to the County for its share of current cost based upon prior years claims and anticipated enrollment. The County serves as the administrator of the plans and estimates outstanding claims and required reserves. The Board's ultimate liability is limited to premiums paid to the County.

The Board is independently self-insured for workers' compensation. The Board established an internal service fund to account for the activities of the workers' compensation plan. The Board has contracted with a third-party administrator to determine compensability for salary for lost time and to administer the payment of medical and other costs for work-related injuries. The Board has also purchased excess workers' compensation policies to limit its' liability.

The changes in the claims and judgements payable for the past two fiscal years are reflected below:

Fiscal Year ending June 30,	Beginning Payable	Incurred Claims and Judgements	Claims and Judgements Paid	Ending Payable
2020	\$ 14,211	4,735	6,496	\$ 12,450
2019	13,146	8,393	7,328	14,211

The Board also participates in a self-insured pool with other boards of education for property and casualty insurance. Casualty programs in which the Board participates include comprehensive general liability, automobile liability and physical damage, bus contractors' and drivers' liability, and Board of Education legal liability. Property insurance programs include real and personal property (replacement cost), boiler and machinery, natural disasters, employees' dishonesty blanket bond, theft and disappearance, and computer and electronic funds transfer fraud. The pool is administered by the Maryland Association of Boards of Education (MABE), a public entity risk pool. MABE serves as an independent administrator, processing and settling claims, establishing liability limits, setting premiums, and establishing and maintaining reserves. The Board's liability is limited to premiums paid to MABE, plus deductibles of from \$0 - \$15,000 per incidence, depending on the nature of the coverage. The pool limits its exposure by purchasing excess coverage from commercial carriers.

Outside of the MABE pool, the Board carries underground tank, catastrophic student accident insurance and travel insurance covering Board members. The Board pays all of the premiums for

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

this coverage. There have been no reductions in insurance coverage from the previous year, and the amount of settlements over the last three years has not exceeded insurance coverage.

NOTE 7. OPERATING LEASES

The Board has long-term commitments as lessee under various non-cancelable operating leases for warehouse, office, and educational space, which expire at various times through 2030. Total expense under these operating leases for the fiscal year ended June 30, 2020, amounted to \$5,105.

The Board has long-term commitments as lessee for personal computing devices that will provide computers as part of a technology initiative to equip all students and teachers with digital learning devices. Additionally, the Board has lease agreements for servers and other data equipment. Total expense under these operating leases for the fiscal year ended June 30, 2020, amounted to \$41,826.

The aggregate future rental payments for these lease commitments are \$78,232 as summarized below:

	<u>Fiscal year ending June 30,</u>	
2021	\$	31,484
2022		19,397
2023		6,160
2024		4,821
2025		4,604
2026-2030		11,766
Total	\$	<u>78,232</u>

Additionally, the Board leases copiers and other equipment under contracts that are cancelable with 60 day notice. During the year, \$3.8 million of expense was incurred under these agreements.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 8. LONG-TERM OBLIGATIONS

The Board's long-term obligations include capital leases, compensated absences, the estimated liability for workers' compensation claims and judgments, and the unfunded liabilities for Other Post Employment Benefits and county pension benefits. Details of the obligations for the capital leases and compensated absences, including the current year changes follow. The details for the claims and judgements of the Workers' Compensation Plan are discussed in Note 6. The details for the obligations for Other Post Employment Benefits and the County Employees' Retirement System are described in Note 9.

CAPITAL LEASES

The Board's capital leases represent obligations incurred to finance the purchase of school buses, other vehicles, and for acquisition of building energy improvements. The vehicle leases are financed over periods of five years, while the energy performance improvement leases are financed over twenty years. These lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of the future minimum lease payments at the inception date. These items acquired through capital leases are reported as capital assets and depreciated accordingly. The assets acquired through capital leases are as follows:

Asset Description	Governmental Activities
Vehicles	\$ 27,786
Building Improvements	102,940
Less: accumulated depreciation	(19,719)
Total	\$ 111,007

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

The following are the future minimum lease payments under the Board's capital lease agreements, and the present value of the minimum lease payments as of June 30, 2020:

Fiscal years ending June 30,	Governmental Activities
2021	\$ 11,538
2022	10,770
2023	10,139
2024	8,830
2025	6,313
2026-2030	36,125
2031-2035	39,743
2036-2039	23,164
Total minimum lease payments	146,622
Less: amount representing interest	(44,055)
Present value of future minimum lease payments	\$ 102,567

A. CHANGE IN LONG-TERM LIABILITIES

The schedule below presents the current year activity and year-end balances for the Board's long-term liabilities.

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Capital leases	\$ 103,507	\$ 8,398	\$ 9,338	102,567	\$ 7,324
Compensated absences	25,781	16,708	12,693	29,796	12,693
Claims and judgements					
- workers' compensation plan	14,211	4,735	6,496	12,450	4,168
Other Post Employment Benefits	1,250,360	795,589	*	2,045,949	-
County Employee Retirement Plan	126,242	11,727	*	137,969	-
Governmental activity					
Long-term liabilities	\$ 1,520,101	\$ 837,157	\$ 28,527	\$ 2,328,731	\$ 24,185
Business-type Activity/ Food Services					
Compensated absences	\$ 390	\$ 270	\$ 204	\$ 456	\$ 204

* Net change shown

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 9. RETIREMENT AND OTHER POST EMPLOYMENT BENEFITS

A. TEACHERS RETIREMENT AND PENSION SYSTEMS OF THE STATE OF MARYLAND

1) *Plan description*

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

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

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

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

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

For most individuals who retired from the Teachers' Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the members AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998, plus 1.4% of the members AFC, multiplied by the number of years of credible service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Teachers' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998, plus 1.8% of the members AFC, multiplied by the number of years of credible service accumulated subsequent to June 30, 1998. Beginning in July 1, 2011, any new member of the Teachers' Pension System shall earn an annual pension allowance equal to 1.5% of the member's AFC multiplied by the number of years of creditable service accumulated as a member of the Teachers' Pension System. There were no benefit changes during the year.

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

Beginning in FY2017, the Board pays the normal cost for teachers in the Teachers Retirement and Pension System while the State contributes on behalf of the Board, the unfunded liability portion of the Board's annual required contribution to the Teachers Retirement and Pension System, which for the year ended June 30, 2020 was \$34,106. The State's contributions on behalf of the Board for the year ended June 30, 2020 was \$92,105. The FY 2020 contribution made by the State on behalf of the Board has been included as both revenues and expenditures in the general fund in the accompanying Statement of Revenues, Expenditures and Changes in Fund Balances and are also included as revenues and expenses in the Statement of Activities.

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

At June 30, 2020, the Board did not report a liability related to the Teachers' Retirement and Pension Systems due to a special funding situation. The State of Maryland pays the unfunded liability for the Board and the Board pays the normal cost related to the Board's members in the Teachers' Retirement and Pension Systems; therefore, the Board is not required to record its share of the unfunded pension liability but instead, that liability is recorded by the State of Maryland. The amount recognized by the Board as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Board were as follows:

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

State's proportionate share of the net pension liability	\$ 882,809
Board's proportionate share of the net pension liability	-
Total	<u><u>\$ 882,809</u></u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the year-ended June 30, 2020, the Board recognized pension expense of \$126,211 and revenue of \$92,105 in the General Fund for support provided by the State. In the Statement of Activities, the Board recognized pension expense of \$146,466 and revenue of \$112,360 for support provided by the State. Due to the special funding situation noted above related to the Teachers' Retirement and Pension Systems, the Board did not report deferred outflows of resources and deferred inflows of resources related to the Teachers Retirement and Pension Systems.

Actuarial assumptions - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% general, 3.10% wage
Salary increases	3.10% to 8.35%
Investment rate of return	7.40%

Mortality rates were based on Pub-210 Mortality Tables with projected generational mortality improvements based on the MP-2018 fully generational mortality improvement scale.

The economic and demographic actuarial assumptions used in the June 30, 2019 valuation were adopted by the System's Board of Trustees based upon review of the System's experience study for the period 2014 - 2018, after completion of the June 30, 2018 valuations. Assumptions from the experience study including investment return, inflation, COLA increases, mortality rates, retirement rates, withdrawal rates, disability rates, and rates of salary increase were adopted by the Board for the first use in the actuarial valuation as of June 30, 2019. As a result, an investment return assumption of 7.40% and an inflation assumption of 2.60% were used for the June 30, 2019 valuation.

The long term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

each major asset class. These ranges are combined to produce the long-range expected rate of return by weighting the expected future real rates by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the Board after considering input from the System's investment consultant(s) and actuary(s). For each major asset class that is included in the System's target asset allocation, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Public Equity	37%	6.30%
Private Equity	13%	7.50%
Rate Sensitive	19%	1.30%
Credit Opportunity	9%	3.90%
Real Assets	14%	4.50%
Absolute Return	8%	3.00%
Total	<u>100%</u>	

The above was the System's Board of Trustees adopted asset allocation policy and best estimate of geometric real rates for each major asset class as of June 30, 2019.

For the year ended June 30, 2019, the annual money-weighted rate of total return on pension plan investments, net of the pension plan expense was 6.46%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

- 5) **Discount rate** - The single discount rate used to measure the total pension liability was 7.40%. This single discount rate was based on the expected rate of return on pension plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

- 6) ***Sensitivity of the Net Pension Liability*** - Due to the special funding situation noted above related to the Teachers' Retirement and Pension Systems, the Board did not record a net pension liability related to the Teachers' Retirement and Pension Systems.
- 7) ***Pension plan fiduciary net position*** - Detailed information about the pension plan's fiduciary net position is available in the separately issued System's financial report.

B. EMPLOYEES' RETIREMENT SYSTEM OF BALTIMORE COUNTY

- 1) ***Plan description*** - Custodians, bus drivers, mechanics, maintenance workers, tradesmen, cafeteria workers, and employees in related positions are covered by the Employees' Retirement System of Baltimore County (the System), a cost-sharing multiple-employer defined benefit public employee retirement system. The System was established in accordance with the Section 5-1-101 of the Baltimore County Code (the Code) and placed under the management of the Board of Trustees. The administration of this system is vested in the Director of Budget and Finance of Baltimore County as specified in Section 5-1-238 of the Code. The Director of Budget and Finance has the responsibility to implement policies of the eight member Board of Trustees as they pertain to the System and to ensure the System operates within the guidelines as set forth in those policies. The System issues a publicly available comprehensive annual financial report that includes the System's financial statements and required supplementary information. That report may be obtained by writing to the Employees' Retirement System of Baltimore County, 400 Washington Avenue, Towson, Maryland 21204.
- 2) ***Benefits provided*** - The System provides retirement and disability benefits, annual cost-of-living adjustments (if sufficient excess earnings exist in the fund) and occupational death benefits to plan members. Members hired prior to July 1, 2007 are eligible for normal service retirement after the attainment of age 60 with 5 years of creditable service or after 30 years of creditable service regardless of age. Members hired on or after July 1, 2007 are eligible for normal service retirement after attainment of age 67 with 10 years of creditable service or after 35 years of creditable service regardless of age.
- 3) ***Contributions*** - Plan members hired prior to July 1, 2007 are required to contribute between 6.25% - 7.25% of covered salary as of July 1, 2016. These plan members' contributions will increase annually until it is capped at 7.25% annually beginning January 1, 2019. Plan members hired subsequent to June 30, 2007 are required to contribute 7% annually.

The Board is required to contribute to the System at an actuarially determined rate. The contribution requirements for Plan members and the Board are established and may be amended by the Board of Trustees in accordance with Section 5 of the Code. The Board's

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

contribution to the System for the year ended June 30, 2020 was \$7,770, which was 100% of the required contribution.

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

- a. **Net Pension Liability** - At June 30, 2020, the Board reported a liability of \$137,969 for its proportionate share of the net pension liability. The net pension liability was measured as of January 1, 2018 rolled forward to June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Board's proportion of the net pension liability was actuarially determined based on a projection of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all the participating agencies. At June 30, 2019, the Board's proportion was 7.02 percent, which was a decrease of 0.3 from the proportion measured as of June 30, 2018. There have been no changes in the benefit terms that would affect the measurement of the total pension liability since the last measurement date.
- b. **Pension expense** - For the year ended June 30, 2020, the Board recognized pension expense of \$17,291.
- c. **Deferred outflows/inflows** - At June 30, 2020, the Board 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	\$ 6,406	\$ 257
Change of assumptions	4,583	239
Net difference between projected and actual earnings on pension plan investments	-	833
Changes in proportion and differences between Board contributions and proportionate share of contributions	9,309	5,527
Board contributions subsequent to the measurement date	7,770	-
	<u>\$ 28,068</u>	<u>\$ 6,856</u>

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

Deferred outflows of \$7,770 are reported as resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year-ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2021	\$	7,208
2022		226
2023		971
2024		1,599
2025		731
Thereafter		2,707

5) **Actuarial Assumptions** – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement:

- Inflation - 3.0 %
- Salary Increases - Rates vary by participant service.
- Investment Rate of Return – 6.375%, net of pension plan investment expense and gain sharing, including inflation.
- Actuarial Cost Method – Entry Age Normal
- Asset Valuation Method - Ten-year moving average

Mortality rates were based on the RP-2000 Combined Mortality Table for males or females projected to 2032, as appropriate, with adjustments for mortality improvements based on Scale AA. The actuarial assumptions used in the January 1, 2019 measurement were developed in the most recent actuarial experience study, which covered System experience from 2011 to 2016. Other changes made include:

- Employee contributions have been increased since the last actuarial evaluation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

Asset Class	Long-term Expected Rate of Return	Target Asset Allocation
Cash	0.25%	0.00%
Large Cap Equities	4.75%	19.00%
Small/Mid Cap Equities	5.00%	7.00%
International Equities (Unhedged)	5.00%	16.00%
Emerging International Equities	6.50%	8.00%
Core Bonds	1.62%	5.00%
Core Bonds - Short	0.25%	5.00%
Bank Loans	2.75%	3.00%
EMD (Local Currency)	4.00%	4.00%
Diversified Fixed Income	1.70%	9.00%
Private Equity	8.40%	7.00%
Real Estate (Core)	3.50%	5.00%
Global Asset Allocation	3.47%	6.00%
Risk Parity	2.27%	6.00%

- 6) **Discount rate** - The discount rate used to measure the total pension liability was the funding valuation interest rate of 6.375 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will continue to follow the current funding policy. Based on those assumptions, the system's fiduciary net position was projected to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
- 7) **Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate** - The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 6.375 percent, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.375 percent) or one percentage-point higher (7.375 percent) than the current rate:

	1% Decrease (5.375%)	Discount Rate (6.375%)	1% Increase (7.375%)
Board's proportionate share of the net pension liability	\$ 176,474	\$ 137,969	\$ 105,502

- 8) **Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement System

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

of Baltimore County financial report. The report may be obtained on line at the following link - <https://www.baltimorecountymd.gov/Agencies/budfin/retirement/index.html>.

C. OTHER POST-EMPLOYMENT BENEFITS

- 1) **Plan Description** - The County's *Other Post-Employment Benefits* plan (OPEB Plan) is a cost-sharing multiple-employer defined-benefit postemployment healthcare plan that provides certain health benefits to retirees and their beneficiaries. The OPEB Plan was established and is maintained by the county government as a trust fund as specified in Article 10, Title 14 of the County Code. Retirees receiving a Board approved retirement, and their beneficiaries, are eligible to participate in the OPEB Plan. The retiree must elect to participate in the OPEB Plan immediately upon retirement.
- 2) **Benefits Provided** - The healthcare benefits provided under the OPEB Plan are determined through negotiations between the Board and employee bargaining units, and are included in the bargaining unit contracts.
- 3) **Optional Benefits** - Certain other optional benefits for dental, vision, and life insurance coverage that are not part of the OPEB plan may be elected by retirees, however, the retiree is responsible for the full cost of the plan. Retirees' costs for dental and vision coverage is at the COBRA equivalent rates. Retirees are responsible for the full cost of life insurance.
- 4) **Contributions** - Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward healthcare based on their hire date, years of active service, the medical plan chosen, and whether they are Medicare eligible (age 65). The OPEB Plan does not have any required contributions from active employees.
- 5) **Funding Policy** – There are no statutory or contractual requirements for Board contributions to the plan. The Board contributes between 0% and 90% of the cost of healthcare based on years of service for retirees that have not become Medicare eligible. For Medicare eligible retirees the Board contributes between 0% and 84% based upon years of service. Contributions to the OPEB plan are subject to funding availability. The FY2020 contribution to the OPEB plan was \$13,500.
- 6) **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of resources Related to OPEB** – At June 30, 2020 the Board reported a liability of \$2,045,949 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The accrued liability was determined for each employer in the OPEB Plan. The actuarial accrued liability is a measure of the projected long-term contribution effort. Accordingly, assets and deferred inflows and outflows were allocated to each employer in proportion to the

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

actuarial accrued liability. At June 30, 2020, the Board's proportion was 51.89%. This was an increase of 2.36% from the prior year proportion of 49.53%.

- a. ***Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*** – For the year ended June 30, 2020, the Board recognized OPEB expense of \$214,006. At June 30, 2020 the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 199,330	\$ -
Change of assumptions	659,404	-
Net difference between projected and actual earnings on OPEB plan investments	4,881	8,312
Change in proportion	52,947	-
Board contributions subsequent to the measurement date	13,500	-
	<u>\$ 930,062</u>	<u>\$ 8,312</u>

Employer contributions of \$13,500 made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2021	\$ 145,205
2022	145,205
2023	148,211
2024	148,978
2025	147,702
Thereafter	172,949

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

- b. *Actuarial Assumptions* – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

• Inflation	2.2%
• Salary increases	0 – 6.55%
• Investment rate of return	6.375%
• Mortality	RP-2000 projected by Scale AA.
• Cost of living adjustments	N/A
• Healthcare cost trend rates	3.9% - 5.4%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB 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 asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Rate of Return	Target Asset Allocation
Large Cap Equities	4.75%	19.00%
Small/Mid Cap Equities	5.00%	7.00%
International Equities (Unhedged)	5.00%	16.00%
Emerging International Equities	6.50%	8.00%
Core Bonds	1.62%	5.00%
Core Bonds - Short	0.25%	5.00%
Bank Loans	2.75%	3.00%
EMD (Local Currency)	4.00%	4.00%
Diversified Fixed Income	1.70%	9.00%
Private Equity	8.40%	7.00%
Real Estate (Core)	3.50%	5.00%
Global Asset Allocation	3.47%	6.00%
Risk Parity	2.27%	6.00%

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

c. **Discount Rate** – The discount rate used to measure the OPEB liability was 3.15 percent at the end of the measurement period as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed future trust contributions by projecting 1.75% annual increases to the five-year average of the fiscal year ending 2015 to 2019 trust contributions. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current members in 2024. Future benefit payments beyond 2024 were discounted using tax exempt general obligation bonds with municipal bonds rated AA/Aa or higher at June 30, 2019 of 3.13%. The long term expected rate of return on investments of 6.375% was blended with the index rate of 3.13% for tax exempt general obligation municipal bonds rated AA/Aa or higher at June 30, 2019 to arrive at a discount rate of 3.15% used to determine the total OPEB liability.

d. **Sensitivity of the Board’s proportionate share of the net OPEB liability to changes in the discount rate** – The following presents the net OPEB liability of the Board, as well as what the Board’s net OPEB liability would be if it were calculated using a discount rate 1-percent point lower or 1-percent point higher than the current discount rate:

	1% Decrease	Discount rate	1% Increase
	(2.15%)	(3.15%)	(4.15%)
Net OPEB Liability	\$ 2,457,209	\$ 2,045,949	\$ 1,720,710

e. **Sensitivity of the Board’s proportionate share of the net OPEB liability to changes in the healthcare costs trend rates** - The following presents the net OPEB liability of the Board, as well as what the Board’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percent point lower or 1-percent point higher than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease	Trend rates	1% Increase
	(2.9%)	(3.9%)	(4.9%)
Net OPEB Liability	\$ 1,708,374	\$ 2,045,949	\$ 2,489,749

f. **OPEB plan fiduciary net position** – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued Baltimore County Government comprehensive annual financial report.

Board of Education of Baltimore County

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2020

NOTE 10. POLLUTION REMEDIATION

Governmental Accounting Standards Board Statement No.49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, requires the Board to disclose the nature and source of pollution remediation obligations, the amount of the estimated liability, the method used to estimate the liability, any potential for change in estimates, and estimated recoveries that may reduce the liability. As a result of renovation work being performed in schools where asbestos may be present, containment, removal and cleanup of any material that presents an imminent threat to health and safety of students, staff and visitors may be necessary. Based on management's review of current school renovation projects, a \$286 thousand dollar estimated liability was deemed necessary for pollution remediation at June 30, 2020.

NOTE 11. CONTINGENCIES

In the normal course of operations, the Board is subject to various lawsuits and claims. Based upon advice of counsel, the Board establishes an appropriate liability for such items where a significant loss is deemed probable. For the year ended June 30, 2020, no reserve for potential losses was deemed necessary. In the opinion of management and legal counsel, the ultimate disposition of any unresolved claims and litigation matters will not have a material effect on the Board's financial position or results of operations.

The Board receives grant funds, principally from the United States Government and the State of Maryland, for various programs. Certain expenditures of these funds are subject to audit by the grantors, with the Board being contingently liable for amounts received in excess of allowable expenditures. In the opinion of management, no material refunds will be required as a result of expenditures disallowed by the grantors.



Kyaia Moss

Parkville High

Grade 11

BOARD OF EDUCATION OF BALTIMORE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020
(In Thousands)

Schedule of the Board's Proportionate Share of the Net OPEB Liability

	2020	2019	2018
Board's proportion of the net OPEB liability	51.89%	49.53%	48.22%
Board's proportionate share of the net OPEB liability	\$ 2,045,949	\$ 1,250,360	\$ 789,640
Board's covered-employee payroll	\$ 857,801	\$ 824,206	\$ 735,217
Board's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	239%	152%	107%
Plan fiduciary net position as a percentage of the total OPEB liability	6.93%	13.00%	20.49%

The Board implemented GASB 75 during fiscal year 2018. As such, only three years of information is available.

BOARD OF EDUCATION OF BALTIMORE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020
(In Thousands)

State Teachers Retirement and Pension System of Maryland - Employer Contributions
Last Eight Fiscal years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 *</u>
Contractually required contribution *	\$ 34,106	\$ 32,236	\$ 32,722	\$ 29,375	\$ 29,374	\$ 25,549	\$ 19,971	\$ 15,776
Contributions in relation to the contractually required contribution	<u>(34,106)</u>	<u>(32,236)</u>	<u>(32,722)</u>	<u>(29,375)</u>	<u>(29,374)</u>	<u>(25,549)</u>	<u>(19,971)</u>	<u>(15,776)</u>
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 847,911	\$ 807,288	\$ 761,883	\$ 738,986	\$ 708,720	\$ 667,524	\$ 667,086	\$ 660,214
Contributions as a percentage of covered payroll	4%	4%	4%	4%	4%	4%	3%	2%

* The Board was not contractually required to contribute to the Teachers Retirement and Pension System prior to fiscal year 2013

**BOARD OF EDUCATION OF BALTIMORE COUNTY
REQUIRED SUPPLEMENTAL INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(In Thousands)**

**Schedule of the Board's Proportionate Share of the Net Pension Liability
State Teachers Retirement and Pension System**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Boards's proportion of the net pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Board's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability of the Board	882,809	901,038	943,475	1,018,884	1,103,603	807,793
Total	<u>\$ 882,809</u>	<u>\$ 901,038</u>	<u>\$ 943,475</u>	<u>\$ 1,018,884</u>	<u>\$ 1,103,603</u>	<u>807,793</u>
Board's covered payroll	\$ 807,288	\$ 761,883	\$ 738,986	\$ 708,720	\$ 667,524	\$ 667,086
Board's proportionate share of the net pension liability as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	75.43%	73.35%	71.41%	67.95%	70.76%	69.53%

*** The amounts presented for fiscal year 2020 were determined as of July 1 of two years prior, using membership data as of that day, projected to June 30 of the previous year. Additionally, the Board implemented GASB 68 during fiscal year 2015, as such, only six years of information is available.**

BOARD OF EDUCATION OF BALTIMORE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020
(In Thousands)

Employees' Retirement System of Baltimore County - Employer Contributions
Last Eight Fiscal years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 *</u>
Contractually required contribution	\$ 7,770	\$ 9,523	\$ 8,935	\$ 8,859	\$ 8,870	\$ 8,988	\$ 6,203	\$ 5,381
Contributions in relation to the contractually required contribution	<u>7,770</u>	<u>9,523</u>	<u>8,935</u>	<u>8,859</u>	<u>8,870</u>	<u>8,988</u>	<u>6,203</u>	<u>5,381</u>
Contribution deficiency/(excess)	<u>\$ -</u>							
Board's covered payroll	\$ 109,258	\$ 109,660	\$ 104,410	\$ 101,633	\$ 96,330	\$ 91,778	\$ 87,829	\$ 86,713
Contributions as a percentage of covered payroll	7.11%	8.68%	8.56%	8.72%	9.21%	9.79%	7.06%	6.21%

* The Board implemented GASBS No. 68 in fiscal year 2015, which requires a 10-year schedule of employer contributions. Information is not available for years 2012 and prior.

**BOARD OF EDUCATION OF BALTIMORE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(In Thousands)**

Schedule of the Board's Proportionate Share of the Net Pension Liability Employees' Retirement System of Baltimore County

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Boards's proportion of the net pension liability	7.02%	7.05%	7.55%	7.12%	8.69%	7.26%
Board's proportionate share of the net pension liability	\$137,969	\$126,242	\$127,250	\$124,340	\$126,832	\$ 86,003
Board's covered payroll	\$109,660	\$104,410	\$101,633	\$ 96,330	\$ 91,778	\$ 87,829
Board's proportionate share of the net pension liability as a percentage of its covered payroll	125.8%	120.9%	125.2%	129.1%	138.2%	97.9%
Plan fiduciary net position as a percentage of the total pension liability	58.7%	60.9%	61.5%	57.1%	62.8%	68.2%

The liability presented for fiscal year 2020 was measured as of June 30, 2019 using membership data as of June 30, 2018, rolled forward to June 30, 2019. Additionally, the Board implemented GASB 68 during fiscal year 2015, as such, only six years of information is available.

Board of Education of Baltimore County

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2020

STATE OF MARYLAND RETIREMENT AND PENSION SYSTEMS

NOTE 1 – CHANGES IN BENEFIT TERMS

There were no benefit changes during the year.

NOTE 2 – CHANGES IN ASSUMPTIONS

An experience study was performed for the period 2014 – 2018. The following assumption changes based on the experience study were adopted for the 2019 valuation:

- Investment return assumption changed from 7.45% to 7.40%

NOTE 3 – METHODS AND ASSUMPTIONS USED IN CALCULATIONS OF ACTUARIALLY DETERMINED CONTRIBUTIONS

Actuarial	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization period	22 years for State system
Asset Valuation method	5-year smoothed market
Inflation	2.60% general, 3.10% wage
Salary Increases	3.1% to 8.35% attributable to seniority and merit
Investment Rate of Return	7.40%
Discount Rate	7.40%
Post-retirement benefit increases	1.42% to 3.10%
Retirement Age	Experience based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the period 2014-2018
	Mortality MP-2018 Mortality tables

Board of Education of Baltimore County

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2020

EMPLOYEES' RETIREMENT SYSTEM OF BALTIMORE COUNTY – PLANS A & B

NOTE 1 – CHANGES IN BENEFIT TERMS

There were no benefit changes during the year.

NOTE 2 – CHANGES IN ASSUMPTIONS

There were no changes in assumptions during the year.

NOTE 3 – METHODS AND ASSUMPTIONS USED IN CALCULATIONS OF ACTUARIALLY DETERMINED CONTRIBUTIONS

Actuarial	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Amortization period	27 year layered amortization
Asset Valuation method	10-year smoothed market
Inflation	3.0%
Salary Increases	Rates vary by participant service and are based on a 2018 experience study
Investment Rate of Return	6.375%, net of investment expenses and gain sharing, and including inflation
Retirement Age	Rates vary by participant age and service
Mortality	For healthy participants and beneficiaries: For males 108% of the RP-2000 Combined Healthy male tables projected to 2032 by Scale AA and for females 100% of the RP-2000 Combined Healthy female table projected to 2032 by Scale AA. For disabled members, RP-2000 Disabled Annuitant tables projected to 2032 with Scale AA.



BOARD OF EDUCATION OF BALTIMORE COUNTY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
SCHOOL ACTIVITIES FUND
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
<u>Assets</u>				
Cash and cash equivalents	\$ 4,646	\$ 7,927	\$ 7,550	\$ 5,023
Investments	2,507	112	45	2,574
Inventories	248	172	248	172
Total Assets	\$ 7,401	\$ 8,211	\$ 7,843	\$ 7,769
 <u>Liabilities</u>				
Accounts payable	\$ 177	\$ 478	\$ 317	\$ 338
Due to others	30	173	193	10
Due to school organizations	7,194	7,958	7,731	7,421
Total Liabilities	\$ 7,401	\$ 8,609	\$ 8,241	\$ 7,769



Ilin Mehdizadeh

Kenwood High

Grade 11

Statistical Section

This part of the Board of Education of Baltimore County’s comprehensive annual 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 Board’s overall financial health. It includes information on financial trends, limited demographic information, and certain operating information.

No information on revenue capacity is presented, as the Board has no taxing authority and no significant “own source” revenues. The Board is fiscally dependent on appropriations from the Baltimore County government and the State of Maryland. Similarly, no information on debt capacity is presented because the Board has no authority to issue debt. The only debt carried by the Board is in the form of capital lease obligations.

Certain economic data of Baltimore County is presented in order to assist the users of this report to assess the economic condition of the County. This data has been obtained directly from the Baltimore County Government and is included here in its entirety.

<u>Contents</u>	<u>Page</u>
Financial Trends Information: These schedules contain trend information to help the reader understand how the Board’s financial performance and well-being have changed over time.	102-123
Demographic Information: These schedules contain certain information about student enrollment and Student to teacher ratio; which are indicators to help the reader understand the environment within which the Board’s financial activities take place.	124-126
Operating Information: These schedules contain information about certain services and other data to assist the reader in understanding how the information in the Board’s financial report relates to the services the Board provides and the activities it performs.	128-136
Baltimore County, Maryland Economic Data: These schedules contain information about certain economic and demographic data of Baltimore County, Maryland. These schedules are intended to provide a broader understanding of the county and its financial affairs.	138-145

Board of Education of Baltimore County
Net Position by Component
Last Ten Fiscal Years
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017**</u>
Governmental activities:				
Net investment in capital assets	\$ 1,895,954	\$ 1,857,095	\$ 1,824,578	\$ 1,682,007
Restricted	10,565	11,113	11,973	13,814
Unrestricted (deficit)	<u>(1,178,995)</u>	<u>(974,165)</u>	<u>(831,956)</u>	<u>(118,601)</u>
Total governmental activities net position	<u>727,524</u>	<u>894,043</u>	<u>1,004,595</u>	<u>1,577,220</u>
Business-type activity:				
Net investment in capital assets	11,452	12,081	11,415	12,103
Unrestricted	<u>19,091</u>	<u>21,504</u>	<u>20,681</u>	<u>19,784</u>
Total business-type activity net position	<u>30,543</u>	<u>33,585</u>	<u>32,096</u>	<u>31,887</u>
Primary government:				
Net investment in capital assets	1,907,406	1,869,176	1,835,993	1,694,110
Restricted	10,565	11,113	11,973	13,814
Unrestricted (deficit)	<u>(1,159,904)</u>	<u>(952,661)</u>	<u>(811,275)</u>	<u>(98,817)</u>
Total net position	<u>\$ 758,067</u>	<u>\$ 927,628</u>	<u>\$ 1,036,691</u>	<u>\$ 1,609,107</u>

* The fiscal year 2014 amounts were not changed to reflect the effects of the application of GASB No. 68.

**The fiscal year 2017 amounts were not changed to reflect the effects of the application of GASB No. 75.

<u>2016</u>	<u>2015</u>	<u>2014 *</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,555,836	\$ 1,451,076	\$ 1,383,777	\$ 1,344,340	\$ 1,300,909	\$ 1,206,622
15,570	16,843	16,973	15,297	14,662	19,021
(57,122)	(64,745)	6,731	(13,219)	(22,997)	14,995
<u>1,514,284</u>	<u>1,403,174</u>	<u>1,407,481</u>	<u>1,346,418</u>	<u>1,292,574</u>	<u>1,240,638</u>
11,890	13,045	13,750	13,977	14,367	13,290
18,027	14,995	13,929	11,499	9,220	6,851
<u>29,917</u>	<u>28,040</u>	<u>27,679</u>	<u>25,476</u>	<u>23,587</u>	<u>20,141</u>
1,567,726	1,464,121	1,397,527	1,358,337	1,315,276	1,219,912
15,570	16,843	16,973	15,297	14,662	19,021
(39,095)	(49,750)	20,660	(1,720)	(13,777)	21,846
<u>\$ 1,544,201</u>	<u>\$ 1,431,214</u>	<u>\$ 1,435,160</u>	<u>\$ 1,371,914</u>	<u>\$ 1,316,161</u>	<u>\$ 1,260,779</u>

Board of Education of Baltimore County
Changes in Net Position by Component
Last Ten Fiscal Years
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 **</u>
Expenses:				
Governmental activities:				
Administration	\$ 83,755	\$ 74,608	\$ 67,632	\$ 63,380
Mid-level administration	167,491	152,790	144,093	140,582
Instruction	1,126,208	1,029,595	942,262	905,610
Special education	345,016	307,237	278,939	266,165
Student personnel services	24,774	22,077	18,847	18,725
Health services	28,664	25,907	23,747	23,719
Student transportation	94,912	94,003	84,777	82,464
Operation of plant	129,991	117,569	112,071	111,734
Maintenance of plant	49,513	45,754	42,536	45,502
Food Services	4,496	-	-	-
Community services	386	664	640	676
Capital administration	20,633	18,714	8,057	9,279
Interest on long-term debt	4,207	3,076	1,126	1,100
Total governmental activities	<u>2,080,046</u>	<u>1,891,994</u>	<u>1,724,727</u>	<u>1,668,936</u>
Business-type activity	45,272	50,709	49,391	48,275
Total expenses	<u>2,125,318</u>	<u>1,942,703</u>	<u>1,774,118</u>	<u>1,717,211</u>
Program Revenues:				
Governmental activities:				
Charges for services	228	178	198	300
Operating grants and contributions	193,276	170,988	159,135	158,277
Capital grants and contributions	129,228	112,470	229,092	191,652
Total governmental activities program revenues	<u>322,732</u>	<u>283,636</u>	<u>388,425</u>	<u>350,229</u>
Business-type activity:				
Charges for services	8,807	12,707	13,062	13,072
Operating grants and contributions	32,644	37,533	36,346	35,662
Total business-type activity program revenues	<u>41,451</u>	<u>50,240</u>	<u>49,408</u>	<u>48,734</u>
Total program revenues	<u>364,183</u>	<u>333,876</u>	<u>437,833</u>	<u>398,963</u>
Net (Expense) Revenue:				
Governmental activities	(1,757,314)	(1,608,358)	(1,336,302)	(1,318,707)
Business-type activity	(3,821)	(469)	17	459
Total net (expense)	<u>\$ (1,761,135)</u>	<u>\$ (1,608,827)</u>	<u>\$ (1,336,285)</u>	<u>\$ (1,318,248)</u>
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Unrestricted grants and contributions	\$ 1,584,341	\$ 1,491,209	\$ 1,443,733	\$ 1,398,398
Other	7,233	8,555	5,406	4,756
Reversion of fund balance to Baltimore County	-	-	-	(20,000)
Transfers	(779)	(1,958)	(192)	(1,511)
Total governmental activities	<u>1,590,795</u>	<u>1,497,806</u>	<u>1,448,947</u>	<u>1,381,643</u>
Business-type activity:				
Transfers	779	1,958	192	1,511
Total business-type activity	<u>779</u>	<u>1,958</u>	<u>192</u>	<u>1,511</u>
Total general revenues and other changes in net position	<u>\$ 1,591,574</u>	<u>\$ 1,499,764</u>	<u>\$ 1,449,139</u>	<u>\$ 1,383,154</u>
Changes in Net Position:				
Governmental activities	\$ (166,519)	\$ (110,552)	\$ 112,645	\$ 62,936
Business-type activity	(3,042)	1,489	209	1,970
Total changes in net position	<u>\$ (169,561)</u>	<u>\$ (109,063)</u>	<u>\$ 112,854</u>	<u>\$ 64,906</u>

* The 2014 amounts were not changed to reflect the effects of the application of GASB 68.

** The 2017 amounts were not changed to reflect the application of GASB 75

	2016	2015	2014*	2013	2012	2011
\$	60,449	\$ 67,468	\$ 63,073	\$ 55,792	\$ 55,234	\$ 56,679
	133,979	131,654	125,914	123,424	128,958	120,945
	852,148	808,275	787,582	753,432	776,295	762,545
	257,803	249,129	242,142	241,468	251,812	243,891
	17,120	14,702	19,301	13,692	14,097	13,207
	22,781	21,796	21,078	20,714	21,967	20,340
	80,006	81,129	67,651	73,953	73,878	70,300
	109,077	111,785	111,341	106,695	105,742	105,589
	40,637	40,274	37,615	33,857	34,634	35,159
	-	-	-	-	-	-
	417	320	357	289	17	30
	7,557	6,073	12,181	8,525	3,424	6,123
	1,114	1,120	243	335	373	390
	<u>1,583,088</u>	<u>1,533,725</u>	<u>1,488,478</u>	<u>1,432,176</u>	<u>1,466,431</u>	<u>1,435,198</u>
	46,795	45,330	42,382	41,404	39,200	38,477
	<u>1,629,883</u>	<u>1,579,055</u>	<u>1,530,860</u>	<u>1,473,580</u>	<u>1,505,631</u>	<u>1,473,675</u>
	403	468	243	383	721	586
	154,541	149,547	152,074	143,687	141,121	160,606
	162,251	121,262	92,056	92,210	140,192	96,745
	<u>317,195</u>	<u>271,277</u>	<u>244,373</u>	<u>236,280</u>	<u>282,034</u>	<u>257,937</u>
	12,878	12,334	12,891	13,320	13,906	14,821
	35,397	32,802	31,108	29,303	26,406	24,159
	48,275	45,136	43,999	42,623	40,312	38,980
	<u>365,470</u>	<u>316,413</u>	<u>288,372</u>	<u>278,903</u>	<u>322,346</u>	<u>296,917</u>
	(1,265,893)	(1,262,448)	(1,244,105)	(1,195,896)	(1,184,397)	(1,177,261)
	1,480	(194)	1,617	1,219	1,112	503
\$	<u>(1,264,413)</u>	<u>(1,262,642)</u>	<u>(1,242,488)</u>	<u>(1,194,677)</u>	<u>(1,183,285)</u>	<u>(1,176,758)</u>
\$	1,371,932	\$ 1,341,910	\$ 1,299,336	\$ 1,244,335	\$ 1,233,143	\$ 1,216,274
	5,468	7,313	6,398	6,095	5,524	7,232
	-	-	-	-	-	-
	(397)	(555)	(566)	(690)	(2,334)	(1,813)
	<u>1,377,003</u>	<u>1,348,668</u>	<u>1,305,168</u>	<u>1,249,740</u>	<u>1,236,333</u>	<u>1,221,693</u>
	397	555	566	690	2,334	1,813
	<u>397</u>	<u>555</u>	<u>566</u>	<u>690</u>	<u>2,334</u>	<u>1,813</u>
\$	<u>1,377,400</u>	<u>1,349,223</u>	<u>1,305,734</u>	<u>1,250,430</u>	<u>1,238,667</u>	<u>1,223,506</u>
\$	111,110	\$ 86,220	\$ 61,063	\$ 53,844	\$ 51,936	\$ 44,432
	1,877	361	2,183	1,909	3,446	2,316
\$	<u>112,987</u>	<u>86,581</u>	<u>63,246</u>	<u>55,753</u>	<u>55,382</u>	<u>46,748</u>

Board of Education of Baltimore County
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Fund:				
Non-spendable	\$ 653	\$ 621	\$ 488	\$ 491
Restricted	-	-	-	-
Assigned	71,956	57,035	58,994	52,832
Unassigned	16,376	9,100	474	4,692
Total general fund	<u>\$ 88,985</u>	<u>\$ 66,756</u>	<u>\$ 59,956</u>	<u>\$ 58,015</u>
All other governmental funds:				
Non-spendable	\$ -	\$ -	\$ -	\$ -
Restricted	10,565	11,113	11,973	13,814
Assigned	-	-	-	-
Unassigned (deficit)	(286)	(334)	(883)	(1,991)
Total all other governmental funds	<u>\$ 10,279</u>	<u>\$ 10,779</u>	<u>\$ 11,090</u>	<u>\$ 11,823</u>

The above detail of Governmental Fund Balances is presented to comply with the requirements of Government Accounting Standards Board Statement No. 54 (GASB 54), which requires redefining of the components of the fund balance. This statement, which took effect for years beginning after June 30, 2010, did not require restatement of the components of the fund balance for years prior to July 1, 2011. The fund balances for the prior years were restated to be comparable with the current year's presentation.

2016	2015	2014	2013	2012	2011
\$ 495	\$ 498	\$ 221	\$ 639	\$ 731	\$ 1,824
-	-	-	-	-	-
66,549	39,588	34,539	35,628	29,481	20,888
24,534	24,876	13,550	4,451	12,722	11,992
<u>\$ 91,578</u>	<u>\$ 64,962</u>	<u>\$ 48,310</u>	<u>\$ 40,718</u>	<u>\$ 42,934</u>	<u>\$ 34,704</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,570	16,843	16,973	15,297	15,393	15,095
-	-	-	-	-	-
(1,976)	(1,492)	(587)	-	(137)	(1,757)
<u>\$ 13,594</u>	<u>\$ 15,351</u>	<u>\$ 16,386</u>	<u>\$ 15,297</u>	<u>\$ 15,256</u>	<u>\$ 13,338</u>

Board of Education of Baltimore County
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues:				
Intergovernmental	\$ 1,885,836	\$ 1,773,900	\$ 1,830,275	\$ 1,746,876
Other	8,216	9,499	7,475	6,710
Total revenues	<u>1,894,052</u>	<u>1,783,399</u>	<u>1,837,750</u>	<u>1,753,586</u>
Expenditures:				
Current:				
Administration	59,731	55,216	52,084	47,915
Mid-level administration	103,380	101,234	99,665	97,214
Instruction:				
Instructional salaries	585,643	558,164	534,065	518,075
Instructional textbooks and supplies	26,329	28,594	27,779	27,734
Other instructional costs	63,584	69,308	58,685	52,127
Special education	234,417	221,391	207,944	197,859
Student personnel services	15,137	14,448	13,062	12,814
Health services	17,967	17,299	16,402	16,030
Student transportation	69,790	72,199	64,658	62,141
Operation of plant	96,379	128,758	128,254	87,445
Maintenance of plant	40,451	38,964	35,729	38,731
Fixed charges	415,891	384,665	396,663	409,827
Food Services	4,496	-	-	-
Community services	301	496	490	645
Capital administration	133,680	116,271	231,594	195,289
Debt service:				
Principal	9,338	12,150	10,212	9,026
Interest	4,207	3,076	1,126	1,100
Total expenditures	<u>1,880,721</u>	<u>1,822,233</u>	<u>1,878,412</u>	<u>1,773,972</u>
Excess (deficit) of revenues over expenditures	13,331	(38,834)	(40,662)	(20,386)
Other financing sources (uses):				
Capital lease issuance	8,398	45,323	41,870	5,052
Insurance proceeds	-	-	-	-
Reversion of fund balance to Baltimore County	-	-	-	(20,000)
Total other financing sources (uses)	<u>8,398</u>	<u>45,323</u>	<u>41,870</u>	<u>(14,948)</u>
Net change in fund balances	<u>\$ 21,729</u>	<u>\$ 6,489</u>	<u>\$ 1,208</u>	<u>\$ (35,334)</u>
Debt service as a percentage of noncapital expenditures*	0.8%	0.9%	0.7%	0.6%

* Debt issued by the County to finance school construction is not an obligation of the Board, therefore the debt service relating to those obligations is not included in these financial statements.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,687,092	\$ 1,610,994	\$ 1,542,010	\$ 1,479,501	\$ 1,513,925	\$ 1,472,914
7,690	9,506	7,649	7,209	7,475	8,540
<u>1,694,782</u>	<u>1,620,500</u>	<u>1,549,659</u>	<u>1,486,710</u>	<u>1,521,400</u>	<u>1,481,454</u>
45,478	53,339	48,592	43,972	41,606	41,340
93,464	91,502	87,368	87,294	86,673	85,418
497,405	483,607	469,150	461,528	453,937	464,251
28,397	28,444	33,928	26,628	25,232	33,344
38,103	17,981	16,873	14,931	12,272	15,091
191,377	185,697	180,429	181,271	180,342	181,716
12,179	10,172	9,747	9,517	9,316	9,100
15,798	15,034	14,525	14,564	14,531	14,145
59,055	70,148	63,898	57,751	54,708	58,683
87,236	90,286	90,636	86,955	83,080	86,795
34,301	32,636	35,372	29,315	27,411	28,964
392,424	403,077	397,970	377,854	376,484	360,314
-	-	-	-	-	-
321	252	293	251	17	30
166,205	125,293	96,251	94,970	141,649	101,882
9,587	10,062	7,226	6,799	7,225	6,480
1,114	1,120	243	336	373	390
<u>1,672,444</u>	<u>1,618,650</u>	<u>1,552,501</u>	<u>1,493,936</u>	<u>1,514,856</u>	<u>1,487,943</u>
22,338	1,850	(2,842)	(7,226)	6,544	(6,489)
2,521	13,767	11,523	5,051	3,604	8,762
-	-	-	-	-	251
-	-	-	-	-	-
<u>2,521</u>	<u>13,767</u>	<u>11,523</u>	<u>5,051</u>	<u>3,604</u>	<u>9,013</u>
<u>\$ 24,859</u>	<u>\$ 15,617</u>	<u>\$ 8,681</u>	<u>\$ (2,175)</u>	<u>\$ 10,148</u>	<u>\$ 2,524</u>
0.7%	0.7%	0.5%	0.5%	0.6%	0.5%

Board of Education of Baltimore County
Government-wide Expenses by Function
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Administration	Mid-Level Administration	Instruction	Special Education	Student Personnel Services	Health Services	Student Transportation
2020	\$ 83,755	\$ 167,491	\$ 1,126,208	\$ 345,016	\$ 24,774	\$ 28,664	\$ 94,912
2019	74,608	152,790	1,029,595	307,237	22,077	25,907	94,003
2018	67,632	144,093	942,262	278,939	18,847	23,747	84,777
2017	63,380	140,582	905,610	266,165	18,725	23,719	82,464
2016	60,449	133,979	852,148	257,803	17,120	22,781	80,006
2015	67,468	131,654	808,275	249,129	14,702	21,796	81,129
2014	63,073	125,914	787,582	242,142	19,301	21,078	67,651
2013	55,792	123,424	753,432	241,468	13,692	20,714	73,953
2012	55,234	128,958	776,295	251,812	14,097	21,967	73,878
2011	56,679	120,945	762,545	243,891	13,207	20,340	70,300

Operation of Plant	Maintenance of Plant	Food Services	Community Services	Capital Administration	Interest on Long-term Debt	Food Services	Total
\$ 129,991	\$ 49,513	\$ 4,496	\$ 386	\$ 20,633	\$ 4,207	\$ 45,272	\$ 2,125,318
117,569	45,754	-	664	18,714	3,076	50,709	1,942,703
112,071	42,536	-	640	8,057	1,126	49,391	1,774,118
111,734	45,502	-	676	9,279	1,100	48,275	1,717,211
109,077	40,637	-	417	7,557	1,114	46,795	1,629,883
111,785	40,274	-	320	6,073	1,120	45,330	1,579,055
111,341	37,615	-	357	12,181	243	42,382	1,530,860
106,695	33,857	-	289	8,525	335	41,404	1,473,580
105,742	34,634	-	17	3,424	373	39,200	1,505,631
105,589	35,159	-	30	6,123	390	38,477	1,473,675

Board of Education of Baltimore County
Government-wide Revenues
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Program Revenues			General Revenues					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Baltimore County	State of Maryland	United States Government	Other		
2020	\$ 9,035	\$ 225,920	\$ 129,228	\$ 851,563	\$ 732,089	\$ 689	\$ 7,233	\$ 1,955,757	
2019	12,885	208,521	112,470	816,971	673,570	668	8,555	1,833,640	
2018	13,260	195,481	229,092	790,069	653,091	573	5,406	1,886,972	
2017	13,372	193,939	191,652	757,552	639,959	887	4,756	1,802,117	
2016	13,281	189,938	162,251	748,849	622,288	795	5,468	1,742,870	
2015	12,802	182,349	121,262	738,075	603,108	727	7,313	1,665,636	
2014	13,134	183,182	92,056	712,535	585,920	881	6,398	1,594,106	
2013	13,703	172,990	92,210	690,477	553,193	665	6,095	1,529,333	
2012	14,627	167,527	140,192	668,495	559,539	5,109	5,524	1,561,013	
2011	15,407	184,765	96,745	663,144	518,223	34,907	7,232	1,520,423	

Board of Education of Baltimore County
Governmental Funds Revenues by Source ¹
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Baltimore County	State of Maryland	United States Government	Other	Total
2020	\$ 931,121	\$ 873,407	\$ 81,308	\$ 8,216	\$ 1,894,052
2019	891,121	807,446	75,333	9,499	1,783,399
2018	956,021	806,277	67,977	7,475	1,837,750
2017	902,189	774,493	70,194	6,710	1,753,586
2016	870,520	747,958	68,614	7,690	1,694,782
2015	808,899	738,241	63,854	9,506	1,620,500
2014	779,394	694,152	68,464	7,649	1,549,659
2013	738,008	674,616	66,877	7,209	1,486,710
2012	766,644	678,766	68,515	7,475	1,521,400
2011	737,353	613,905	121,656	8,540	1,481,454

¹ Includes general, special revenue, capital projects funds.

Board of Education of Baltimore County
Governmental Funds Expenditures by Function ¹
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Administration	Mid-Level Administration	Instructional			Special Education	Student Personnel Services	Health Services
			Salaries	Textbooks and Supplies	Other Costs			
2020	\$ 59,731	\$ 103,380	\$ 585,643	\$ 26,329	\$ 63,584	\$ 234,417	\$ 15,137	\$ 17,967
2019	55,216	101,234	558,164	28,594	69,308	221,391	14,448	17,299
2018	52,084	99,665	534,065	27,779	58,685	207,944	13,062	16,402
2017	47,915	97,214	518,075	27,734	52,127	197,859	12,814	16,030
2016	45,478	93,464	497,405	28,397	38,103	191,377	12,179	15,798
2015	53,339	91,502	483,607	28,444	17,981	185,697	10,172	15,034
2014	48,592	87,368	469,150	33,928	16,873	180,429	9,747	14,525
2013	43,972	87,294	461,528	26,628	14,931	181,271	9,517	14,564
2012	41,606	86,673	453,937	25,232	12,272	180,342	9,316	14,531
2011	41,340	85,418	464,251	33,344	15,091	181,716	9,100	14,145

¹ Includes general, special revenue, and capital projects funds.

	Student Transportation	Operation of Plant	Maintenance of Plant	Fixed Charges	Food Services	Community Services	Capital Administration	Debt Service	Total
\$	69,790	\$ 96,379	\$ 40,451	\$ 415,891	\$ 4,496	\$ 301	\$ 133,680	\$ 13,545	\$ 1,880,721
	72,199	128,758	38,964	384,665	-	496	116,271	15,226	1,822,233
	64,658	128,254	35,729	396,663	-	490	231,594	11,338	1,878,412
	62,141	87,445	38,731	409,827	-	645	195,289	10,126	1,773,972
	59,055	87,236	34,301	392,424	-	321	166,205	10,701	1,672,444
	70,148	90,286	32,636	403,077	-	252	125,293	11,182	1,655,074
	63,898	90,636	35,372	397,970	-	293	96,251	7,469	1,577,665
	57,751	86,955	29,315	377,854	-	251	94,970	7,135	1,514,843
	54,708	83,080	27,411	376,484	-	17	141,649	7,598	1,530,652
	58,683	86,795	28,964	360,314	-	30	101,882	6,870	1,467,447

Board of Education of Baltimore County
Final Approved Operating Budgets - Expenditures
Last Ten Fiscal Years
(In Thousands)

General Fund

Fiscal Year	Administration	Mid-Level Administration	Instructional Salaries and Other Costs	Instructional Textbooks and Supplies	Special Education	Student Personnel Services	Health Services	Student Transportation
2020	\$ 55,322	\$ 105,034	\$ 633,311	\$ 26,025	\$ 213,953	\$ 15,537	\$ 17,776	\$ 77,053
2019	51,741	103,252	608,584	28,902	198,771	14,774	17,495	74,589
2018	51,213	100,523	577,463	27,405	183,087	12,132	16,778	69,660
2017	44,472	98,521	553,422	25,255	175,878	10,071	16,201	67,568
2016	42,469	94,822	524,601	25,502	171,041	9,744	15,667	66,232
2015	49,658	94,597	487,075	25,751	166,057	9,389	15,258	65,541
2014	45,231	89,576	468,709	30,636	160,859	9,103	14,674	60,423
2013	36,778	87,872	460,254	22,137	160,856	8,888	14,317	60,761
2012	37,109	86,727	457,892	22,577	155,229	8,635	14,161	58,270
2011	35,367	85,511	465,299	25,173	150,213	8,484	13,946	56,352

				General Fund Total	Debt Service Fund	Special Revenue Fund		
<u>Operation of Plant</u>	<u>Maintenance of Plant</u>	<u>Fixed Charges</u>	<u>Capital Administration</u>	<u>General Fund</u>	<u>Debt Service</u>	<u>Federal and Restricted Programs</u>	<u>Total</u>	
\$ 108,203	\$ 44,338	\$ 310,135	\$ 4,825	\$ 1,611,512	\$ 61,587	\$ 94,271	\$ 1,767,370	
103,823	41,294	281,908	4,569	1,529,702	54,389	95,301	1,679,392	
96,238	38,335	299,312	4,318	1,476,464	53,032	87,345	1,616,841	
93,218	36,783	310,568	4,034	1,435,991	47,898	87,062	1,570,951	
91,579	40,536	310,952	3,793	1,396,938	40,807	82,686	1,520,431	
93,641	33,719	304,576	3,795	1,349,057	38,914	70,386	1,458,357	
94,846	33,661	300,013	3,417	1,311,148	35,556	73,475	1,420,179	
89,904	34,644	291,928	3,915	1,333,717	33,249	80,272	1,447,238	
85,626	29,666	267,633	3,217	1,265,353	34,438	87,655	1,387,446	
87,552	29,120	250,674	3,682	1,211,373	32,312	99,990	1,343,675	

Board of Education of Baltimore County

General Fund Revenue and Expenditures - Budgetary Basis

Last Ten Fiscal Years

(In Thousands)

	2020		2019		2018		2017		2016	
	Amount	% of Total								
Revenues by Source:										
Baltimore County	\$ 851,563	52.7	\$ 816,971	53.2	\$ 790,069	53.4	\$ 757,552	53.3	\$ 748,849	53.7
State of Maryland	726,050	44.9	677,409	44.1	654,223	44.3	633,765	44.6	618,578	44.4
United States Government	689	0.1	668	0.1	573	0.1	887	0.1	795	0.1
Other	37,433	2.3	40,510	2.6	33,463	2.2	28,433	2.0	25,210	1.8
Total revenue	<u>1,615,735</u>	<u>100.0</u>	<u>1,535,558</u>	<u>100.0</u>	<u>1,478,328</u>	<u>100.0</u>	<u>1,420,637</u>	<u>100.0</u>	<u>1,393,432</u>	<u>100.0</u>
Expenditures - Current										
Administration	53,468	3.4	49,388	3.3	50,038	3.4	42,777	3.0	41,162	3.1
Mid-Level Administration	103,605	6.6	101,026	6.7	99,632	6.8	96,744	6.9	93,307	6.9
Instructional costs:										
Salaries	561,967	35.6	536,767	35.7	516,312	35.4	499,339	35.4	479,200	35.3
Textbooks and supplies	25,476	1.6	26,896	1.8	25,394	1.8	23,698	1.7	23,975	1.8
Other costs	60,820	3.9	67,443	4.5	55,585	3.8	50,866	3.6	36,265	2.7
Special education	212,620	13.5	196,877	13.1	182,398	12.5	175,008	12.4	168,440	12.4
Student personnel services	14,805	0.9	13,145	0.9	11,098	0.8	9,070	0.6	8,867	0.7
Health services	17,117	1.1	16,146	1.1	15,639	1.1	15,106	1.1	15,021	1.1
Student transportation	72,719	4.6	73,744	4.9	68,876	4.7	65,112	4.6	65,697	4.8
Operation of plant	104,838	6.6	99,927	6.6	94,808	6.5	90,049	6.4	87,396	6.4
Maintenance of plant	41,690	2.6	39,376	2.6	37,360	2.6	34,832	2.5	38,950	2.9
Fixed charges	305,801	19.3	279,518	18.5	296,008	20.3	305,072	21.6	294,171	21.7
Capital administration	4,660	0.3	3,908	0.3	4,032	0.3	3,591	0.2	3,240	0.2
Total expenditures	<u>1,579,586</u>	<u>100.0</u>	<u>1,504,161</u>	<u>100.0</u>	<u>1,457,180</u>	<u>100.0</u>	<u>1,411,264</u>	<u>100.0</u>	<u>1,355,691</u>	<u>100.0</u>
Excess of revenue over expenditures	<u>\$ 36,149</u>		<u>\$ 31,397</u>		<u>\$ 21,148</u>		<u>\$ 9,373</u>		<u>\$ 37,741</u>	

2015		2014		2013		2012		2011	
Amount	% of Total								
\$ 738,075	54.5	\$ 712,086	54.3	\$ 689,743	54.4	\$ 668,495	54.6	\$ 663,144	54.7
594,327	43.9	576,122	43.9	553,541	43.6	535,580	43.7	493,543	40.7
727	0.1	881	0.1	665	0.1	5,109	0.4	31,087	2.6
20,868	1.5	22,625	1.7	24,218	1.9	16,190	1.3	23,959	2.0
<u>1,353,997</u>	<u>100.0</u>	<u>1,311,714</u>	<u>100.0</u>	<u>1,268,167</u>	<u>100.0</u>	<u>1,225,374</u>	<u>100.0</u>	<u>1,211,733</u>	<u>100.0</u>
49,181	3.7	43,509	3.4	36,604	2.9	35,566	2.9	34,728	2.9
91,657	6.9	87,221	6.7	87,227	6.9	86,312	7.1	84,801	7.1
467,484	35.1	452,028	34.9	445,809	35.4	440,114	36.4	444,791	37.2
23,980	1.8	29,136	2.3	20,329	1.6	21,711	1.8	24,916	2.1
15,778	1.2	12,980	1.0	10,935	0.9	8,614	0.7	9,492	0.8
161,262	12.1	156,997	12.1	158,232	12.6	155,223	12.8	150,142	12.5
8,997	0.7	8,783	0.7	8,749	0.7	8,635	0.7	8,428	0.7
14,669	1.1	14,140	1.1	14,003	1.1	14,154	1.2	13,814	1.2
64,980	4.9	59,687	4.6	59,288	4.7	57,443	4.7	55,930	4.7
92,777	7.0	93,978	7.3	87,728	7.0	83,571	6.9	86,679	7.2
33,284	2.5	32,787	2.5	34,304	2.7	29,244	2.4	29,054	2.4
303,540	22.8	299,988	23.2	291,894	23.2	267,413	22.1	250,638	20.9
3,381	0.2	2,903	0.2	3,641	0.3	3,065	0.3	3,555	0.3
<u>1,330,970</u>	<u>100.0</u>	<u>1,294,137</u>	<u>100.0</u>	<u>1,258,743</u>	<u>100.0</u>	<u>1,211,065</u>	<u>100.0</u>	<u>1,196,968</u>	<u>100.0</u>
<u>\$ 23,027</u>		<u>\$ 17,577</u>		<u>\$ 9,424</u>		<u>\$ 14,309</u>		<u>\$ 14,765</u>	

Board of Education of Baltimore County
Ratios of Outstanding Debt
Last Ten Fiscal Years
(In Thousands)

<u>Fiscal Year</u>	<u>Capital Lease Debt</u>	<u>Percentage Of Personal Income (1)</u>	<u>Per Capita (1) (2)</u>
2020	\$ 102,567	**	**
2019	103,507	0.20%	124.30
2018	70,334	0.15%	84.45
2017	38,676	0.08%	**
2016	42,650	0.09%	51.08
2015	49,716	0.11%	59.75
2014	46,011	0.11%	56.25
2013	16,038	0.04%	19.71
2012	17,786	0.04%	21.96
2011	21,408	0.05%	26.56

The only debt incurred by the Board are capital lease financing arrangements for the purchase of school buses, certain other vehicles, and for building improvements at schools and other facilities. These amounts represent the future principal payments on the debt outstanding at the respective fiscal year-end.

** Baltimore County Government data not available at time of printing.

Debt incurred for the construction of schools and other capital projects is the debt of the Baltimore County Government and is not a liability of the Board of Education of Baltimore County; and therefore, is not reflected in the above data.

(1) Personal income and population data provided by Baltimore County Government

(2) Expressed in dollars

Anthony Le



Owings Mills High



Grade 12



Board of Education of Baltimore County
Cost Per Pupil - Budgetary Basis
Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Number of Pupils Enrolled	<u>115,038</u>	<u>113,814</u>	<u>113,282</u>	<u>112,139</u>
Current Expense				
General Fund:				
Administration	\$ 465	\$ 434	\$ 442	\$ 381
Mid-Level Administration	901	888	880	863
Instructional:				
Salaries	4,885	4,716	4,558	4,453
Textbooks and supplies	221	236	224	211
Other costs	529	593	491	454
Special education	1,848	1,730	1,610	1,560
Student personnel services	129	115	98	81
Health services	149	142	138	135
Student transportation	632	648	608	581
Operation of plant	911	878	837	803
Maintenance of plant	362	346	330	311
Fixed Charges ⁽¹⁾	2,658	2,456	2,613	2,720
Capital administration	41	34	36	32
Total General Fund	<u>13,731</u>	<u>13,216</u>	<u>12,865</u>	<u>12,585</u>
Special Revenue Fund	<u>793</u>	<u>728</u>	<u>660</u>	<u>675</u>
Debt Service Fund:				
Principal	383	321	316	287
Interest	152	157	152	140
Total Debt Service Fund	<u>535</u>	<u>478</u>	<u>468</u>	<u>427</u>
Total Cost Per Pupil	<u>\$ 15,060</u>	<u>\$ 14,422</u>	<u>\$ 13,993</u>	<u>\$ 13,687</u>

The cost per pupil is based on the total number of pupils enrolled in the fall of each school year.

(1) Costs that are not applicable to the basic educational program or that are not charged to the Board of Education are not included in the above computation. For the year ended June 30, 2020, contributions by the State of Maryland to the Teachers' Retirement and Pension System of \$92.1 million on behalf of Baltimore County Public Schools are not included in this calculation.

2016	2015	2014	2013	2012	2011
<u>111,126</u>	<u>109,984</u>	<u>108,376</u>	<u>107,033</u>	<u>105,315</u>	<u>104,331</u>
\$ 370	\$ 447	\$ 401	\$ 342	\$ 338	\$ 333
840	833	805	815	820	813
4,312	4,251	4,172	4,165	4,179	4,263
216	218	269	190	206	239
326	143	120	102	82	91
1,516	1,466	1,449	1,478	1,474	1,439
80	82	81	82	82	81
135	133	130	131	134	132
591	591	551	544	545	536
787	844	867	820	794	831
351	303	303	321	278	278
2,647	2,760	2,768	2,727	2,539	2,402
29	31	27	34	29	34
<u>12,200</u>	<u>12,102</u>	<u>11,942</u>	<u>11,750</u>	<u>11,499</u>	<u>11,472</u>
<u>682</u>	<u>635</u>	<u>665</u>	<u>687</u>	<u>644</u>	<u>845</u>
232	225	210	202	188	176
135	129	118	108	137	126
<u>367</u>	<u>354</u>	<u>328</u>	<u>310</u>	<u>325</u>	<u>302</u>
<u>\$ 13,249</u>	<u>\$ 13,091</u>	<u>\$ 12,935</u>	<u>\$ 12,747</u>	<u>\$ 12,468</u>	<u>\$ 12,619</u>

Board of Education of Baltimore County
Enrollment by Schools

<u>Elementary</u>	<u>2020</u>	<u>2019</u>		<u>2020</u>	<u>2019</u>
Arbutus	404	405	Johnnycake	690	717
Baltimore Highlands	551	553	Joppa View	739	801
Battle Grove	346	355	Kingsville	326	316
Bear Creek	495	498	Lansdowne	631	600
Bedford	331	312	Logan	550	584
Berkshire	484	474	Lutherville	368	374
Campfield Ctr. *	410	412	Lyons Mill	759	793
Carney	638	641	Mars Estates	386	384
Carroll Manor	389	373	Martin Boulevard	298	295
Catonsville	668	666	Mays Chapel	720	747
Cedarmere	539	564	McCormick	338	334
Chadwick	637	642	Middleborough	349	351
Chapel Hill	646	676	Middlesex	424	414
Charlesmont	384	444	Milbrook	394	410
Chase	398	404	New Town	830	779
Chatsworth	366	380	Norwood	491	488
Chesapeake Terrace	286	316	Oakleigh	569	581
Church Lane	367	386	Oliver Beach	185	199
Colgate	433	423	Orems	403	386
Cromwell Magnet	375	364	Owings Mills	793	776
Deep Creek	458	480	Padonia	524	511
Deer Park	404	393	Perry Hall	621	649
Dogwood	682	706	Pine Grove	601	595
Dundalk	776	721	Pinewood	596	552
Edgemere	475	485	Pleasant Plains	698	686
Edmondson Heights	524	540	Pot Spring	477	482
Elmwood	571	595	Powhatan	251	274
Essex	493	517	Prettyboy	422	441
Featherbed Lane	572	638	Randallstown	400	367
Fifth District	322	318	Red House Run	588	556
Fort Garrison	319	282	Reisterstown	564	594
Franklin	419	431	Relay	659	700
Fullerton	617	618	Riderwood	453	405
Glenmar	317	327	Riverview	562	553
Glyndon	559	535	Rodgers Forge	468	446
Grange	489	484	Sandalwood	537	533
Gunpowder	538	525	Sandy Plains	597	566
Halethorpe	365	409	Scotts Branch	543	578
Halstead Academy	515	480	Seneca	423	457
Hampton	602	571	Seven Oaks	471	496
Harford Hills	365	413	Seventh District	404	393
Hawthorne	525	504	Shady Spring	587	612
Hebbsville	527	484	Sparks	509	486
Hernwood	383	417	Stoneleigh	748	797
Hillcrest	698	675	Summit Park	470	477
Holabird MS ***	226	223	Sussex	448	489
Honeygo	680	630	Timber Grove	561	577
Jacksonville	550	538	Timonium	484	487

* Centers

** Formerly Old Court Middle School

*** Grades 4-8

	<u>2020</u>	<u>2019</u>		<u>2020</u>	<u>2019</u>
Victory Villa	691	676	Windsor Mill	674	593
Villa Cresta	709	687	Woodlawn	622	574
Vincent Farm	761	753	Home Assignment	4	6
Warren	405	413	Total Middle	<u>25,833</u>	<u>25,237</u>
Watershed Public Charter	170	-			
Wellwood	489	487	High		
West Towson	486	474	BCDC Educational Center	33	30
Westchester	719	688	George Washington Carver Center	961	942
Westowne	698	706	Catonsville	1,826	1,830
Winand	465	505	Catonsville Ctr. for Alter. Study *	55	65
Winfield	493	502	Chesapeake	961	981
Woodbridge	448	459	Crossroads Center *	92	92
Woodholme	714	799	Dulaney	1,914	1,879
Woodmoor	614	621	Dundalk	1,782	1,621
Home Assignment	2	2	Eastern School of Technology	1,172	1,172
Total Elementary	<u>55,891</u>	<u>56,087</u>	Extended Day Learning Program	62	67
			Franklin	1,511	1,460
Middle			Hereford	1,295	1,271
Arbutus	951	964	Kenwood	1,649	1,622
Catonsville	850	859	Lansdowne	1,326	1,291
Cockeysville	910	940	Loch Raven	874	870
Crossroads Center *	91	87	Meadowwood Educ. Ctr.*	-	1
Deep Creek	901	805	Milford Mill	1,251	1,233
Deer Park	1,365	1,285	New Town	1,168	1,102
Dumbarton	1,225	1,168	Overlea	1,020	987
Dundalk	793	718	Owings Mills	1,189	1,160
Franklin	1,242	1,254	Parkville	2,074	1,884
General John Stricker	793	728	Patapsco	1,434	1,441
Golden Ring	793	763	Perry Hall	1,969	1,974
Hereford	972	1,007	Pikesville	922	905
Holabird ***	744	738	Randallstown	1,048	969
Lansdowne	866	787	Rosedale Alternative *	53	64
Loch Raven Tech. Acad.	823	769	Sparrows Point	1,067	992
Meadowwood Educ. Ctr. *	33	35	Towson	1,619	1,629
Middle River	1,035	935	Western School of Technology	892	909
Northwest Acad. of Health Sci. **	785	819	Woodlawn	1,656	1,575
Parkville	1,126	1,175	Home Assignment	23	32
Perry Hall	1,925	1,888	Total High	<u>32,898</u>	<u>32,050</u>
Pikesville	972	981			
Pine Grove	960	921	Special Education		
Rosedale Alternative *	12	26	Battle Monument	63	73
Ridgely	1,113	1,165	Maiden Choice School	137	131
Southwest Academy	823	820	The Ridge Ruxton School	123	126
Sparrows Point	637	627	White Oak School	93	110
Stemmers Run	795	760	Total Special Education	<u>416</u>	<u>440</u>
Sudbrook Magnet	998	1,040			
			Total Enrollment	<u>115,038</u>	<u>113,814</u>

Board of Education of Baltimore County
Enrollment by Grade and
Student to Teacher Ratio

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Elementary:										
Preschool	3,914	3,843	3,705	3,768	3,762	3,702	3,627	3,610	3,605	3,570
Kindergarten	8,265	8,154	8,354	8,373	8,392	8,633	8,586	8,552	8,165	7,773
Grade 1	8,367	8,517	8,570	8,548	8,890	8,756	8,843	8,458	8,202	7,864
2	8,620	8,657	8,679	9,040	8,878	8,885	8,540	8,340	7,978	7,824
3	8,773	8,679	9,148	8,872	8,844	8,575	8,432	8,039	7,931	7,723
4	8,750	9,172	8,974	8,930	8,614	8,538	8,139	8,049	7,843	7,484
5	9,202	9,065	8,978	8,663	8,553	8,191	8,140	7,883	7,534	7,604
Total Elementary	55,891	56,087	56,408	56,194	55,933	55,280	54,307	52,931	51,258	49,842
Middle:										
Grade 6	8,746	8,606	8,378	8,245	8,043	8,016	7,710	7,496	7,564	7,522
7	8,704	8,368	8,355	8,134	8,093	7,796	7,623	7,612	7,607	7,585
8	8,383	8,263	8,158	8,083	7,755	7,605	7,602	7,626	7,580	7,437
Total Middle	25,833	25,237	24,891	24,462	23,891	23,417	22,935	22,734	22,751	22,544
High:										
Grade 9	9,172	8,483	8,533	8,209	8,079	8,171	8,127	8,266	8,179	8,281
10	8,360	8,430	8,159	7,977	7,956	8,008	8,026	7,816	7,867	8,166
11	7,650	7,431	7,299	7,196	7,238	7,401	7,247	7,376	7,479	7,543
12	7,716	7,706	7,586	7,683	7,623	7,331	7,330	7,524	7,407	7,604
Total High	32,898	32,050	31,577	31,065	30,896	30,911	30,730	30,982	30,932	31,594
Special Education Schools	416	440	406	418	406	376	404	386	374	351
Total Enrollment	115,038	113,814	113,282	112,139	111,126	109,984	108,376	107,033	105,315	104,331
Number of teachers	8,091	7,950	7,770	7,770	7,697	7,567	7,405	7,294	7,188	7,342
Ratio of students to teachers	14.2	14.3	14.6	14.4	14.4	14.5	14.6	14.7	14.7	14.2

Enrollment data for each school year is collected as of September 30th of the school year.

Enrollment data by school and by grade was obtained from the Baltimore County Public Schools' Department of Information Technology

Page left intentionally blank

Board of Education of Baltimore County
Other Data
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Number of Schools			
Elementary	107	107	107
Middle	27 *	27 *	26 *
High	24	24	24
Special Education	4	4	4
Alternative Centers and Programs	12	12	12
Total	<u>174</u>	<u>174</u>	<u>173</u>

* Includes one school serving students in grades 4-8

Student Transportation Data			
Estimated number of eligible riders daily	84,000	84,016	81,306
Number of bus routes:			
County	641	670	697 **
Private contractor	157	138	130 **
Total bus routes	<u>798</u>	<u>808</u>	<u>827</u>

** Revised counts

High School Graduates	<u>7,389</u>	<u>7,124</u>	<u>7,141</u>
------------------------------	--------------	--------------	--------------

Total Enrollment	<u>115,038</u>	<u>113,814</u>	<u>113,282</u>
-------------------------	----------------	----------------	----------------

Above data was provided by various departments within the Baltimore County Public Schools' system.

2017	2016	2015	2014	2013	2012	2011
106	107	106	105	106	106	106
27	27	27	27	27	27	27
24	24	24	24	24	24	24
4	4	4	4	4	4	4
12	13	12	13	13	13	12
<u>173</u>	<u>175</u>	<u>173</u>	<u>173</u>	<u>174</u>	<u>174</u>	<u>173</u>
71,500	71,916	71,431	70,030	70,224	70,142	72,818
693	691	730	772	774	752	746
130	118	112	84	82	81	81
<u>823</u>	<u>809</u>	<u>842</u>	<u>856</u>	<u>856</u>	<u>833</u>	<u>827</u>
<u>7,358</u>	<u>7,320</u>	<u>7,082</u>	<u>7,255</u>	<u>7,347</u>	<u>7,147</u>	<u>7,166</u>
<u>112,139</u>	<u>111,126</u>	<u>109,984</u>	<u>108,376</u>	<u>107,033</u>	<u>105,315</u>	<u>104,331</u>

Board of Education of Baltimore County
Office of Food and Nutrition Services Data
Last Ten Fiscal Years

	2020	2019	2018
Breakfast			
Number of days breakfast served	122	177	178
Number of free breakfast served to pupils annually:			
Regular reimbursement	25,784	26,803	26,613
Severe need reimbursement	2,532,129	3,682,432	3,682,466
Average number of free breakfasts served to pupils daily:			
Regular reimbursement	211	151	150
Severe need reimbursement	20,755	20,805	20,688
Number of paid breakfasts served to pupils annually:			
Regular reimbursement			
At reduced price	6,220	5,695	4,106
At paid price	30,137	31,307	27,347
Severe			
At reduced price	406,502	549,508	453,066
At paid price	1,230,406	1,620,445	1,349,779
Average number of paid breakfasts served to pupils daily:			
Regular reimbursement			
At reduced price	51	32	23
At paid price	247	177	154
Severe			
At reduced price	3,332	3,105	2,545
At paid price	10,085	9,155	7,583
Total number of reimbursable breakfasts served to pupils daily	4,231,178	5,916,190	5,543,377
Average number of reimbursable breakfasts served to pupils daily	34,682	33,425	31,143
Charge per breakfast to students:			
Elementary:			
Paid	\$ 1.40	\$ 1.40	\$ 1.40
Reduced	-	-	0.30
Secondary:			
Paid	1.55	1.55	1.55
Reduced	-	-	0.30
Lunch			
Number of days lunch served	122	180	181
Number of free lunches served to pupils annually	3,676,473	5,377,175	5,566,864
Average number of free lunches served to pupils daily	30,135	29,873	30,756
Number of paid lunches served to pupils annually:			
At reduced price	644,314	880,368	788,367
At regular price	1,695,840	2,456,411	2,484,351
Average number of paid lunches served to pupils daily:			
At reduced price	5,281	4,889	4,356
At regular price	13,900	13,647	13,726
Total number of lunches served to pupils annually	6,016,627	8,713,654	8,839,582
Average number of lunches served to pupils daily	49,317	48,409	48,837
Charge per lunch to students:			
Elementary			
Paid	\$ 2.90	\$ 2.90	\$ 2.90
Reduced	-	-	0.40
Secondary			
Paid	3.00	3.00	3.00
Reduced	-	-	0.40

* Breakfast data in the above format only available for the last five fiscal years

** Formula errors in PY; corrected in FY19

2017	2016	2015	2014	2013	2012	2011
183	183	183	-	-	-	-
39,365	43,890	40,384	-	-	-	-
3,722,747	3,819,934	3,496,394	-	-	-	-
215	240	221	-	-	-	-
20,343	20,874	19,106	-	-	-	-
6,336	7,415	3,692	-	-	-	-
39,003	36,303	24,540	-	-	-	-
471,255	486,090	441,907	-	-	-	-
1,338,962	1,243,725	1,011,280	-	-	-	-
35	41	21	-	-	-	-
213	198	138	-	-	-	-
2,575	2,656	2,483	-	-	-	-
7,317	6,796	5,681	-	-	-	-
5,617,668	5,637,357	5,018,197	-	-	-	-
30,698	30,805	27,422	-	-	-	-
1.40	1.40	1.40	-	-	-	-
0.30	0.30	0.30	-	-	-	-
1.55	1.55	1.55	-	-	-	-
0.30	0.30	0.30	-	-	-	-
183	183	183	178	181	181	181
5,643,859	5,799,784	5,757,754	5,526,728	5,407,195	5,231,710	4,762,367
30,841	31,693	31,463	31,049	29,874	28,904	26,311
802,948	836,311	835,382	848,243	905,582	950,412	1,029,539
2,454,891	2,288,025	2,119,176	2,086,479	2,267,562	2,451,939	2,663,925
4,388	4,570	4,565	4,765	5,003.00	5,251.00	5,688.00
13,415	12,503	11,580	11,722	12,528.00	13,547.00	14,718.00
8,901,698	8,924,120	8,712,312	8,461,450	8,580,339	8,634,061	8,455,831
48,643	48,766	47,608	47,536	47,405	47,702	46,717
2.90	2.90	2.90	2.90	2.90	2.90	2.90
0.40	0.40	0.40	0.40	0.40	0.40	0.40
3.00	3.00	3.00	3.00	3.00	3.00	3.00
0.40	0.40	0.40	0.40	0.40	0.40	0.40

Board of Education of Baltimore County
Full-time Equivalent Positions
Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Full-time Equivalent Positions by Fund:				
General Fund	14,387	14,163	13,857	13,717
Special Revenue Fund	753	742	746	682
Food Service Enterprise Fund	640	623	625	616
Internal Service Fund	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total Full-time Equivalent Positions By Fund	<u>15,782</u>	<u>15,530</u>	<u>15,230</u>	<u>15,017</u>

Total Full-time Equivalent Positions By Function:

Administration	320	315	313	315
Mid-level Administration	1,113	1,107	1,100	1,087
Instructional	7,581	7,486	7,342	7,287
Special Education	2,242	2,153	2,061	2,026
Student Personnel Services	178	163	136	112
Health Services	229	223	218	217
Student Transportation	1,212	1,206	1,191	1,191
Operation of Plant	1,216	1,213	1,194	1,192
Maintenance of Plant	253	254	259	248
Capital Administration	<u>43</u>	<u>43</u>	<u>43</u>	<u>42</u>
	14,387	14,163	13,857	13,717
Special Revenue Fund (primarily instructional)	753	742	746	682
Food Service Enterprise Fund	640	623	625	616
Internal Service Fund	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total Full-time Equivalent Positions by Function	<u>15,782</u>	<u>15,530</u>	<u>15,230</u>	<u>15,017</u>

Above data provided by Baltimore County Public Schools'
Office of Budget and Reporting

2016	2015	2014	2013	2012	2011
13,571	13,445	13,338	13,204	13,104	13,055
622	594	575	555	655	969
591	586	561	584	569	584
-	-	-	-	-	-
14,784	14,625	14,474	14,343	14,328	14,608
315	319	319	316	320	322
1,091	1,081	1,067	1,067	1,079	1,079
7,179	7,088	7,031	6,899	6,804	6,969
1,994	1,983	1,984	1,998	1,986	1,770
107	108	113	113	114	113
214	214	216	216	216	217
1,191	1,180	1,148	1,141	1,128	1,128
1,190	1,184	1,172	1,165	1,167	1,167
249	249	249	250	251	251
41	39	39	39	39	39
13,571	13,445	13,338	13,204	13,104	13,055
622	594	575	555	655	969
591	586	561	584	569	584
-	-	-	-	-	-
14,784	14,625	14,474	14,343	14,328	14,608

Board of Education of Baltimore County
Capital Asset Information
Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Schools:				
Elementary				
Buildings	107	107	107	107
Square Feet	7,053,069	7,035,196	6,846,309	6,755,151
Capacity	53,858	53,657	52,229	51,500
Enrollment	55,891	56,087	56,408	56,194
Middle				
Buildings	27	27	27	27
Square Feet	3,800,464	3,803,274	3,799,030	3,752,200
Capacity	27,681	27,593	27,788	27,605
Enrollment	25,821	25,211	24,866	24,461
High				
Buildings	24	24	24	24
Square Feet	5,522,204	5,519,518	5,545,940	5,599,482
Capacity	34,707	34,688	34,606	35,247
Enrollment	32,790	31,921	31,469	30,932
Special Education				
Buildings	4	4	4	4
Square Feet	243,870	243,870	243,870	243,870
Capacity	760	760	760	760
Enrollment	416	440	406	418
Alternative				
Buildings	2	2	2	2
Square Feet	78,945	23,500	23,500	55,445
Capacity	350	100	257	350
Enrollment	120	155	133	134
Total Schools				
Buildings	164	164	164	164
Square Feet	16,698,552	16,625,358	16,458,649	16,406,148
Capacity	117,356	116,798	115,640	115,462
Enrollment	115,038	113,814	113,282	112,139
Note: The above data does not include administrative and support buildings; and leased office facilities.				
Note: Colgate ES currently occupies the building normally used by Rosedale Alternative School while construction is going on at Colgate ES.				
Transportation:				
School Buses	849	857	856	883
Trucks	400	410	401	407

Above data provided by Baltimore County Public Schools' Department of Physical Facilities and Transportation Department.

2016	2015	2014	2013	2012	2011
107	106	105	106	106	106
6,711,151	6,560,121	6,467,506	6,506,021	6,450,369	6,446,342
51,098	49,975	49,264	48,933	48,933	49,062
55,933	55,280	54,307	52,931	51,258	49,842
27	27	27	27	27	27
3,719,824	3,855,512	3,854,297	3,854,297	3,854,297	3,854,297
27,379	28,203	28,203	28,264	28,496	28,585
23,871	23,385	22,903	22,695	22,716	22,501
24	24	24	24	24	24
5,599,482	5,351,847	5,171,264	5,126,992	5,126,992	5,126,992
34,973	34,005	34,005	34,093	33,766	33,885
30,770	30,751	30,576	30,811	30,753	31,385
4	4	4	4	4	4
243,870	243,870	243,870	243,870	243,870	243,870
760	760	760	760	750	880
406	376	404	386	374	351
2	2	3	3	3	3
101,040	101,040	196,040	218,785	218,785	218,785
350	350	745	1,030	1,030	1,030
146	192	186	210	214	252
164	163	163	164	164	164
16,375,367	16,112,390	15,932,977	15,949,965	15,894,313	15,890,286
114,560	113,293	112,977	113,080	112,975	113,442
111,126	109,984	108,376	107,033	105,315	104,331
895	886	883	883	882	880
392	363	363	363	363	363

BOARD OF EDUCATION OF BALTIMORE COUNTY

Student Academic Performance

Last Five Fiscal Years

The Baltimore County Public Schools are committed to the vision, mission, belief statements, and key strategies of Blueprint 2.0 by achieving success through the measurement of the following Blueprint 2.0 Goal 1, academics measures that were updated and adopted by the Board of Education in July, 2015. These updated indicators and metrics were chosen to align with state standards and assessments and endure potential future changes:

- * Kindergarten Readiness
- * Grade 3 Reading
- * Grade 8 Algebra
- * SAT
- * Graduation Rate
- * Dropout Rate

Performance Goal 1: Academics - Every student will experience high academic achievement and continuous growth by participating in a rigorous instructional program designed to raise the academic bar and close achievement gaps so that every student will become a globally competitive citizen in a culturally diverse world.

	2020*	2019*	2018	2017	2016	2015	2014
Percentage of students demonstrating readiness for kindergarten	-	-	46.9%	41.2%	42.2%	49.7%	-
Percentage of Grade 3 students demonstrating on-grade level reading (percent at or above the 50th percentile Nationally							
Fall MAP (Measure of Academic Progress)	-	-	47.7%	50.2%	52.6%	57.2%	-
Winter MAP			54.8%	56.4%	56.9%	54.3%	-
PARCC Reading Grade 3 meeting the Career and College Readiness Benchmark	-	-	37.0%	37.7%	36.1%	-	-
Percentage of students completing algebra with a grade of B or higher by end of Grade 8	-	-	31.2%	37.5%	40.8%	38.9%	37.6%
Average SAT composite score for Grade 11 SAT Day test-takers	-	-	977	997	990	-	-
Percentage of Grade 11 students participating in SAT Day **	-	-	88.7%	87.9%	86.6%	86.2%	84.8%
Percentage of students graduating in four years of enrolling in high school	-	-	89.2%	89.2%	87.8%	87.6%	86.3%
Percentage of students who drop out within four years of enrolling in high school	-	-	7.5%	7.5%	8.8%	8.8%	9.7%

* Information was not available at time of printing

** Starting in the 2012-2013 school year, BCPS began offering the SAT for free county-wide each Spring to all Grade 11 students to promote and support college readiness.



Aubrey Calderone

Loch Raven High

Grade 12

Baltimore County, Maryland
Ratios of Net General Obligation (GO) Debt to
Estimated Actual Value of Property and Net GO Debt Per Capita
Last Ten Fiscal Years
(dollars expressed in thousands)

Fiscal Year	Estimated Population (1)	Estimated Actual Value of Real & Personal Property	GO Debt (2)	Less: Amounts Available in Escrow for Debt Service (3)	Net GO Debt	Percent of Net GO Debt to Estimated Actual Value of Property	GO Debt per Capita (4)
2010	805,964	89,373,506	1,733,952	-	1,733,952	1.94	2,151.40
2011	809,941	89,179,450	2,050,809	-	2,050,809	2.30	2,532.05
2012	813,556	84,472,824	2,351,961	232	2,351,729	2.78	2,890.68
2013	817,993	80,894,772	2,791,988	319	2,791,669	3.45	3,412.83
2014	826,784	78,535,220	2,891,081	448	2,890,633	3.68	3,496.24
2015	829,379	78,313,024	3,014,884	586	3,014,298	3.85	3,634.40
2016	831,431	79,824,300	2,926,993	1,203	2,925,790	3.67	3,518.98
2017	832,465	82,101,821	3,327,761	1,647	3,326,114	4.05	3,995.50
2018	835,535	84,887,632	3,797,190	103,996	3,693,194	4.47	4,420.15
2019	835,673	87,744,194	4,034,369	103,461	3,930,908	4.60	4,687.46

Notes:

- (1) U.S. Bureau of the Census, Population Estimates Branch. Last year based on budgetary estimates
- (2) This is the general obligation debt of both governmental and business-type activities, net of original issuance discounts and premiums
- (3) The County has resources restricted to repaying the principal of outstanding debt.
- (4) Expressed in dollars

**Baltimore County, Maryland
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars expressed in thousands)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Consolidated Public Improvement (CPI)										
General Obligation Debt										
Assessed value										
Real property	\$ 86,262,930	\$ 86,234,670	\$ 81,448,482	\$ 77,870,032	\$ 75,548,498	\$ 75,289,712	\$ 76,579,861	\$ 78,767,139	\$ 81,446,013	\$ 84,155,733
Personal property	3,110,576	2,944,780	3,024,342	3,024,740	2,986,722	3,023,312	3,244,439	3,334,682	3,441,619	3,588,461
Total assessed value	89,373,506	89,179,450	84,472,824	80,894,772	78,535,220	78,313,024	79,824,300	82,101,821	84,887,632	87,744,194
Debt limit (4% of total assessed value)	3,574,940	3,567,178	3,378,913	3,235,791	3,141,409	3,132,521	3,192,972	3,284,073	3,395,505	3,509,768
Debt applicable to limit:										
Consolidated public improvement bonds	702,565	918,085	1,036,500	1,161,100	1,235,730	1,274,405	1,311,740	1,323,355	1,410,445	1,557,695
Pension liability funding	38,885	31,805	24,735	274,010	267,085	249,082	238,928	376,741	368,682	246,000
CPI commercial paper notes	174,900	174,900	240,000	240,000	216,000	211,900	99,800	121,000	246,000	358,695
Total debt applicable to debt limit	916,350	1,124,790	1,301,235	1,675,110	1,718,815	1,735,387	1,650,468	1,821,096	2,025,127	2,162,590
Legal debt margin	\$ 2,658,590	\$ 2,442,388	\$ 2,077,678	\$ 1,560,681	\$ 1,422,594	\$ 1,397,134	\$ 1,542,504	\$ 1,462,977	\$ 1,370,378	\$ 1,347,178
Metropolitan District General Obligation Debt										
Assessed value (1)										
Real property	\$ 75,606,965	\$ 76,836,626	\$ 72,056,007	\$ 68,888,892	\$ 67,005,625	\$ 64,936,021	\$ 67,958,118	\$ 69,971,527	\$ 72,576,110	\$ 75,003,966
Personal property	2,726,330	2,623,851	2,675,581	2,675,882	2,648,990	2,607,552	2,879,164	2,962,312	3,066,809	3,198,222
Total assessed value	78,333,295	79,460,477	74,731,588	71,564,774	69,654,615	67,543,573	70,837,282	72,933,839	75,642,919	78,202,188
Debt limit (3.2% of total assessed value)	2,506,665	2,542,735	2,391,411	2,290,073	2,228,948	2,161,394	2,266,793	2,333,883	2,420,573	2,502,470
Debt applicable to limit:										
Metropolitan District (MD) bonds	658,837	750,917	822,490	850,645	875,708	928,611	1,003,368	1,107,298	1,334,052	1,615,201
MD commercial paper notes	106,500	106,500	160,000	160,000	183,800	187,500	99,300	225,000	245,000	42,000
Total debt applicable to debt limit	765,337	857,417	982,490	1,010,645	1,059,508	1,116,111	1,102,668	1,332,298	1,579,052	1,657,201
Legal debt margin	\$ 1,741,328	\$ 1,685,318	\$ 1,408,921	\$ 1,279,428	\$ 1,169,440	\$ 1,045,283	\$ 1,164,125	\$ 1,001,585	\$ 841,521	\$ 845,269

Notes:

(1) Assessed value of property in the Metropolitan District.

* The County has \$1.646 million restricted to repaying the principal of outstanding debt as of June 30, 2017.

Baltimore County, Maryland
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Estimated Population (1)	Total Personal Income (expressed in thousands)	Per Capita Personal Income (2)	Median Age (3)	Education		Unemployment Rate (5)
					Level in Years of Formal Schooling (3)	School Enrollment (4)	
2010	805,964	39,717,586	49,280	38.4	15.0	103,832	7.8
2011	809,941	41,510,448	51,251	39.1	15.0	104,331	7.9
2012	813,556	43,379,449	53,004	39.1	15.4	105,315	7.7
2013	817,993	43,128,806	52,348	39.2	15.4	107,033	7.3
2014	826,784	44,611,807	53,949	39.2	15.4	108,376	6.5
2015	829,379	46,234,945	55,568	39.2	15.3	109,984	5.9
2016	831,431	47,793,124	57,235	39.1	15.3	111,126	5.4
2017	832,468	48,328,776	57,708	39.1	15.3	112,351	4.4
2018	832,849	50,755,156	60,942	39.4	15.4	113,282	4.2
2019	832,512	52,783,511	63,403	39.5	15.6	113,814	3.7

Notes:

- (1) U.S. Bureau of the Census, Population Estimates Branch. Latest year based on budgeted amounts.
- (2) Data extracts prepared by the U.S. Bureau of the Census and Maryland Office of Planning. Latest year based on budgeted amounts.
- (3) Baltimore County Office of Planning
- (4) Baltimore County Board of Education
- (5) Maryland Department of Labor and Licensing Regulation

**Baltimore County, Maryland
Principal Employers
Current Year and Nine Years Ago**

Employer	2019		Employer	2010	
	Employees	Percentage of Total County Employment		Employees	Percentage of Total County Employment
Social Security Administration/CMS	15,345	3.68	Social Security Administration/CMS	14,948	3.82
Baltimore County Public Schools	14,235	3.41	Baltimore County Public Schools	14,537	3.71
Baltimore County Government	7,998	1.92	Baltimore County Government	8,494	2.17
T. Rowe Price Associates, Inc.	4,200	1.01	Franklin Square Hospital	3,500	0.89
Greater Baltimore Medical Center	3,900	0.94	Greater Baltimore Medical Center	3,331	0.85
UMBC	3,612	0.87	UMBC	3,258	0.83
Towson University	3,476	0.83	Erickson Retirement Communities	3,070	0.78
Franklin Square Hospital	3,225	0.77	Towson University	2,965	0.76
McCormick & Company, Inc.	2,300	0.55	Sheppard Pratt Health System	2,227	0.57
Sheppard Pratt Health Systems	1,913	0.46	McCormick & Company, Inc.	2,014	0.51
Total	60,204	14.44	Total	58,344	14.89

Source: Baltimore County Department of Economic Development

**Baltimore County, Maryland
Principal Property Taxpayers
Current Year and Nine Years Ago
(dollars expressed in thousands)**

Taxpayer	2019		Taxpayer	2010	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Percentage of Total Taxable Assessed Value
BGE	1,267,172,870	1.44%	BGE	1,027,983,982	1.15%
Verizon	272,679,870	0.31%	Verizon	360,703,590	0.40%
Merritt Mgt Corp	576,952,664	0.66%	Merritt Mgt Corp	413,066,023	0.46%
Trade Point Atlantic LLC	482,412,296	0.55%	Wal Mart	218,853,732	0.24%
Comcast	118,298,340	0.13%	Comcast	163,150,322	0.18%
TRP Suburban	197,993,150	0.23%	Towson Town Center	174,905,206	0.20%
Towson Town Center	267,890,810	0.31%	Oak Campus Partners LLC	76,080,950	0.09%
Wal Mart	172,960,510	0.20%	Maryland Health and Higher Education	169,042,460	0.19%
Columbia Gas Transmission LLC	71,517,860	0.08%	ISG	145,458,133	0.16%
White Marsh Mall	153,021,700	0.17%	White Marsh Mall	165,090,785	0.18%
	<u>\$ 3,580,900,070</u>	<u>4.08%</u>		<u>\$ 2,914,335,183</u>	<u>3.26%</u>

Source: State of Maryland Assessment Files and Baltimore County Office of Budget and Finance Tax Files

**Baltimore County, Maryland
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Fiscal Year	County Direct Rates		
	Real	Personal	Total (a)
2010	1.100	2.7500	1.162
2011	1.100	2.7500	1.155
2012	1.100	2.7500	1.159
2013	1.100	2.7500	1.161
2014	1.100	2.7500	1.162
2015	1.100	2.7500	1.164
2016	1.100	2.7500	1.167
2017	1.100	2.7500	1.167
2018	1.100	2.7500	1.167
2019	1.100	2.7500	1.167

Notes:

- (1) Rates are per \$100 of assessed value.
- (2) Except for the State of Maryland, there is no separate taxing authority that overlaps the County geographically.
- (3) There are no tax limits.
- (a) Weighted average of the individual Real & Personal direct rates.

Baltimore County, Maryland
Property Tax Levies and Collections
Last Ten Fiscal Years
(dollars expressed in thousands)

Fiscal Year Ended	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Original Levy
2010	806,805	805,384	99.82	992	806,376	99.95
2011	839,080	834,831	99.49	3,501	838,332	99.91
2012	846,418	841,983	99.48	3,536	845,519	99.89
2013	853,307	851,115	99.74	1,365	852,480	99.90
2014	856,946	854,254	99.69	1,824	856,078	99.90
2015	872,676	869,303	99.61	2,452	871,755	99.89
2016	888,230	886,008	99.75	973	886,981	99.86
2017	921,713	918,421	99.64	-	918,421	99.64
2018	953,533	947,231	99.70	-	950,641	99.70
2019	987,128	982,261	99.60	-	982,774	99.60

Baltimore County, Maryland
Taxable Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(dollars expressed in thousands)

Fiscal Year Ended June 30	Real Property (1)			Personal Property			Total Taxable Assessed Value (1)	Estimated Actual Value	Total Direct Rate (2)
	Residential Property	Commercial Property	Total Real Property	Railroad/Utility Property	Other Business Property	Total Personal Property			
2010	67,285,085	18,977,845	86,262,930	1,225,048	1,885,528	3,110,576	89,373,506	89,373,506	1.162
2011	66,400,696	19,833,974	86,234,670	1,241,027	1,703,753	2,944,780	89,179,450	89,179,450	1.155
2012	61,900,847	19,547,635	81,448,482	1,229,659	1,794,683	3,024,342	84,472,824	84,472,824	1.159
2013	58,402,524	19,467,508	77,870,032	1,271,351	1,753,389	3,024,740	80,894,772	80,894,772	1.161
2014	56,661,374	18,887,124	75,548,498	1,245,132	1,741,590	2,986,722	78,535,220	78,535,220	1.162
2015	55,714,387	19,575,325	75,289,712	1,306,763	1,716,549	3,023,312	78,313,024	78,313,024	1.164
2016	56,669,097	19,910,764	76,579,861	1,347,311	1,897,128	3,244,439	79,824,300	79,824,300	1.167
2017	58,287,682	20,479,456	78,767,138	1,424,762	1,909,921	3,334,683	82,101,821	82,101,821	1.167
2018	61,084,509	20,361,503	81,446,012	1,544,456	1,897,163	3,441,619	84,887,631	84,887,631	1.167
2019	56,384,341	27,771,392	84,155,733	1,656,565	1,931,896	3,588,461	87,744,194	87,744,194	1.167

Note:

(1) Tax exempt properties are not included

(2) Expressed in dollars per \$100 of assessed value