



BALTIMORE COUNTY PUBLIC SCHOOLS

# Annual Comprehensive Financial Report

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**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Board of Education of Baltimore County  
A Component Unit of Baltimore County, Maryland  
6901 Charles Street Towson, Maryland 21204  
[www.bcps.org](http://www.bcps.org)



# **ANNUAL COMPREHENSIVE 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, 2022**

Julie Henn, Chair  
Rodney McMillion, Vice Chair  
Kathleen Causey  
Dr. Erin Hager  
Moalie Jose  
Russell Kuehn  
Lisa Mack  
John Offerman  
Lily Rowe  
Makeda Scott  
Felicia Stolusky  
Roah Hassan, *Student Board Member*

Darryl L. Williams, *Superintendent and Secretary-Treasurer*  
Dr. Myriam Yarbrough, *Deputy Superintendent*  
Mildred Charley-Greene, *Chief of Staff*  
Christopher Hartlove, *Chief Financial Officer*

**Prepared by the Division of Fiscal Services**

## **Acknowledgements**

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### **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 Middle School students who provided the artwork are as follows:

Sylvia Schmidt	Grade 6	Loch Raven Technical Academy
Scarleth Alvarado Puerto	Grade 7	Deep Creek Middle
Leah Abramov	Grade 8	Sudbrook Magnet Middle
Erica Tolson	Grade 7	Windsor Mill Middle
Kaden Brown	Grade 8	Deer Park Middle Magnet
Nahdia Cofer	Grade 8	Loch Raven Technical Academy
Madeleine Hoyle	Grade 7	Middle River Middle



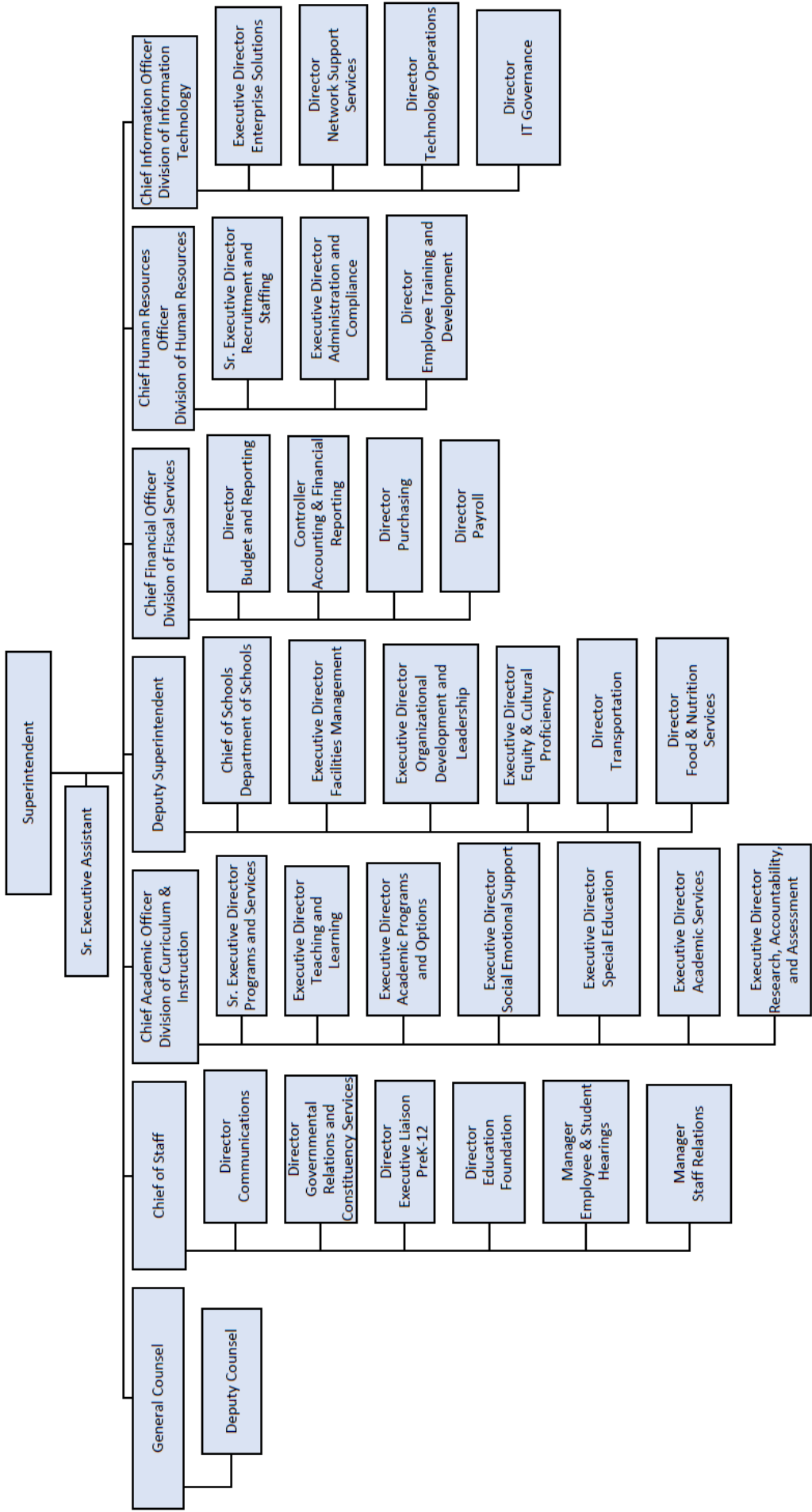
Board of Education of Baltimore County  
Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2022

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# Baltimore County Public Schools Organization Chart



**Superintendent's Staff  
As of June 30, 2022**

Dr. Darryl L. Williams

Superintendent

Ms. Mildred L. Charley-Greene

Chief of Staff

Ms. Myriam Yarbrough

Deputy Superintendent

Margaret-Ann Howie, Esq.

General Counsel

Mr. Pedro Agosto

Chief Information Officer

Ms. Shiria Anderson

Chief Human Resources Officer

Mr. Christopher J. Hartlove

Chief Financial Officer

Dr. Mary Boswell-McComas

Chief Academic Officer

Dr. Michael Zarchin

Chief of Schools

# BALTIMORE COUNTY PUBLIC SCHOOLS

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

September 30, 2022

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 Annual Comprehensive Financial Report (ACFR) 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 ACFR are those in which the Board exercises oversight responsibility.

All funds and accounts of the Board are included in this ACFR. 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 ACFR 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 22nd 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 111,124 students in Grades PreK–12. These students are served by more than 21,000 employees, including 9,565 teachers, making BCPS one of the largest employers in the region. Thousands of trained volunteers support student achievement throughout the school system.

For the 2021–2022 school year, BCPS operated 175 schools, centers, and programs: 107 elementary schools served the needs of children in Grades Preschool–5 and one elementary charter school supporting Grades K-5; 26 middle schools served students in Grades 6–8; and 24 high schools served students in Grades 9–12. Additionally, four special education schools served children of various ages with disabilities, and various other centers and programs provided services including alternative education, evening high school, virtual instruction, and home/hospital instruction.

## ***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 2021–2022***

During the 2021–2022 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 BCPS achievements during 2021-2022:

- BCPS students returned to full-time in-person learning following 18 months of COVID-19 pandemic related closures
- The four-year adjusted cohort graduation rate for BCPS remained steady at 86.2 percent. The four-year graduation rate improved for Hispanic/Latino students in BCPS. The rate rose to 73.3 percent, a two-year increase of 1.6 percentage points.
- Brianna Ross, Deer Park Magnet Middle School educator, was selected as the 2021-2022 Maryland teacher of the Year.
- 19 schools were named winners of the Baltimore County Clena Green 15 Challenge
- For the seventeenth consecutive year, BCPS was recognized among the Best Communities for Music Education by the NAMM Foundation.
- Bradley Fisher, administrative assistant, was named 2021-2022 Maryland State Education Association's Education Support Professional of the Year.
- BCPS had 17 state championship-winning teams and athletes.
- BCPS assistant principal Kimberly Culbertson was named 2021-2022 Assistant Principal of the Year by the Maryland Association of Secondary School Principals.
- More than \$185.4 million in scholarships awarded to 2021 BCPS graduates.

BCPS students and staff persevered through COVID-19 related disruptions and challenges. All students were welcomed back for full-time, in-person learning on August 30, 2021, and completed the first full year of in-person learning since March of 2020. The BCPS Virtual Learning Program was also available for families seeking a fully virtual option, in accordance with state guidelines.

Guided by *The Compass: Our Pathway to Excellence*, our 8-year strategic plan adopted by the Board of Education in July 2020, BCPS remains steadfast in our focus to recover, rebuild, and heal and to meet the emerging needs of our students.

### ***Capital Facilities***

For FY2023, BCPS will receive \$49 million from the state of Maryland, and \$96.6 million, in a non-funding year, from Baltimore County Government for a variety of capital projects. The six-year county capital program for FY2023 through FY2028 projects funding of \$1.1 billion. Multi-year capital needs will be reevaluated and determined by the capital plan being developed in coordination with Baltimore County Government.

As is typical in the older urban areas around Baltimore and Washington, BCPS' 170 school facilities are old: the system has the seventh oldest average square footage among all the school systems in the state of Maryland, with an average adjusted age of construction of 1990. BCPS is in the process of completing the largest ten-year construction program in Baltimore County's history. The \$1.3

billion 2011 Schools for Our Future program upgraded and provided modern learning environments for tens of thousands of our students and teachers.

There are three programs that BCPS uses to evaluate the current and future facility capital needs of the system: the county Multi-Year Improvement Plan for All Schools (MYIPAS), the Interagency Commission Statewide Facilities Assessment, and the BCPS Renewing Our Schools program.

Firstly, in early 2020 a consultant was commissioned to assess all school buildings to develop 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. MYIPAS focused 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.

Secondly, in 2021, the Maryland Interagency Commission on School Construction began a Statewide Facilities Assessment of all school buildings in the state. Although it was not as comprehensive and detailed as MYIPAS, it does provide an individual Facilities Condition Index for every school building in Baltimore County.

Lastly, several years ago, BCPS began an intensive yearly evaluation of many of the critical systemic infrastructure components in each of the school structures.

Additionally, the state's Built to Learn Act of 2020 (BTL) will roughly double the state construction funds that BCPS receives over the next decade. In July 2021, the Interagency Commission approved the first four projects to receive BTL funds, Bedford Elementary School replacement, Summit Park Elementary School replacement, the new Northeast Area Middle School, and Pine Grove Middle School renovation/addition, totaling nearly \$97 million. In the coming year, BTL funds will be used to construct the new Lansdowne High School and Deer Park Elementary School, which is the first net-zero elementary school in Maryland.

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. All of these projects will enhance our school facilities to provide for our growing student population which is expected to grow by over 3,000 students to 114,181 for school year 2023.



## *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 Annual Comprehensive Financial Report for the fiscal year ending June 30, 2021. This was the twenty-sixth 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 annual comprehensive financial report. 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 annual comprehensive financial report 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 annual comprehensive financial report for the fiscal year ending June 30, 2021. 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-sixth consecutive year that BCPS has received this award. We believe that the current annual comprehensive financial report continues to meet the certificate of excellence program requirements and are submitting it to ASBO for consideration.

## ***ECONOMIC CONDITION AND OUTLOOK***

During the 2018 legislative session of the Maryland General Assembly, \$200 million in additional state revenue generated by changes in federal tax code, were dedicated to new education funding. Additionally, voters approved a November 2018 ballot initiative to create a "lockbox" eventually dedicating all the state's casino revenue to K-12 public education. The 2019 legislative session saw the passage of Senate Bill (SB) 1030, The Blueprint for Maryland's Future. SB 1030 was based on the recommendations of the Commission on Innovation and Excellence in Education and includes funds for full-day prekindergarten, special education, struggling learners, schools with concentrated poverty, mental health coordinator positions, teacher incentive pay, as well as a competitive grant program for collaborative efforts between higher education and local school systems. Governor Hogan vetoed future increases for the Blueprint which had passed in the 2020 legislative session. However, the legislature overrode this veto early in the 2021 legislative session and the updated bill, known as House Bill (HB) 1372 became law. BCPS received \$24.2 million in FY2021 from the various components of this bill and \$77.1 million (\$24.5 million of this was reflected in special revenue) in FY2022. FY2023 will see a further ramp up of Blueprint funds, though the majority are now incorporated into the existing major state aid components.

Legislation to strengthen maintenance of effort (MOE) funding requirements was enacted in 2012. While Baltimore County government had funded education at or near the MOE level for the four years FY2010–FY2014, more recently the county has provided funding above MOE by 1.6%, 0.3%, 0.1%, 2.6%, 3.3%, and 4.4% for FY2015 - FY2020. The FY2021 funding was at MOE, FY2022 funding was 3.5% above MOE, and FY2023 funding is projected at 3.2% over MOE. Blueprint legislation changed the calculation for MOE to offset the September 2020 enrollment drop due to the pandemic by using the three-year average enrollment. The result is that



FY2023 MOE is \$30.0 million above FY2022 Baltimore County funding levels, but it would have been less than FY2022 if the legislation had not changed the calculation.

Overall, state funding for education in Baltimore County, excluding capital projects and debt service, is projected to increase 8.5% or \$64.0 million. The adopted Baltimore County general fund revenue appropriation increases by \$91.5 million (5.5%) over FY2022.

The FY2023 adopted budget is closely aligned with the BCPS strategic plan: *The Compass – Our Pathway to Excellence*. Significant supports are adopted to address pandemic related learning loss and social emotional trauma. The budget includes school counselors, health services, psychological services, and social workers. Our most vulnerable populations, including special education and ESOL students also receive needed supports including additional teachers and para-educators. The adopted FY2023 budget also addresses recruitment and retention of our world class workforce through increases in compensation and salary restructuring. Federal grant funds from the Elementary and Secondary Schools Relief act will continue to provide funds in FY2023 to support these initiatives.

## **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 regarding 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 2022 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.

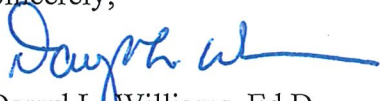
***Acknowledgments***

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 Division of Fiscal Services and CliftonLarsonAllen LLP. The Division 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 2022, which ended June 30, 2022, 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



Christopher J. Hartlove  
Chief Financial Officer  
Division of Fiscal Services



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Baltimore County Public Schools  
Maryland**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

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 Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

**William A. Sutter**  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

**David J. Lewis**  
Executive Director





Sylvia Schmidt

Grade 6

Loch Raven Technical Academy



## INDEPENDENT AUDITORS' REPORT

Members of the  
Baltimore County Board of Education  
Towson, Maryland

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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 (the Board), a component unit of Baltimore County, Maryland, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 8B to the financial statements, effective July 1, 2021, the Board adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinion is not modified with respect to this matter.

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

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

Members of the  
Board of Education of Baltimore County

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 16 through 32, and the other required supplementary information, as listed in the table of contents on pages 81 through 87 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2022 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 Board's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
October 6, 2022

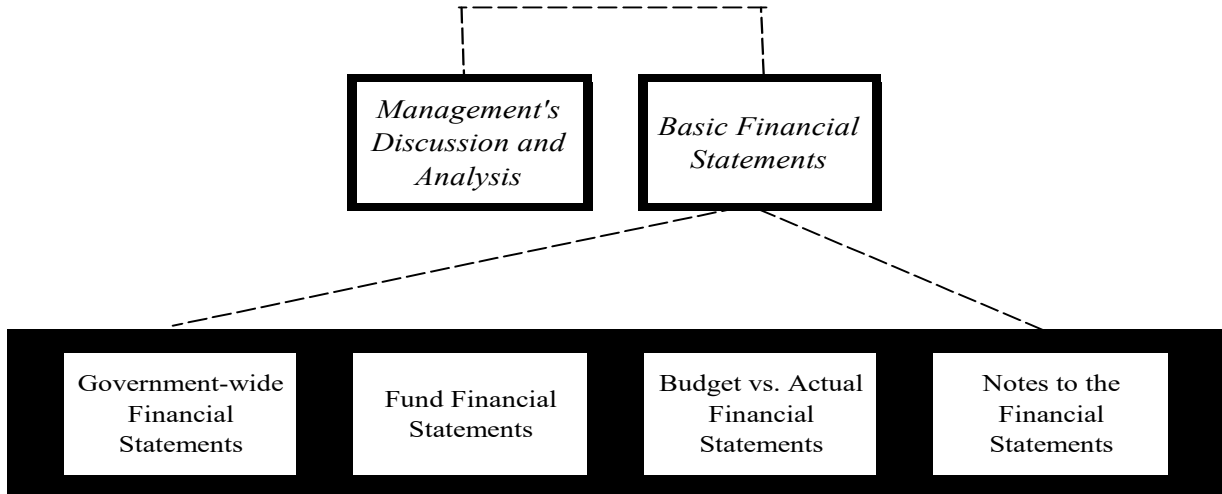
# Board of Education of Baltimore County Management's Discussion and Analysis

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, 2022. 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 34 and 35), *the Fund Financial Statements* (pages 36, 38, 42-44), and *the Budget & Actual Financial Statements* (pages 40 and 41). These financial statements also include the *Notes to the Basic Financial Statements* (pages 45-79) 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 like 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 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 the Board's components of assets and deferred outflows, and liabilities and deferred inflows, distinguishing between governmental and business-type activities. The 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. Most of the Board's revenue is unrestricted general revenue - grants and contributions from other governments.

Both 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, Capital Administration, and Student Activities. 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 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 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 37 and 39.

The basic governmental fund financial statements can be found on pages 36 and 38 of this report.

*Proprietary Funds Financial Statements* – The Board maintains two distinct 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 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 42-44 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 40 and 41.

## 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 48% of its governmental activities funding from the county, and 42% from the state. Additionally, the Board receives federal entitlement grants and competitive grants from the state and federal governments. 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 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 totals \$510 million, substantially all of which is net investment in capital assets.
- Governmental activities net position decreased \$65.9 million during the year. The decrease is attributable to the changes in Deferred Outflows and Deferred Inflows of Resources from Retirement and OPEB plans. Governmental activities net position was also affected by an decrease in net assets (assets less liabilities, other than OPEB and Pension) of \$21 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 \$1.4 billion, 73% of governmental activities revenues and 70% of total government-wide revenues. Governmental activities program revenues in the form of charges for services, operating and capital grants, accounted for \$526 million or 27% of all governmental activities revenues.
- Business-type activities net position is \$46.5 million as of the end of the fiscal year, increased by \$25.5 million during the year. This increase was primarily a result of a significant increase in USDA meal reimbursements (\$52 million – 203%) designed to offset prior year losses from the impact of the pandemic shut down of schools.

## 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 \$510 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 375% 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/leased assets are capital leases for energy saving building improvements, the purchase of vehicles (primarily school buses) and technology equipment, and leased assets for building and equipment. 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, 2022, and 2021:

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

	Governmental Activities		Business-type Activity		Total	
	2022	2021	2022	2021	2022	2021
Current assets	\$ 407,422	\$ 289,779	\$ 37,808	\$ 12,780	\$ 445,230	\$ 302,559
Capital assets	2,029,342	2,002,146	10,435	11,111	2,039,776	2,013,257
Leased assets	34,131	-	-	-	34,131	-
Total assets	2,470,894	2,291,925	48,242	23,891	2,519,137	2,315,816
Deferred outflows of resources	805,342	1,057,091	-	-	805,342	1,057,091
Current liabilities	164,847	102,190	1,289	2,392	166,136	104,582
Long-term liabilities	2,039,197	2,682,953	440	512	2,039,637	2,683,465
Total liabilities	2,204,044	2,785,143	1,729	2,904	2,205,773	2,788,047
Deferred inflows of resources	608,497	34,294	-	-	608,497	34,294
Net position:						
Net investment in capital assets	1,911,559	1,896,523	10,435	11,111	1,921,993	1,907,634
Restricted	12,760	10,600	-	-	12,760	10,600
Unrestricted (deficit)	(1,460,624)	(1,377,544)	36,079	9,876	(1,424,545)	(1,367,668)
Total net position	\$ 463,695	\$ 529,579	\$ 46,514	\$ 20,987	\$ 510,209	\$ 550,566

A small portion of the Board's net position (2%) 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 \$40.4 million. This is primarily because of the increase in federal USDA funds in the Business-type activity which resulted in an increase in Business-type net position of \$25.5 million, offset by an decrease in Governmental Activities total net position of \$65.9 million due to changes in the OPEB and Pension plan expenses deferred outflows and deferred inflows of resources.

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, except for 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's change in net position was an increase of \$175 million. Governmental Activities change in net position for FY2022 is (\$65.9 million) compared to (\$205 million) in FY2021. The improvement in FY2022 Governmental Activities was a result of the decline in the OPEB and Pension liabilities. The change in business-type activities was an increase of \$25.5 million due to higher federal revenue from the school lunch program. Program expenses for governmental activities decreased \$115 million; while the corresponding program revenue increased by \$220 million, which was related to an increase in operating grants and contributions of \$223 million. General revenues declined by \$195 million. This decline is a result of state revenues classified as general revenues in FY2021, were reclassified to program revenues because of changes in how certain state funds are now dedicated to specific purposes. The current year saw a decrease in expenditures due to staffing shortages and the reduction in expenses due to the positive change in the OPEB and Pension liabilities. The Board has undertaken a significant systemic phased school renovation and modernization program over the last few years. Renovation work continues in several of the schools and will continue for several years. Work also continued for several new and replacement schools and additions to expand school capacity. Accordingly, expenditures on capital construction projects were \$83 million in fiscal year 2022, \$86 million in fiscal year 2021, \$129 million, \$112 million, and \$229 million, in fiscal years 2020, 2019, and 2018, respectively. Those expenditures capitalized as assets exceeded current year depreciation/amortization by approximately \$38.7 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.

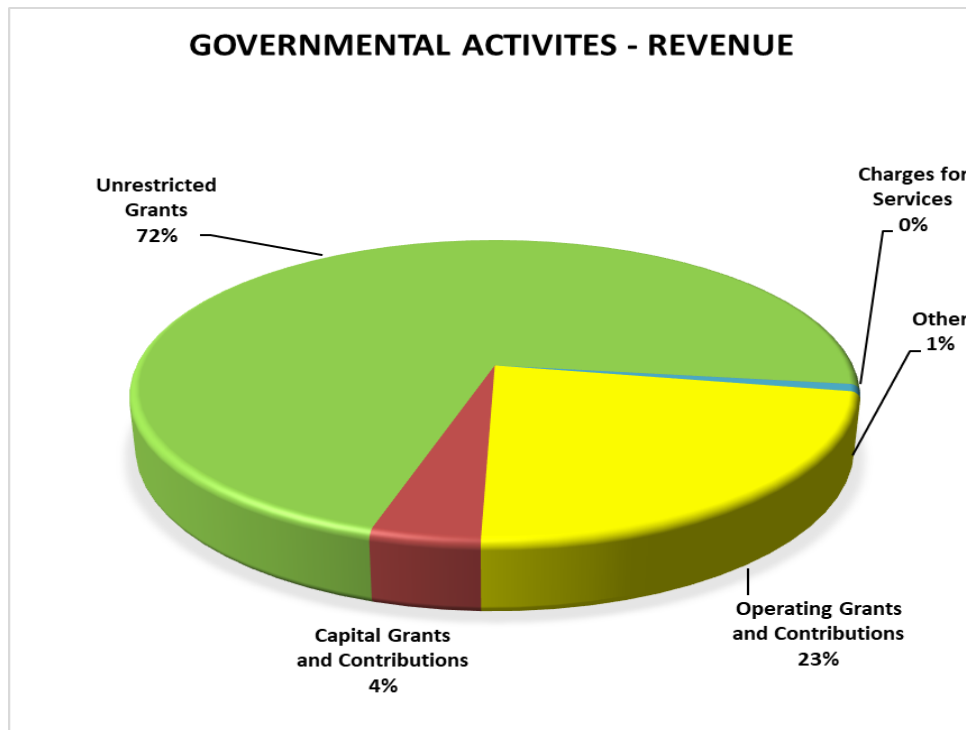
**The Board of Education of Baltimore County's  
Changes in Net position (in thousands)**

	Governmental		Business-type		Total	
	Activities		Activity			
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 245	\$ 122	\$ 83	\$ 27	\$ 329	\$ 149
Operating grants and contributions	442,778	219,874	77,853	25,722	520,631	245,596
Capital grants and contributions	82,791	86,087	-	-	82,791	86,087
General revenues:						
Grants and contributions not restricted to certain programs	1,406,144	1,609,997	-	-	1,406,144	1,609,997
Other	14,785	6,593	-	-	14,785	6,593
Total revenues	<u>1,946,743</u>	<u>1,922,673</u>	<u>77,936</u>	<u>25,749</u>	<u>2,024,679</u>	<u>1,948,422</u>
<b>Expenses:</b>						
Administration	98,203	91,932	-	-	98,203	91,932
Mid-level administration	161,412	173,972	-	-	161,412	173,972
Instruction	1,074,699	1,176,500	-	-	1,074,699	1,176,500
Special education	335,944	352,473	-	-	335,944	352,473
Student personnel services	24,644	27,866	-	-	24,644	27,866
Health services	37,993	29,131	-	-	37,993	29,131
Student transportation	83,856	85,865	-	-	83,856	85,865
Operation of plant	119,938	122,582	-	-	119,938	122,582
Maintenance of plant	52,871	46,719	-	-	52,871	46,719
Community services	959	419	-	-	959	419
Capital administration	9,264	12,432	-	-	9,264	12,432
Student activities	6,585	2,916	-	-	6,585	2,916
Interest on long-term debt	5,378	4,215	-	-	5,378	4,215
Food Services	-	-	53,289	36,322	53,289	36,322
Total expenses	<u>2,011,747</u>	<u>2,127,022</u>	<u>53,289</u>	<u>36,322</u>	<u>2,065,036</u>	<u>2,163,344</u>
Increase/(Decrease) in net position before transfers	(65,004)	(204,349)	24,647	(10,573)	(40,357)	(214,922)
Transfers	(880)	(1,017)	880	1,017	-	-
Change in net position	(65,884)	(205,366)	25,527	(9,556)	(40,357)	(214,922)
Net position, beginning of year	529,579	734,945	20,987	30,543	550,566	765,488
Net position, end of year	<u>\$ 463,695</u>	<u>\$ 529,579</u>	<u>\$ 46,514</u>	<u>\$ 20,987</u>	<u>\$ 510,209</u>	<u>\$ 550,566</u>

### ***Governmental Activities***

Governmental activities net position declined by \$65.9 million. General revenues from the county, state, and federal governments provided \$1.406 billion. Other general revenues provided \$14.8 million for a combined total of \$1.42 billion in general revenues. Program revenues from charges for services, operating and capital grants provided an additional \$525.8 million for a combined total general and program revenues of \$1.947 billion. Compared to FY2021, the total combined revenue increased only \$24 million. County operating and capital grants declined by \$25.5 million, however state operating and capital grants increased by \$167 million. Federal operating grants increased by \$77.3 million from the influx of Covid-19 and ARP grants. While county general revenues grew by \$28.2 million, and other revenue grew by \$8.2 million, state general revenues fell by \$232 million due to the shift of state revenues to program revenues.

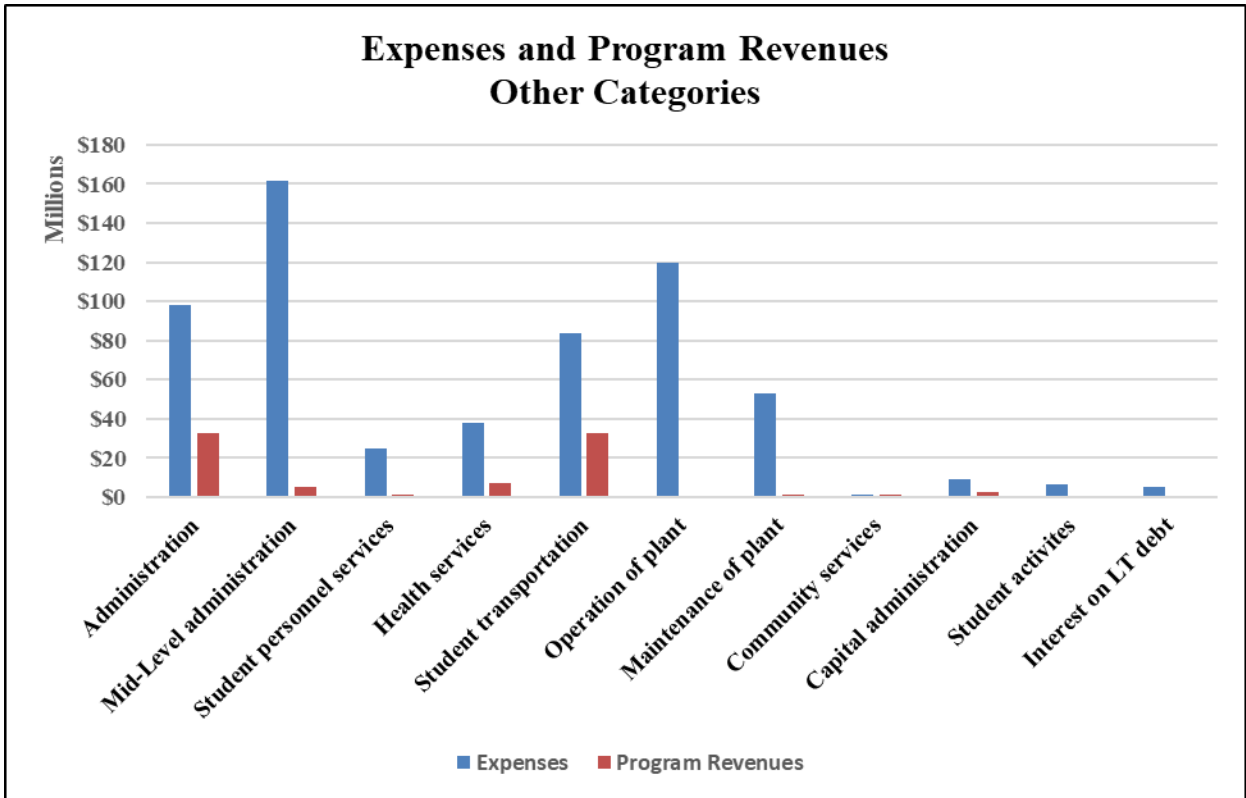
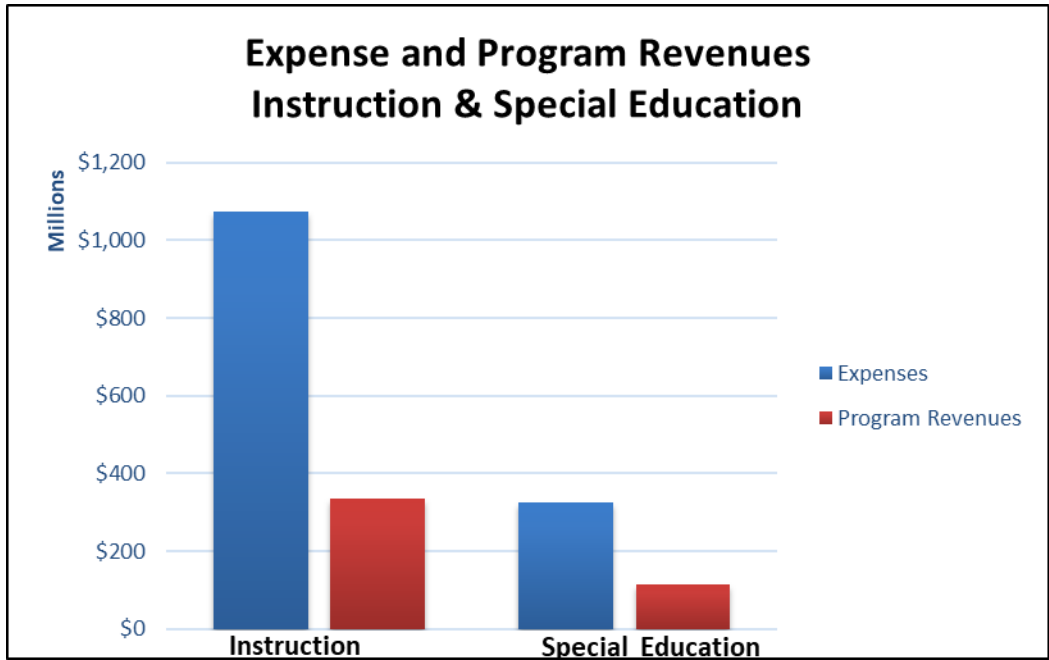
Corresponding program expenses decreased by 5.4% (\$115.3 million). Much of this decrease in expense is from the impact of the OPEB plan which includes a decrease in OPEB plan expenses of \$131 million. The chart below presents the Board's governmental activities revenue for the fiscal year ending June 30, 2022.



Governmental activities revenue increased overall \$24 million from fiscal year 2021 to fiscal year 2022. The most significant changes were the increase in County general revenues of \$28 million, increase in state operating and capital grants of \$167 million, and an increase in federal operating grants of \$77 million, offset by the reduction in state general revenues of \$232 million.

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 \$2.01 billion.
- Instructional and special education programs was \$1.4 billion (70%).
- School based and other instructional administration was \$161 million (8%).
- General administration cost was \$98 million (5%).
- Operation and maintenance of plant accounted for \$173 million (9%).
- Student transportation cost was \$84 million (4%).
- Revenue from charges for services was less than 0.1% of total expenses.
- Total program revenues were \$525 million – 26% of total expenses.
- Capital grants and contributions was \$83 million - 16% of total program revenues.
- Total general revenues were \$1.4 billion - 70% of total expenses.

### ***Business-type Activities***

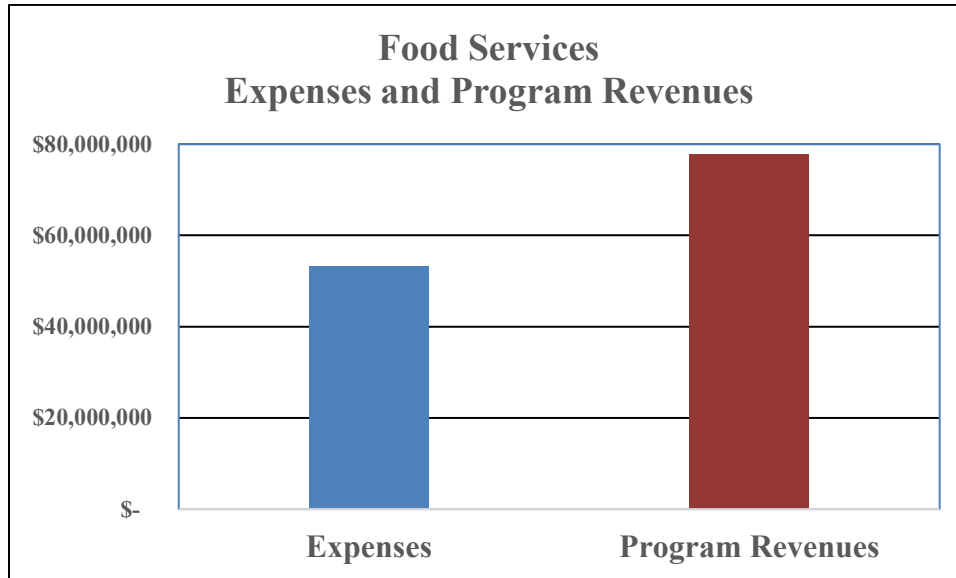
The Board's only business-type activity is the food service operation that serves meals to students and staff in schools. In fiscal year (FY) 2020 and 2021, the COVID-19 pandemic presented significant disruptions and challenges in services provided by the Office of Food and Nutrition Services. While the chaos of the pandemic subsided in FY2021, it continued to influence the way food was prepared and distributed in FY2022 and impacted our State and Federal reimbursements and overall revenue. Like FY2021, breakfast and lunch were provided free of charge to students in FY2022, under the Seamless Summer Option of the Summer Food Service program. Despite restrictions on our ability to charge for our meals, our total revenues increase by \$52.2 million (203%) from fiscal year 2021 to fiscal year 2022 driven largely by an increase in meal participation and an increase in federal reimbursement rates.

A year-over-year comparison of the current and prior fiscal years shows that participation in the lunch and breakfast programs and thus the total number of lunch and breakfast meals served increased by 7,565,053 and 4,119,082, respectively. These numbers represent increases of 327% and 186% respectively, when compared to the prior year.

Correspondingly, the cost of providing our services also increased. The cost of food sold increased \$13.6 million (158%), supplies increased \$1.3 million (182%), and administration and support increased \$0.4 million (401%). This resulted in an overall increase in the cost of services of \$17 million (47%).

Net income of \$24.6 million, coupled with \$0.9 million in capital contribution resulted in an increase in net position of \$25.5 million in FY 2022.

## 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 \$0.9 million.
- Operating expenses total \$53.3 million, the largest portion being salaries, wages, and benefits of \$25.8 million and cost of food sold of \$22.2 million.
- Federal and state reimbursement of food costs and donated federal food commodities total \$74.2 million.

## FUND HIGHLIGHTS

### *Governmental Funds*

The assets of the Board's governmental funds exceeded liabilities at the end of the current fiscal year by \$222 million (*fund balance*). Total governmental revenues increased from last fiscal year by \$120 million. This change includes \$3 million more from the county, \$31 million more from the state, \$77 million more from the federal government, and \$9 million more from other sources. The general fund revenue from the county increased by \$28 million, while capital funding from the county declined by \$25 million. State general funding grew by \$5 million; state capital projects funding grew by \$21 million, and state special revenue funding increased by \$4 million. The large increase in federal funds was due to \$77 million more in restricted grant revenues, primarily from Covid relief and American Rescue Plan funds.

## **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 \$221.7 million, an increase of \$50.7 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 \$129 million while the total fund balance was \$210 million. The total general fund balance represents 12% 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 \$50 million. This is due to general fund revenue exceeding expenditures by \$48 million, which was supplemented by lease payable issuances of \$2 million.

The fund balance of the special revenue fund increased by \$2.1 million during the current fiscal year due to increased Medicaid funds.

Capital projects fund revenues and expenditures fell slightly by \$3 million and \$2 million respectively. County capital funding fell by \$25 million but was offset by an increase in State capital funding of \$21 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 increased by \$25.5 million. Total revenues increased by \$52 million (203%). Federal reimbursements of food service costs increased by \$51 million (309%). Revenue from federal commodities increased \$3.2 million (254%). These large increases in federal revenues were driven by higher numbers of meals served due to the return of students to the classroom full-time and higher federal reimbursement rates. Additionally, all students were eligible for free meals through all of FY2022. Operating expenses increased by \$17 million (47%) primarily due to an increase in the cost of food (13.6 million), cost of supplies (\$1.3 million) and salaries and benefits (\$1.1

million). After a capital contribution of \$0.9 million, the Food Services Fund incurred net income of \$25.5 million in fiscal year 2022.

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 2021, the Workers' Compensation Fund recognized \$10.2 million in chargeback revenue from other funds. Claims incurred and administrative costs totaled \$6.4 million. This resulted in an increase in net position of \$3.7 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 Instructional Salaries due to savings from turnover and vacancies. The funds were transferred to the Instructional Textbooks and Supplies category to provide funding for additional textbooks, digital display boards and other classroom materials. Funds were also transferred to the Maintenance of Plant category to fund service contracts, bottled water for schools, and an emergency chiller replacement.

Actual revenues were less than budgeted revenues (\$1.4 million) primarily due to less than expected state grant revenues for the Non-Public Placement Program (\$1.2 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 FY2022 increased over FY2021 by \$33.3 million. Salaries grew by \$18.6 million (2.1%) due to cost of living and step increases. Contracted services increased by \$1.6 million (1.2%), Supplies increased by \$3.6 million (8.8%) due to growth in instructional supplies and maintenance supplies, Other Charges increased by \$6.7 million (1.6%) due to increases in Special Education private placement costs and increases in utilities costs, and equipment increased by \$2.2 million (14.6%) due to replacement of network hardware. These increases were largely because schools and offices were fully operational back in the buildings post pandemic.

Actual expenditures were \$60.4 million (3.5%) less than the adopted budget. Most of this was attributed to the cost of salaries, which were \$40.9 million less than the final budget due to personnel turnover and vacancies.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### *Capital and Leased Assets*

The Board's investment in capital assets for its governmental and business-type activities as of June 30, 2022, 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 Board implemented GASB87 – *Leases* in fiscal year 2022. This resulted in assets not previously capitalized under operating leases now capitalized and reported as leased assets and amortized based on the life of the leased assets.

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

**The Board of Education of Baltimore County's Capital & leased Assets (in thousands)  
(net of depreciation/amortization)**

	Governmental Activities		Business-type Activity		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 32,051	\$ 32,051	\$ -	\$ -	\$ 32,051	\$ 32,051
Buildings	1,629,164	1,604,591	3,122	3,384	1,632,286	1,607,975
Improvements other than buildings	39,937	42,893	-	-	39,937	42,893
Furniture, fixtures, and equipment	73,766	52,437	7,313	7,727	81,079	60,164
Construction in progress	254,424	270,173	-	-	254,424	270,173
<b>Total</b>	<b>\$ 2,029,342</b>	<b>\$ 2,002,145</b>	<b>\$ 10,435</b>	<b>\$ 11,111</b>	<b>\$ 2,039,777</b>	<b>\$ 2,013,256</b>
Leased assets*						
Buildings	\$ 27,248	\$ -	\$ -	\$ -	\$ 27,248	\$ -
Furniture, fixtures, and equipment	6,883	-	-	-	6,883	-
	<b>\$ 34,131</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,131</b>	<b>\$ -</b>
<b>Total capital and leased assets</b>	<b>\$ 2,063,473</b>	<b>\$ 2,002,145</b>	<b>\$ 10,435</b>	<b>\$ 11,111</b>	<b>\$ 2,073,908</b>	<b>\$ 2,013,256</b>

\* The Board implemented GASB87 in fiscal year 2022, therefore prior year information is not available

The total net increase in the Board's capital/leased assets during the year was \$60.6 million. The addition of leased assets under GASB87 contributed \$34 million. Other net increases from capital asset additions total \$27.2 million (\$131.8 million in additions offset by depreciation and disposals of \$104.6 million). Major capital additions during the fiscal year ended June 30, 2022, included the following:

- \$7 million for renovations and additions
- \$63 million for two new schools
- \$7 million for roof replacements
- \$4 million for site improvements



At the end of the current year, the Board had outstanding contractual commitments on construction projects totaling more than \$139 million. Additional information on the Board's capital assets can be found in Note 5 on pages 68 - 70 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, 2022, the total debt service costs paid by the county government to finance public school construction were \$71.8 million.

The debt carried by the Board is in the form of capital lease and purchase financing agreements. This includes short-term financing (5 years) for school buses, other vehicles, and technology equipment, and long-term capital leases (20 years) to finance energy saving improvements in numerous schools. Additional details of the Board's debt obligations can be found in Note 8 on pages 63 - 66 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 1<sup>st</sup> 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 1<sup>st</sup> 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, 2022 – June 30, 2023, was adopted by the county council on May 26, 2022. The total general fund operating budget adopted for fiscal year 2023 is \$1.77 billion. The fiscal year 2023 operating budget is \$91.5 million (5.5%) more than the fiscal year 2022 final budget. This increase is attributable to the following:

- The adopted FY2023 operating budget includes additional county funding of \$28.7 million, an increase of 3.2% over fiscal year 2022 budgeted county revenue. The county funded above the required maintenance of effort level driven by enrollment. Enrollment is expected to increase by 3,061 students (2.75%) over FY2022 enrollment, as post pandemic enrollment recovery continues.

- The state operating funds are based on state formula funding driven by enrollment and local wealth factors such as property assessments and net taxable income. Additionally, the State *Bridge to Excellence in Public Schools Act* provided a significant increase in state funding. The total General Fund State funding increased \$64 million (8.5%) over FY2022 funding.

The adopted capital projects budget for fiscal year 2023 represents a substantial decrease of \$105 million from \$250 million to \$145 million. The FY2023 capital funding includes the following major projects:

- \$48 million for major maintenance projects
- \$72 million for additions and renovations
- \$25 million for site improvements

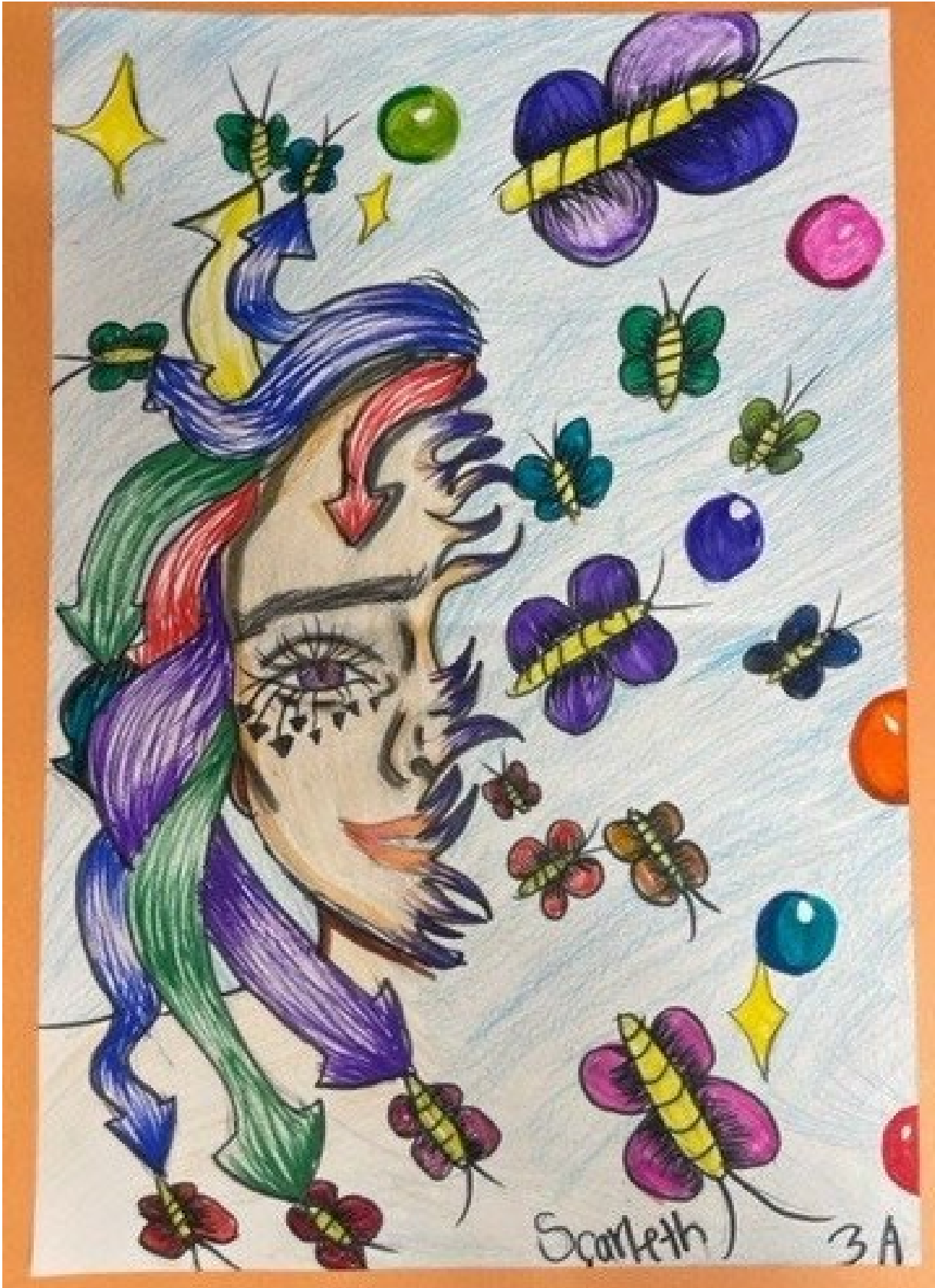
The adopted budget for the special revenue fund (\$272.2 million) is \$18.7 million (7.4%) higher than FY2022. The increase is primarily due to significant increases in funding from the American rescue Plan Act (ARP) and continued funding from the Elementary and Secondary Schools Emergency Relief (ESSER) funds. The ESSER and ARP funds are to provide critical support to address learning loss associated with the pandemic.

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

## **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: Chief Financial Officer, Division of Fiscal Services, Baltimore County Public Schools, 6901 N. Charles St., Towson, Maryland 21204.



Scarleth Alvarado Puerto

Grade 7

Deep Creek Middle School

**BOARD OF EDUCATION OF BALTIMORE COUNTY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**  
**(In Thousands)**

	Governmental Activities	Business-type Activity	Total
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 286,283	\$ 12,078	\$ 298,361
Accounts receivable, net:			
Baltimore County	32,331	-	32,331
State of Maryland	26,448	24,094	50,542
United States Government	35,364	-	35,364
Other	12,212	59	12,271
Inventories:			
Food and supplies		1,577	1,577
Other	766	-	766
Prepaid items	2,024	-	2,024
Investments restricted for lease purchases	11,994	-	11,994
Capital assets (net of accumulated depreciation):			
Land	32,051	-	32,051
Buildings	1,629,164	3,122	1,632,286
Improvements other than buildings	39,937	-	39,937
Furniture, fixtures, and equipment	73,766	7,313	81,079
Construction in progress	254,424	-	254,424
Leased assets (net of accumulated amortization)	34,131	-	34,131
<b>Total assets</b>	<b>2,470,894</b>	<b>48,242</b>	<b>2,519,137</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Retirement and OPEB plans	805,342	-	805,342
<b><u>LIABILITIES</u></b>			
Accounts payable	51,010	36	51,046
Retainage payable	6,630	-	6,630
Accrued salaries and withholdings	71,056	165	71,221
Other liabilities	3,548	-	3,548
Unearned revenue	13,217	1,088	14,304
Liabilities payable from restricted investments	19,387	-	19,387
Long-term liabilities:			
Due within one year	45,609	105	45,714
Due in more than one year	1,993,589	335	1,993,924
<b>Total liabilities</b>	<b>2,204,044</b>	<b>1,729</b>	<b>2,205,773</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Retirement and OPEB plans	608,497	-	608,497
<b><u>NET POSITION</u></b>			
Net Investment in capital assets	1,911,559	10,435	1,921,993
Restricted for special education services	12,760	-	12,760
Unrestricted (deficit)	(1,460,624)	36,079	(1,424,545)
<b>Total net position</b>	<b>\$ 463,695</b>	<b>\$ 46,514</b>	<b>\$ 510,209</b>

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, 2022**  
(In Thousands)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activity	Totals
Governmental activities:							
Administration	\$ 98,203	\$ -	\$ 32,363	\$ 233	\$ (65,607)	\$ -	\$ (65,607)
Mid-level administration	161,412	-	5,198	-	(156,214)	-	(156,214)
Instruction	1,074,699	245	246,616	79,660	(748,178)	-	(748,178)
Special education	335,944	-	115,493	106	(220,345)	-	(220,345)
Student personnel services	24,644	-	1,266	-	(23,378)	-	(23,378)
Health services	37,993	-	6,885	-	(31,108)	-	(31,108)
Student transportation	83,856	-	32,213	421	(51,222)	-	(51,222)
Operation of plant	119,938	-	239	-	(119,699)	-	(119,699)
Maintenance of plant	52,871	-	1,535	-	(51,336)	-	(51,336)
Community services	959	-	970	-	10	-	10
Capital administration	9,264	-	-	2,371	(6,893)	-	(6,893)
Student activities	6,585	-	-	-	(6,585)	-	(6,585)
Interest on long-term debt	5,378	-	-	-	(5,378)	-	(5,378)
Total governmental activities	2,011,747	245	442,778	82,791	(1,485,933)	-	(1,485,933)
Business-type activities:							
Food services	53,289	83	77,853	-	-	24,647	24,647
Total	\$ 2,065,036	\$ 329	\$ 520,631	\$ 82,791	\$ (1,485,933)	\$ 24,647	\$ (1,461,286)
<b>General revenues:</b>							
Baltimore County					889,312	-	889,312
State of Maryland					516,264	-	516,264
United States Government					568	-	568
Other					14,785	-	14,785
Transfers					(880)	880	-
Total general revenues and transfers					1,420,049	880	1,420,929
Change in net position					(65,884)	25,527	(40,357)
Net position, beginning of year					529,579	20,987	550,566
Net position, end of year					\$ 463,695	\$ 46,514	\$ 510,209

**BOARD OF EDUCATION OF BALTIMORE COUNTY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
**(In Thousands)**

	General	Special Revenue	Capital Projects	Total Governmental Funds
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 265,103	\$ -	\$ -	\$ 265,103
Accounts receivable, net:				
Baltimore County	7,670	17	24,644	32,331
State of Maryland	19,332	3,718	3,397	26,448
United States Government	-	35,364	-	35,364
Other	10,004	97	2,014	12,115
Due from other funds	10,037	-	-	10,037
Inventories	766	-	-	766
Prepaid items	2,024	-	-	2,024
Investments restricted for notes payable	11,994	-	-	11,994
<b>Total assets</b>	<b>326,930</b>	<b>39,196</b>	<b>30,055</b>	<b>396,182</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ 26,403	\$ 3,337	\$ 20,833	\$ 50,572
Retainage payable	1	-	6,629	6,630
Accrued salaries and withholdings	68,905	2,147	-	71,052
Due to other funds	-	7,655	2,382	10,037
Other liabilities	2,102	142	1,304	3,548
Unearned revenue	7	13,155	55	13,217
Liabilities payable from restricted investments	19,387	-	-	19,387
<b>Total liabilities</b>	<b>116,805</b>	<b>26,436</b>	<b>31,202</b>	<b>174,443</b>
 <b>Fund balances (deficit) :</b>				
Non-spendable	2,790	-	-	2,790
Restricted	-	12,760	-	12,760
Assigned	89,170	-	-	89,170
Unassigned (deficit)	118,166	-	(1,147)	117,019
<b>Total fund balances (deficit)</b>	<b>210,126</b>	<b>12,760</b>	<b>(1,147)</b>	<b>221,739</b>
<b>Total liabilities and fund balances</b>	<b>\$ 326,930</b>	<b>\$ 39,196</b>	<b>\$ 30,055</b>	<b>\$ 396,182</b>

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, 2022**  
**(In Thousands)**

<b>Total fund balances - governmental funds</b> (page 36)	\$ 221,739
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 \$3,294,741 and the accumulated depreciation is (\$1,231,269).	2,063,472
Long-term liabilities, including notes payable of (\$110,662), Leased assets (\$34,622) compensated absences of (\$38,748), the estimated liability for workers' compensation claims and judgements of (\$10,528), the liability for unfunded post employment health benefits of (\$1,746,250), and the unfunded liability for the county's Employees' Retirement System of (\$98,387) are not due and payable from current resources and, therefore, are not reported as liabilities in the funds.	(2,039,197)
An internal service fund was established to account for the activities of the workers' compensation plan. The assets of this fund are included here, but were not shown on the Governmental statements.	20,836
The net effect of the Deferred Outflows and Deferred Inflows of Resources recorded in conjunction with the recognition of the county retirement liability is shown here but not included in the Governmental Statements.	196,845
<b>Total net position - governmental activities</b> (page 34)	\$ 463,695

**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**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
(In Thousands)

	General	Special Revenue	Capital Projects	Total Governmental Funds
<b>Revenues:</b>				
Baltimore County	\$ 889,312	\$ 70	\$ 35,647	\$ 925,028
State of Maryland	844,516	10,922	45,492	900,931
United States Government	568	183,023	-	183,592
Other	15,156	463	1,652	17,271
<b>Total revenues</b>	<b>1,749,552</b>	<b>194,479</b>	<b>82,791</b>	<b>2,026,822</b>
<b>Expenditures:</b>				
Current-				
Administration	50,227	25,932	-	76,159
Mid-level administration	105,936	4,159	-	110,095
Instruction -				
Instructional salaries	562,484	71,067	-	633,551
Textbooks and supplies	26,923	5,155	-	32,079
Other instructional costs	17,680	5,532	-	23,212
Special education	219,462	34,432	-	253,894
Student personnel services	15,837	1,024	-	16,862
Health services	16,936	6,430	-	23,366
Student transportation	70,431	570	-	71,001
Operation of plant	92,115	237	-	92,352
Maintenance of plant	44,315	1,518	-	45,832
Fixed charges	421,867	35,383	-	457,250
Community services	-	881	-	881
Capital administration	4,447	-	83,938	88,385
Student activities	6,585	-	-	6,585
Debt service -				
Principal	41,400	-	-	41,400
Interest	5,378	-	-	5,378
<b>Total expenditures</b>	<b>1,702,024</b>	<b>192,319</b>	<b>83,938</b>	<b>1,978,281</b>
<b>Excess (deficit) of revenues over expenditures</b>	<b>47,528</b>	<b>2,160</b>	<b>(1,147)</b>	<b>48,541</b>
<b>Other financing sources:</b>				
Capital lease issuance	2,194	-	-	2,194
<b>Total other financing sources</b>	<b>2,194</b>	<b>-</b>	<b>-</b>	<b>2,194</b>
<b>Net change in fund balances</b>	<b>49,722</b>	<b>2,160</b>	<b>(1,147)</b>	<b>50,735</b>
<b>Fund balances (deficit), beginning of year</b>	<b>160,404</b>	<b>10,600</b>	<b>-</b>	<b>171,004</b>
<b>Fund balances (deficit) , end of year</b>	<b>\$ 210,126</b>	<b>\$ 12,760</b>	<b>\$ (1,147)</b>	<b>\$ 221,739</b>

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, 2022  
(In Thousands)**

<b>Total net change in fund balances - governmental funds</b> (page 44)	\$ 50,735
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report the construction and acquisition of capital and leased assets as expenditures.	(22,986)
<p>However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation/amortization expense. This is the amount by which capital asset additions (\$242,669) adjusted for assets converting from construction-in progress (\$104,498), other disposals from CIP of (\$3,799), other excess accumulated depreciation on disposals of (\$3,673), exceed depreciation/amortization expense of (\$115,059) in the current period.</p>	
Repayment of capital lease and notes payable principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	41,400
Compensated absences reported in the statement of activities do not require the use of	(1,856)
<p>current financial resources and, therefore, are not reported as expenditures in the governmental funds. This is the amount by which vacation leave earned (\$20,375) exceeds vacation leave used (\$18,519) in the current period.</p>	
Proceeds of capital lease issuance which provide current financial resources in the governmental funds, are not reported as revenues in the statement of activities.	(2,194)
Increase in the estimated liability for workers' compensation claims included in long-term obligations.	(526)
Net effect of expenditures for recording the OPEB liability	(141,824)
Net effect of the expenditures for recording the net pension liability for the Employees' Retirement System of Baltimore County.	7,119
Increase in the assets of the Internal Service Fund are not included in the Governmental Statements.	4,248
<b>Change in net position of governmental activities</b> (page 41)	<u>\$ (65,884)</u>

**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, 2022**  
**(In Thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Baltimore County	\$ 889,312	\$ 889,312	\$ 889,312	\$ -
State of Maryland -				
Foundation Program	416,752	416,752	416,748	(4)
Geographic Cost of Education	6,369	6,369	6,369	-
Compensatory Education	143,898	143,898	143,875	(23)
Limited English Proficiency	32,380	32,380	32,380	-
Transportation	31,642	31,642	31,636	(5)
Formula-Students with Disabilities	41,250	41,250	42,007	756
Out-of-County Living Arrangements	1,100	1,100	832	(268)
Non-public Placements	22,808	22,808	21,616	(1,192)
Blueprint for Maryland's Future	52,621	52,621	52,084	(537)
Aging Schools	874	874	58	(816)
Quality Teacher Incentive	144	144	106	(38)
Total State of Maryland	749,837	749,837	747,711	(2,126)
United States Government	650	650	568	(82)
Other	37,033	37,033	37,825	792
<b>Total revenues</b>	1,676,832	1,676,832	1,675,416	(1,417)
<b>Expenditures:</b>				
Current -				
Administration	56,941	56,941	55,125	1,816
Mid-level administration	112,146	112,146	106,345	5,801
Instruction -				
Instructional salaries	581,497	569,007	562,484	6,523
Textbooks and supplies	23,242	29,147	25,891	3,256
Other instructional costs	49,831	49,831	47,402	2,429
Special education	226,500	226,500	222,612	3,888
Student personnel services	16,914	16,914	15,859	1,055
Health services	18,894	18,894	17,060	1,834
Student transportation	84,829	84,829	77,378	7,451
Operation of plant	115,921	115,921	109,199	6,722
Maintenance of plant	43,295	49,880	46,185	3,695
Fixed charges	341,793	341,793	326,388	15,405
Capital administration	5,028	5,028	4,430	597
<b>Total expenditures</b>	1,676,832	1,676,832	1,616,359	60,474
Excess of revenues over expenditures	\$ -	\$ -	59,057	\$ 59,057
<b>Fund balance, beginning of year</b>			83,777	
Reappropriation of prior year fund balance included in Other Revenues			(31,325)	
Liquidation and cancellation of prior year encumbrances			32,997	
<b>Fund balance, end of year</b>			\$ 144,506	

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, 2022**  
**(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Baltimore County	\$ 5	\$ 5	\$ 70	\$ 65
State of Maryland	32,535	32,535	12,012	(20,524)
United States Government	220,315	220,315	183,056	(37,259)
Other	650	650	1,881	1,231
<b>Total revenues</b>	<u>253,506</u>	<u>253,506</u>	<u>197,019</u>	<u>(56,487)</u>
<b>Expenditures:</b>				
Administration	11,652	11,652	27,056	(15,404)
Mid-level administration	1,359	1,359	4,247	(2,888)
Instruction -		-		
Instructional salaries	113,388	113,388	71,067	42,321
Textbooks and supplies	31,636	31,636	3,585	28,051
Other instructional costs	5,734	5,734	5,143	591
Special education	34,822	34,822	34,391	430
Student personnel services	4,878	4,878	1,044	3,834
Health services	969	969	7,480	(6,511)
Student transportation	486	486	742	(256)
Operation of plant	122	122	1,252	(1,131)
Maintenance of plant	23	23	1,809	(1,787)
Fixed charges	47,095	47,095	35,383	11,712
Community services	643	643	1,659	(1,016)
Food Service	700	700	-	700
<b>Total expenditures</b>	<u>253,506</u>	<u>253,506</u>	<u>194,859</u>	<u>58,646</u>
 <b>Excess of revenues over expenditures</b>	 <u>\$ -</u>	 <u>\$ -</u>	 2,160	 <u>\$ 2,160</u>
 <b>Fund balance, beginning of year</b>			 10,600	
 <b>Fund balance, end of year</b>			 <u>12,760</u>	

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 FUND**  
**JUNE 30, 2022**  
(In Thousands)

	<u>Food Service Enterprise Fund</u>	<u>Internal Service Fund</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash and cash equivalents	\$ 12,078	\$ 21,180
Due from other governments	24,094	-
Accounts receivable - other	59	97
Inventories, at cost	1,577	-
Total current assets	<u>37,808</u>	<u>21,277</u>
Capital assets (net of accumulated depreciation):		
Building	3,122	-
Furniture, fixtures and equipment	7,313	-
Total capital assets	<u>10,435</u>	<u>-</u>
<b>Total assets</b>	<u>48,243</u>	<u>21,277</u>
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable	36	437
Accrued salaries and withholdings	165	4
Compensated absences	105	-
Claims and judgements	-	3,844
Unearned revenue	1,088	-
Total current liabilities	<u>1,394</u>	<u>4,285</u>
Noncurrent liabilities:		
Compensated absences	335	-
Claims and judgements	-	6,684
Total Noncurrent liabilities	<u>335</u>	<u>6,684</u>
<b>Total liabilities</b>	<u>1,729</u>	<u>10,969</u>
<b><u>NET POSITION</u></b>		
Net investment in capital assets	10,435	-
Unrestricted	36,079	10,308
<b>Total net position</b>	<u>\$ 46,514</u>	<u>\$ 10,308</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 NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
(In Thousands)

	<u>Food Service Enterprise Fund</u>	<u>Internal Service Fund</u>
<b>Operating Revenues:</b>		
Charges for services	\$ 83	\$ -
Employer's contributions	-	10,155
<b>Total operating revenue</b>	<u>83</u>	<u>10,155</u>
<b>Operating Expenses:</b>		
Cost of food	22,215	-
Salaries, wages, and benefits	25,821	134
Claims and judgements paid	-	4,372
Provision for claims and judgements	-	524
Supplies	1,993	-
Maintenance and repair of equipment	687	-
Administration and support	571	1,400
Depreciation	1,603	-
Other	399	-
<b>Total operating expenses</b>	<u>53,289</u>	<u>6,430</u>
<b>Operating income (loss)</b>	<u>(53,206)</u>	<u>3,725</u>
<b>Nonoperating Revenues:</b>		
Federal reimbursement of food service costs	67,701	-
State reimbursement of food service costs	2,105	-
Federal donated commodities	4,439	-
Federal grant revenue	3,564	-
Other revenue	44	-
<b>Total nonoperating revenues</b>	<u>77,853</u>	<u>-</u>
<b>Income before capital contribution</b>	24,647	3,725
<b>Capital contribution</b>	<u>880</u>	<u>-</u>
<b>Change in net position</b>	25,527	3,725
<b>Net position, beginning of year</b>	<u>20,987</u>	<u>6,583</u>
<b>Net position , end of year</b>	<u>\$ 46,514</u>	<u>\$ 10,308</u>

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

**BOARD OF EDUCATION OF BALTIMORE COUNTY**  
**STATEMENT OF CASH FLKOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
(In Thousands)

	Food Service Enterprise Fund	Internal Service Fund
<b>Cash flows from operating activities:</b>		
Cash received for sales and services	\$ 27	\$ -
Cash paid to employees	(26,813)	(134)
Cash paid to suppliers	(21,458)	-
Claims and judgements paid	-	(4,356)
Administration and support	-	(1,401)
Employer's contributions	-	10,215
<b>Net cash provided by/(used in) operating activities</b>	<b>(48,244)</b>	<b>4,324</b>
<b>Cash flows from non-capital financing activities:</b>		
Governmental subsidies	53,943	-
Federal and other grants	3,587	-
<b>Net cash provided by non-capital financing activities</b>	<b>57,530</b>	<b>-</b>
<b>Cash flows from capital and related financing activities:</b>		
Purchase of capital assets - net	(39)	-
<b>Net cash used in capital and related financing activities</b>	<b>(39)</b>	<b>-</b>
<b>Cash flows from investing activities - other revenue</b>	13	-
<b>Net increase in cash and cash equivalents</b>	9,260	4,324
<b>Cash and cash equivalents, beginning of year</b>	<b>2,818</b>	<b>16,856</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 12,078</b>	<b>\$ 21,180</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ (53,206)	\$ 3,724
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities:		
Depreciation expense	1,603	-
Federal donated commodities	4,439	-
Effect of changes in operating assets and liabilities:	-	
Accounts receivable - other	(3)	60
Inventories	98	-
Accounts payable	(179)	16
Accrued salaries and withholdings	(899)	-
Compensated absences	(72)	-
Liability for claims and judgements	-	524
Unearned revenue	(25)	-
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (48,244)</b>	<b>\$ 4,324</b>
<b>Noncash investing, capital and financing activities:</b>		
Contribution of capital equipment from other fund	880	-

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, 2022**

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### **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, 2022

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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 and the proprietary fund. Major individual governmental funds and the proprietary fund 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, 2022, has been reported only in the government-wide financial statements.
- Interest on long-term obligations (leases payable and notes payable) is recognized when paid.



# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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- 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 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.

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, 2022

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### 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 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 Fund and School Activities investments funds are allocated interest income based on their share of the investment pool. The 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.

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, 2022. 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 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 uncollectable 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

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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year. Certain intergovernmental receivables may extend up to 180 days from the end of the fiscal year. Uncollectible amounts of as June 30, 2022, 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.

- 5) ***Capital and Leased Assets*** – Capital and leased 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. Leased assets are reported at the net present value at the inception of the lease.

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 and leased assets utilized in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation/amortization expenses are recorded in the government-wide financial statements, as well as the proprietary fund

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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financial statements. Capital assets are depreciated over the useful life of the asset using the straight-line method. Leased assets are amortized over the life of the lease 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 assets that applies to a future period; therefore, will not be recognized as an outflow of resources (expenditure) until the future period. At June 30, 2022, the Board had deferred outflows of resources in the amount of \$805,342 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. The accrual cap has been suspended until December 31, 2022. All accrued annual vacation leave is payable upon separation from employment up to the 45-day maximum. 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 leases, notes payable, compensated 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 8. The notes payable represents obligations for financing the purchase of school buses, other vehicles, Technology equipment, and building energy improvements for heating and air conditioning, lighting, and corresponding control systems in a number of schools. These notes payable are being paid over periods from 5 to 25 years from the date of inception. The leases represent obligations for leased buildings for offices and certain schools and various types of equipment. These leases are being paid over a period of two to fifteen years. 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

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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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 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 assets that applies to future periods, and 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, 2022, the Board had deferred inflows of resources totaling \$608,497 related to the difference between actual and expected experience, assumption changes, 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 is required to be utilized to fund those activities by regulations from the Maryland State Department of Education.

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.

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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- 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. School activity funds are considered assigned because the funds must be used for the benefit of students in accordance with Board Policy. 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 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.

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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- 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.

### 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:

<b>Category</b>	<b>Category</b>
Administration	Mid-level Administration
Instructional Salaries	Instructional Textbooks and 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.



# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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Failure by the County Council to take action within thirty days of receipt of written requests for transfers constitutes Council approval.

- 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
Instructional Salaries	(12,490)
Instructional Textbooks and Supplies	5,905
Maintenance of Plant	6,585
	<u>\$ -</u>

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

### 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:

<b>General Fund</b>	Revenues	Expenditures	Other Financing Sources/ (Uses)	Excess/(Deficiency) of Revenue and Other Financing Sources Over Expenditures	Fund Balance
Reported on the basis of GAAP	\$ 1,749,552	\$ (1,702,024)	\$ 2,194	\$ 49,722	\$ 210,126
Effect of encumbrances	-	(21,204)	-	(21,204)	(21,204)
GASB84 adjustment	(6,592)	6,585	-	(7)	(7)
Retirement cost paid on the Board's behalf by the State of Maryland	(95,992)	95,992	-	-	-
On behalf equipment through USAC	(2,066)	2,066	-	-	-
Reappropriation of prior year fund balance	31,325	-	-	31,325	(31,325)
Effect of notes payable	-	2,194	(2,194)	-	(2,194)
Other budgetary adjustments	(811)	32	-	(779)	(10,890)
Reported on the Budgetary Basis of Accounting	<u>\$ 1,675,416</u>	<u>\$ (1,616,359)</u>	<u>\$ -</u>	<u>\$ 59,057</u>	<u>\$ 144,506</u>
<b>Special Revenue Fund</b>					
Reported on basis of GAAP	\$ 194,479	\$ (192,319)	\$ -	\$ 2,160	\$ 12,760
Effect of encumbrances	2,540	(2,540)	-	-	-
Reported on the Budgetary Basis of Accounting	<u>\$ 197,019</u>	<u>\$ (194,859)</u>	<u>\$ -</u>	<u>\$ 2,160</u>	<u>\$ 12,760</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, 2022

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual Amounts	
<b>Revenues - Baltimore County</b>	\$ 71,767	\$ 71,767	\$ 71,767	\$ -
<b>Expenditures:</b>				
Current -				
Principal	49,646	49,646	49,646	-
Interest	22,121	22,121	22,121	-
<b>Total expenditures</b>	<u>71,767</u>	<u>71,767</u>	<u>71,767</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund balance, July 1, 2021</b>			<u>-</u>	
<b>Fund balance, June 30, 2022</b>			<u>\$ -</u>	

### D. DETAILS OF FUND BALANCES

The details of the Governmental Funds balances at June 30, 2022 are shown as follows:

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

Inventories	\$	766
Prepaid Items		2,024
	\$	<u>2,790</u>

The Assigned general fund balance consists of the following:

Encumbrances for:		
Contracted services	\$	26,906
Supplies and materials		10,502
Equipment and other		13,735
Total encumbrances		<u>51,143</u>
For use in FY2023 Operating Budget		31,325
Student Activities		6,702
	\$	<u>89,170</u>

The Special Revenue fund balance of \$12,760 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, 2022

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### D. NET POSITION

**Deficit Fund Balance** – The Capital Projects Fund had an unassigned deficit fund balance of \$1,147. The deficit results from accruals for remediation and other construction work accrued at year end. This deficit will be eliminated over the construction periods from local funding sources.

### 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, 2022, the Board's net deposits were approximately \$174 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.

#### 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

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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 which has a credit rating of Aaa.

### C. SUMMARY OF DEPOSIT AND INVESTMENT BALANCE

The following is a reconciliation of the Board’s deposit and investments balances as of June 30, 2022:

	<u>Pooled Cash and Investments</u>	<u>Other</u>	<u>Government-wide Statement of Net Position</u>
Deposits	\$ 162,337	\$ 6,397	\$ 168,734
Investments:			
MLGIP	129,627	-	129,627
Money market mutual funds	-	11,994	11,994
Total	<u>\$ 291,964</u>	<u>\$ 18,391</u>	<u>\$ 310,355</u>

### NOTE 4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2022, the Special Revenue Fund owed \$7,655 and the Capital Projects Fund owed \$2,382 to the General Fund to provide funding while waiting for reimbursements from the federal, state, and local governments for expenditures incurred through year end.

A summary of the interfund transfers for the fiscal year ended June 30, 2022, follows:

<u>Transfers from</u>	<u>Transfers to</u>	<u>Purpose</u>	<u>Amount</u>
Governmental Activities	Business Type Activity	Food Service equipment	<u>\$ 880</u>

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

### NOTE 5. CAPITAL AND LEASED ASSETS

#### A. ACTIVITY

Capital and leased asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 32,051	\$ -	\$ -	\$ 32,051
Construction in progress	270,173	88,748	(104,498)	254,424
Total capital assets not being depreciated	<u>302,225</u>	<u>88,748</u>	<u>(104,498)</u>	<u>286,475</u>
Capital assets being depreciated:				
Buildings	2,566,180	103,018	-	2,669,199
Improvements other than buildings	101,230	1,787	(9)	103,008
Machinery and equipment	56,220	37,473	(147)	93,546
Vehicles	96,174	9,422	(3,643)	101,953
Total capital assets being depreciated	<u>2,819,804</u>	<u>151,701</u>	<u>(3,799)</u>	<u>2,967,706</u>
Less accumulated depreciation for:				
Buildings	(961,589)	(78,446)	-	(1,040,035)
Improvements other than buildings	(58,337)	(4,740)	5	(63,072)
Machinery and equipment	(43,699)	(17,930)	137	(61,492)
Vehicles	(56,258)	(7,514)	3,531	(60,240)
Total accumulated depreciation	<u>(1,119,883)</u>	<u>(108,630)</u>	<u>3,673</u>	<u>(1,224,839)</u>
Total capital assets, being depreciated, net	<u>1,699,921</u>	<u>43,071</u>	<u>(126)</u>	<u>1,742,866</u>
Governmental activities net capital assets	<u>\$ 2,002,146</u>	<u>\$ 131,820</u>	<u>\$ (104,624)</u>	<u>\$ 2,029,342</u>
Leased assets being amortized:				
Buildings	\$ 30,641	\$ -	\$ -	\$ 30,641
Machinery and equipment	7,699	2,220	-	9,919
Total leased assets being amortized	<u>38,340</u>	<u>2,220</u>	<u>-</u>	<u>40,560</u>
Less accumulated amortization for:				
Buildings	-	(3,393)	-	(3,393)
Machinery and equipment	-	(3,036)	-	(3,036)
Total accumulated amortization	<u>-</u>	<u>(6,429)</u>	<u>-</u>	<u>(6,429)</u>
Governmental activities net leased assets	<u>\$ 38,340</u>	<u>\$ (4,209)</u>	<u>\$ -</u>	<u>\$ 34,131</u>
Governmental activities, net investment in capital/leased assets	<u>\$ 2,040,486</u>	<u>\$ 127,611</u>	<u>\$ (104,624)</u>	<u>\$ 2,063,473</u>

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets being depreciated:				
Buildings and Improvements	\$ 7,194	\$ -	\$ -	\$ 7,194
Furniture, fixtures and equipment	\$ 30,291	932	(353)	30,870
Total capital assets being depreciated	37,485	932	(353)	38,064
Less accumulated depreciation for:				
Buildings and Improvements	(3,810)	(262)	-	(4,072)
Furniture, fixtures and equipment	(22,564)	(1,341)	348	(23,557)
Total accumulated depreciation	(26,374)	(1,603)	348	(27,629)
Business-type activities capital assets, net	<u>\$ 11,111</u>	<u>\$ (671)</u>	<u>\$ (5)</u>	<u>\$ 10,435</u>

Depreciation expense was charged to program activities as follows:

**Governmental activities:**

Administration	\$ 1,348
Mid-level administration	19
Instruction	97,959
Special education	464
Student transportation	6,545
Operation of plant	119
Maintenance of plant	2,005
Capital administration	171
Total Depreciation expense - governmental activities	<u>\$ 108,630</u>

**Business-type activities:**

Food Services	<u>\$ 1,603</u>
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Amortization expense was charged to program activities as follows:

**Governmental Activities**

Administration	\$ 66
Mid-level administration	499
Instruction	1,202
Student Transportation	214
Operation of plant	3,554
Maintenance of plant	894
Total amortization expense - governmental activities	<u>\$ 6,429</u>

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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### B. CONSTRUCTION AND LEASE PURCHASE COMMITMENTS

The Board has active construction projects as of June 30, 2022. 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:

<b>Projects</b>	<b>Spent-to-Date</b>	<b>Remaining Commitment</b>
New school construction	\$ 262,071	\$ 86,639
Additions	14,385	42,797
Improvements and renovations	249,341	9,877
<b>Total</b>	<b>\$ 525,798</b>	<b>\$ 139,313</b>

During the fiscal year, the Board made commitments for the acquisition of vehicles and technology equipment under finance purchase agreements totaling approximately \$13.3 million. The assets to be acquired are described below:

<b>Description</b>	<b>Class</b>	<b>Amount</b>
School buses	Vehicles	\$ 7,697
Trucks and other vehicles	Vehicles	2,838
Technology equipment	Equipment	2,736
Total		<u>\$ 13,271</u>



# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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### 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 its 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
2022	\$ 10,006	\$ 4,939	\$ 4,417	\$ 10,528
2021	\$ 12,450	\$ 2,616	\$ 5,060	\$ 10,006

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, cyber fraud, 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.

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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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 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.

In November of 2020, the Board was struck by a ransomware cyberattack that disrupted most automated systems. The Board has been working continuously on restoring and replacing damaged systems and recovery of data lost in the attack. Some of the cost of recovery has been covered by insurance, however additional unplanned costs have been incurred to move systems from Board-hosted servers to cloud-based environments deemed much safer.

### **NOTE 7. 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. Based on management's review of current school renovation projects, \$147 has been accrued for estimated mitigation costs at June 30, 2022.

### **NOTE 8. LONG-TERM OBLIGATIONS**

The Board's long-term obligations include notes payable, leases payable, 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 notes payable and compensated absences, including the current year's 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.

#### **A. NOTES PAYABLE**

The Board's notes payable represents obligations incurred to finance the purchase of vehicles, technology equipment, and acquisition of building energy improvements. The vehicle and technology equipment are financed over periods of five years, while the energy performance improvements are financed over twenty years. These agreements qualify as notes payable for accounting purposes and have been recorded at the present value of the future minimum note payments at the inception date. These items acquired through financings are reported as capital assets and depreciated accordingly. The assets acquired through these agreements are as follows:

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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Asset Description	Governmental Activities
Vehicles	\$ 36,072
Building Improvements	103,011
Technology Equipment	44,519
Less: accumulated depreciation	(44,288)
Total	\$ 139,314

The following are the future minimum note payments under the Board's financing agreements, and the present value of the minimum note payments as of June 30, 2022:

Fiscal year ending June 30:	Governmental Activities
2023	\$ 21,665
2024	14,914
2025	10,938
2026	7,104
2027	6,898
2028-2032	37,489
2033-2037	37,504
2038-2039	8,862
Total minimum note payments	145,374
Less: amount representing interest	(34,712)
Present value of future minimum note payments	\$ 110,662

### B. LEASES PAYABLE

**New Accounting Pronouncement** - For Fiscal year 2022, The Board adopted the new Governmental Accounting Standards Board (GASB) Statement Number 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about government leasing activities. This statement includes guidance on accounting and reporting for long-term leases that do not transfer ownership to the Board. The implementation of the new standard includes reporting the leases as Capital Assets at the present value of the payments to be made at the beginning of the lease term, along with the corresponding Lease Liability. The cost of the leased assets is amortized over the life of the lease, and the liability is liquidated as the lease payments are made. The Board adopted the requirements of the

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption. The Board identified multiple leases for buildings and equipment totaling \$38 million and entered into new leases totaling \$ 2 million during the year. The activity related to leased assets is included in Note 5 – Capital and Leased Assets. The activity related to the corresponding leased assets liabilities is included in Note 8 – Long-Term Obligations.

The Board leases equipment as well as certain school and office facilities for various terms under long-term lease agreements. The leases expire at various dates through 2037 and provide for renewal options ranging from three to five years.

Total future minimum lease payments under leases payable agreements are as follows:

	<b><u>Governmental Activities</u></b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 5,964	\$ 709	\$ 6,673
2024	5,008	572	5,580
2025	4,596	454	5,050
2026	3,523	348	3,871
2027	3,268	259	3,527
2028-2032	7,355	751	8,106
2033 and thereafter	4,908	135	5,043
Total minimum lease payments	<u>\$ 34,622</u>	<u>\$ 3,228</u>	<u>\$ 37,850</u>

Right to use assets acquired through outstanding leases are shown below, by underlying asset class.

	<b><u>Governmental Activities</u></b>
Equipment	\$ 9,919
Buildings	30,641
Less: accumulated amortization	<u>(6,429)</u>
	<u>\$ 34,131</u>

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

### C. 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
Notes payable	\$ 99,410	\$ 46,714	\$ 35,462	110,662	\$ 17,282
Leases payable	38,340	2,220	5,938	34,622	5,964
Compensated absences	36,892	20,375	18,519	38,748	18,519
Claims and judgements					
- workers' compensation plan	10,006	4,939	4,417	10,528	3,844
Other Post Employment Benefits	2,420,620	- *	674,370	1,746,250	-
County Employee Retirement Plan	116,025	- *	17,638	98,387	-
Governmental activity					
Long-term liabilities	\$ 2,682,953	\$ 74,248	\$ 756,344	\$ 2,039,197	\$ 45,609
<b>Business-type Activity/ Food Services</b>					
Compensated absences	\$ 512	\$ 254	\$ 326	\$ 440	\$ 105

\* Net change shown

### 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 multiple-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

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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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 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 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.

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 after 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.

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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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, 2022, was \$36,670. The State's contributions on behalf of the Board for the year ended June 30, 2022, were \$95,992. The FY 2022 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.

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

At June 30, 2022, 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:

State's proportionate share of the net pension liability	\$629,784
Board's proportionate share of the net pension liability	-
Total	<u>\$629,784</u>

The net pension liability was measured as of June 30, 2021, 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, 2022, the Board recognized pension expenditures of \$132,661 and revenue of \$95,992 in the General Fund for support provided by the State and Board. In the Statement of Activities, the Board recognized pension expense of \$52,708 and revenue of (\$16,039) for support provided by the State and Board. 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.

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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*Actuarial assumptions* - The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25% general, 2.75% wage
Salary increases	2.75% to 9.25%
Investment rate of return	6.80%

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, 2020, 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 actuarial valuation as of June 30, 2021. As a result, an investment return assumption of 6.80% and an inflation assumption of 2.25 % were used for the June 30, 2021, 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 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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long Term Expected Real Rate of Return</b>
Public Equity	37%	4.7%
Private Equity	13%	6.5%
Rate Sensitive	19%	-0.4%
Credit Opportunity	9%	2.6%
Real Assets	14%	4.2%
Absolute Return	8%	2%
Total	100%	



# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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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, 2021.

For the year ended June 30, 2021, the annual money-weighted rate of total return on pension plan investments, net of the pension plan expense was 26.69%. 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 6.8%. This single discount rate was based on the expected rate of return on pension plan investments of 6.8%. 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.
- 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 annual comprehensive financial report that includes the System's financial statements and required supplementary information. That report may be obtained

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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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 after 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 contribution to the System for the year ended June 30, 2022, was \$9,142 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, 2022, the Board reported a liability of \$98,387 for its proportionate share of the net pension liability. The collective net pension liability was measured as of June 30, 2021, based on an actuarial valuation dated June 30, 2021, rolled forward to June 30, 2021 using updated procedures. 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, 2021, the Board's proportion was 5.84 percent, which was an increase of 0.40 from the proportion measured as of June 30, 2020. 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, 2022, the Board recognized pension expense of (\$7,881).
  - c. **Deferred outflows/inflows** - At June 30, 2022, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 750	\$ (364)
Change of assumptions	(713)	(923)
Net difference between projected and actual earnings on pension plan investments	-	16,834
Changes in proportion and differences between Board contributions and proportionate share of contributions	12,576	15,990
Board contributions subsequent to the measurement date	9,142	-
	<u>\$ 21,755</u>	<u>\$ 31,537</u>

Deferred outflows of \$9,142 are reported as resources related to pensions resulting from Board contributions after the measurement date will be recognized as a reduction of the net pension liability in the year-ended June 30, 2023. 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:

2023	\$ (7,326)
2024	224
2025	(3,915)
2026	(5,695)
2027	70
Thereafter	(2,282)

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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5) *Actuarial Assumptions* – The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods 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. There were no changes in assumptions since the last 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, 2021, 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, 2022

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<u>Asset Class</u>	<u>Long-term Expected Rate of Return</u>	<u>Target Asset Allocation</u>
Cash	-0.31%	0.00%
Large Cap Equities	4.00%	22.00%
Small/Mid Cap Equities	4.29%	9.00%
International Equities (Unhedged)	4.19%	14.00%
Emerging International Equities	6.20%	7.00%
US TIPS	-0.11%	3.00%
Core Bonds	0.43%	5.00%
Core Bonds - Short	0.63%	4.00%
Bank Loans	2.53%	3.00%
EMD (blended)	2.59%	5.00%
Diversified Fixed Income	2.08%	9.00%
Private Equity	7.68%	9.00%
Real Estate Core)	3.31%	5.00%
Global Asset Allocation	3.47%	0.00%
Risk Parity	2.53%	5.00%

- 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 (percent) or one percentage-point higher(percent)than the current rate:

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

	1% Decrease (5.375%)	Discount Rate (6.375%)	1% Increase (7.375%)
Board's proportionate share of the net pension liability	\$ 124,833	\$ 98,387	\$ 75,725

- 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 of Baltimore County financial report. The report may be obtained online at the following link - <https://www.baltimorecountymd.gov/Agencies/budfin/retirement/index.html>.
- 9) **Combined plans total pension expense** - The total pension expense for the State and County pension plans in the Statement of Activities for the year ended June 30, 2022, was \$44,623.

### 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.

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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- 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 FY2022 contribution to the OPEB plan was \$28,000.
- 6) **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of resources Related to OPEB** – At June 30, 2022, the Board reported a liability of \$1,746,250 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, 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 actuarial accrued liability. At June 30, 2022, the Board’s proportion was 44.59%. This was an decrease of 8.15% from the prior year proportion of 52.74%.
- a. **Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – For the year ended June 30, 2022, the Board recognized OPEB expense of \$141,825. At June 30, 2022, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ 121,827	\$ 362,744
Change of assumptions	583,002	-
Net difference between projected and actual earnings on OPEB plan investments	-	10,896
Change in proportion	50,758	203,320
Board contributions subsequent to the measurement date	28,000	-
	<u>\$ 783,587</u>	<u>\$ 576,960</u>

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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Employer contributions made after the measurement date of \$28,000 will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2023. 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:

2023	\$	89,444
2024		90,103
2025		89,006
2026		34,423
2027		38,684
Thereafter		(163,033)

- b. **Actuarial Assumptions** – The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

• Inflation	2.5%
• Salary increases	0 – 6.55%
• Investment rate of return	6.375%
• Mortality	RP-2014 White Collar with MP2014 mortality improvement
• Cost of living adjustments	N/A
• Healthcare cost trend rates	3.94% - 6.0%

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:



# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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Asset Class	Long-term Expected Rate of Return	Target Asset Allocation
Cash	-0.31%	0.00%
Large Cap Equities	4.00%	22.00%
Small/Mid Cap Equities	4.29%	9.00%
International Equities (Unhedged)	4.19%	14.00%
Emerging International Equities	6.20%	7.00%
US TIPS	-0.11%	3.00%
Core Bonds	0.43%	5.00%
Core Bonds - Short	0.63%	4.00%
Bank Loans	2.53%	3.00%
EMD (blended)	2.59%	5.00%
Diversified Fixed Income	2.08%	9.00%
Private Equity	7.68%	9.00%
Real Estate Core)	3.31%	5.00%
Global Asset Allocation	3.47%	0.00%
Risk Parity	2.53%	5.00%

- c. **Discount Rate** – The discount rate used to measure the OPEB liability was 1.95% at the end of the measurement period as of June 30, 2021. 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 2017 to 2021 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 2026. Future benefit payments beyond 2026 were discounted using tax exempt general obligation bonds with municipal bonds rated AA/Aa or higher on June 30, 2021, of 1.92%. The long term expected rate of return on investments of 6.375% was blended with the index rate of 1.92% for tax exempt general obligation municipal bonds rated AA/Aa or higher at June 30, 2021, to arrive at a discount rate of 1.95% 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:

# Board of Education of Baltimore County

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2022

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	1% Decrease (0.95%)	Discount rate 1.95%	1% Increase 2.95%
Net OPEB Liability	\$ 2,091,353	\$ 1,746,250	\$ 1,471,658

- 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:

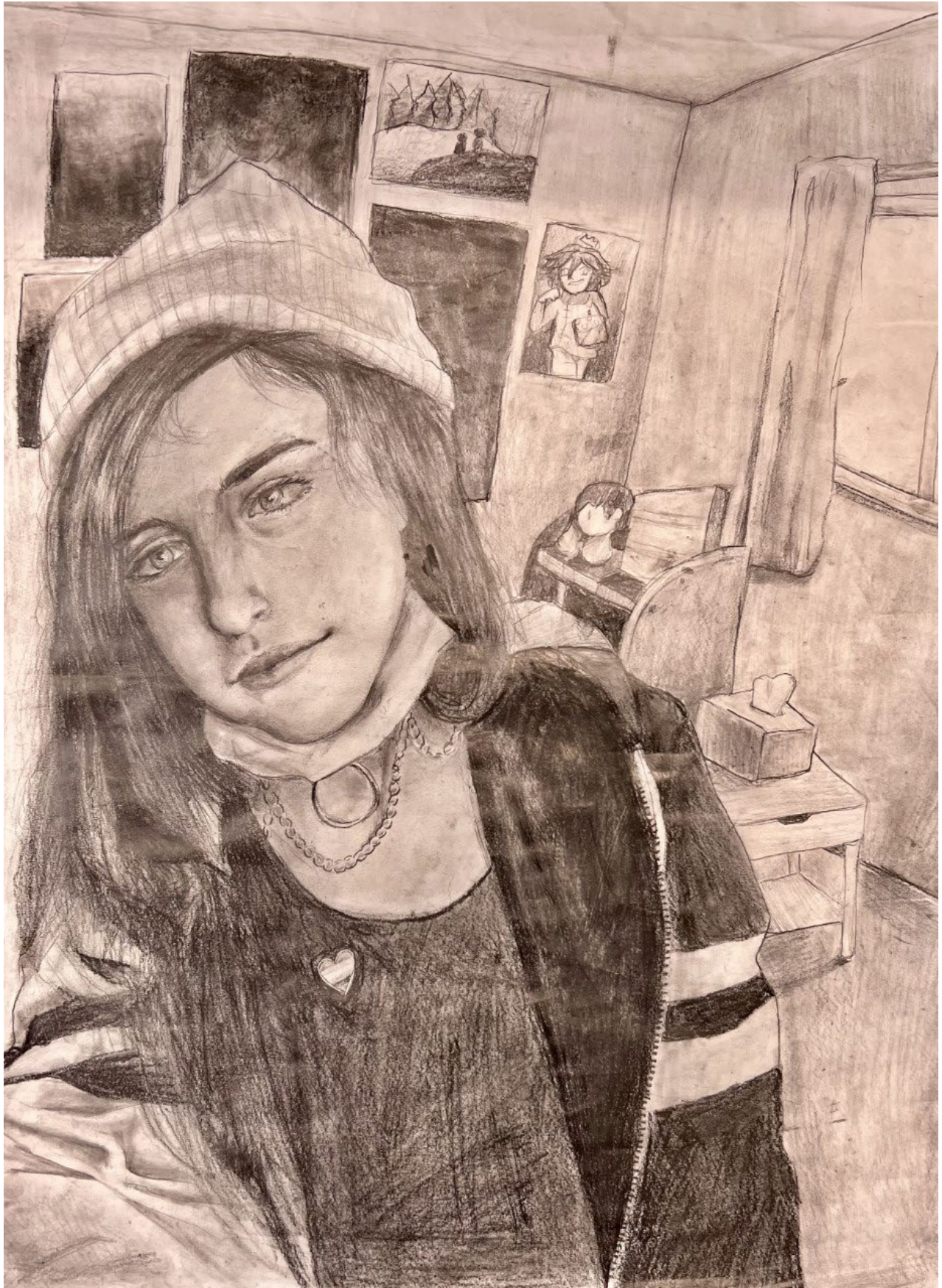
	Healthcare Cost		
	1% Decrease (2.94%)	Trend rates (3.94%)	1% Increase (4.94%)
Net OPEB Liability	\$ 1,475,137	\$ 1,746,250	\$ 2,100,524

- 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.

### NOTE 10. CONTINGENCES

In the normal course of operations, the Board is subject to various lawsuits and claims. Based upon the 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, 2022, 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 because of expenditures disallowed by the grantors.



**Leah Abramov**

**Grade 8**

**Sudbrook Magnet Middle School**

**BOARD OF EDUCATION OF BALTIMORE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands)**

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

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Board's proportion of the net OPEB liability	44.59%	52.74%	51.89%	49.53%	48.22%
Board's proportionate share of the net OPEB liability	\$ 1,746,250	\$ 2,420,620	\$ 2,045,949	\$ 1,250,360	\$ 789,640
Board's covered-employee payroll	\$ 852,127	\$ 850,949	\$ 857,801	\$ 824,206	\$ 735,217
Board's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	205%	284%	239%	152%	107%
Plan fiduciary net position as a percentage of the total OPEB liability	7.23%	4.95%	6.93%	13.00%	20.49%

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

**BOARD OF EDUCATION OF BALTIMORE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands)**

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

	<u>2022</u>	<u>2021</u>	<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 *	\$36,465	\$36,142	\$ 34,106	\$ 32,236	\$ 32,722	\$ 29,375	\$ 29,374	\$ 25,549	\$ 19,971	\$ 15,776
Contributions in relation to the contractually required	<u>(36,465)</u>	<u>(36,142)</u>	<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	\$880,270	\$848,313	\$ 847,911	\$ 815,899	\$ 761,883	\$ 738,986	\$ 708,720	\$ 667,524	\$ 667,086	\$ 660,214
Contributions as a percentage of co	3.6%	4.3%	4.0%	4.0%	4.3%	4.0%	4.1%	3.8%	3.0%	2.4%

**BOARD OF EDUCATION OF BALTIMORE COUNTY  
REQUIRED SUPPLEMENTAL INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(In Thousands)**

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

	<u>2022</u>	<u>2021</u>	<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%	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	<u>629,784</u>	<u>970,913</u>	<u>629,784</u>	<u>901,038</u>	<u>943,475</u>	<u>1,018,884</u>	<u>1,103,603</u>	<u>807,793</u>
Total	<u>\$ 629,784</u>	<u>\$ 970,913</u>	<u>\$ 629,784</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	\$848,313	\$847,911	\$ 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%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	81.84%	73.84%	75.43%	73.35%	71.41%	67.95%	70.76%	69.53%

**\* The amounts presented for fiscal year 2022 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 EIGHT years of information is available.**



**BOARD OF EDUCATION OF BALTIMORE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2022**  
**(In Thousands)**

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially required contribution	\$9,142	\$ 8,770	\$ 7,770	\$ 9,523	\$ 8,935	\$ 8,859	\$ 8,870	\$ 8,988	\$ 6,203	\$ 5,381
Contributions in relation to the actuarially required contribution	<u>\$9,142</u>	<u>8,770</u>	<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$109,618	\$ 108,591	\$ 109,258	\$ 109,660	\$ 104,410	\$ 101,633	\$ 96,330	\$ 91,778	\$ 87,829	\$ 86,713
Contributions as a percentage of covered payroll	8.34%	8.08%	7.11%	8.68%	8.56%	8.72%	9.21%	9.79%	7.06%	6.21%

**BOARD OF EDUCATION OF BALTIMORE COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(In Thousands)**

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

	<u>2022</u>	<u>2021</u>	<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	5.84%	5.44%	7.02%	7.05%	7.55%	7.12%	8.69%	7.26%
Board's proportionate share of the net pension liability	\$98,387	\$ 116,025	\$ 137,969	\$ 126,242	\$ 127,250	\$ 124,340	\$ 126,832	\$ 86,003
Board's covered payroll	\$111,274	\$ 109,258	\$ 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	88.4%	106.2%	125.8%	120.9%	125.2%	129.1%	138.2%	97.92%
Plan fiduciary net position as a percentage of the total pension liability	66.1%	55.9%	58.7%	60.9%	61.5%	57.1%	62.8%	68.20%

**The liability presented for fiscal year 2022 was measured as of June 30, 2021 using membership data as of June 30, 2020, rolled forward to June 30, 2021. Additionally, the Board implemented GASB 68 during fiscal year 2015, as such, only eight years of information is available.**



**Board of Education of Baltimore County**

**Notes to the Required Supplementary Information  
For the Fiscal Year Ended June 30, 2022**

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**STATE OF MARYLAND RETIREMENT AND PENSION SYSTEMS**

**NOTE 1 – CHANGES IN BENEFIT TERMS**

There were no benefit changes for the years 2015 through 2022

**NOTE 2 – CHANGES IN ASSUMPTIONS**

There were no assumption changes for the current year.

	<b>Inflation Assumption Changes</b>	<b>Investment Return Assumption Changes</b>
6/30/2021	2.75%	6.80%
6/30/2020	2.60%	7.40%
6/30/2019	2.60%	7.40%
6/30/2018	2.60%	7.50%
6/30/2017	2.65%	7.50%
6/30/2016	2.70%	7.55%
6/30/2015	2.70%	7.65%

**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	17 years for State system
Asset Valuation method	5-year smoothed fair value
Inflation	2.25% general, 2.75% wage
Salary Increases	2.75% to 9.25%
Investment Rate of Return	6.80%
Discount Rate	6.80%
Post-retirement benefit increases	1.96% to 2.75%
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

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

## Board of Education of Baltimore County

### Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2022

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#### NOTE 1 – CHANGES IN BENEFIT TERMS

There were no benefit changes for the years 2015 through 2022

#### NOTE 2 – CHANGES IN ASSUMPTIONS

There were no changes in assumptions for the current year.

	<u>Inflation Assumption Changes</u>	<u>Investment Return Assumption Changes</u>
6/30/2021	3.00%	6.375%
6/30/2020	3.00%	6.375%
6/30/2019	3.00%	6.375%
6/30/2018	3.00%	6.750%
6/30/2017	3.00%	7.000%
6/30/2016	3.00%	7.000%

#### 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	25 year layered amortization
Asset Valuation method	10-year smoothed fair value
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.





**Erica Tolson**

**Grade 7**

**Windsor Mill Middle School**

## 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.

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#### **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.

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#### **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.

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#### **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.

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#### **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.

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

	2022	2021	2020	2019	2018	2017**	2016	2015	2014*	2013
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 1,897,806	\$ 1,896,523	\$ 1,895,954	\$ 1,857,095	\$ 1,824,578	\$ 1,682,007	\$ 1,555,836	\$ 1,451,076	\$ 1,383,777	\$ 1,344,340
Restricted	12,760	10,600	10,565	11,113	11,973	13,814	15,570	16,843	16,973	15,297
Unrestricted (deficit)	(1,446,871)	(1,377,544)	(1,178,995)	(974,165)	(831,956)	(118,601)	(57,122)	(64,745)	6,731	(13,219)
Total governmental activities net position	463,695	529,579	727,524	894,043	1,004,595	1,577,220	1,514,284	1,403,174	1,407,481	1,346,418
<b>Business-type activity:</b>										
Net investment in capital assets	10,435	11,111	11,452	12,081	11,415	12,103	11,890	13,045	13,750	13,977
Unrestricted	36,079	9,876	19,091	21,504	20,681	19,784	18,027	14,995	13,929	11,499
Total business-type activity net position	46,514	20,987	30,543	33,585	32,096	31,887	29,917	28,040	27,679	25,476
<b>Primary government:</b>										
Net investment in capital assets	1,908,241	1,907,634	1,907,406	1,869,176	1,835,993	1,694,110	1,567,726	1,464,121	1,397,527	1,358,337
Restricted	12,760	10,600	10,565	11,113	11,973	13,814	15,570	16,843	16,973	15,297
Unrestricted (deficit)	(1,410,792)	(1,367,668)	(1,159,904)	(952,661)	(811,275)	(98,817)	(39,095)	(49,750)	20,660	(1,720)
Total net position	\$ 510,209	\$ 550,566	\$ 758,067	\$ 927,628	\$ 1,036,691	\$ 1,609,107	\$ 1,544,201	\$ 1,431,214	\$ 1,435,160	\$ 1,371,914

\* 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.

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

	2022	2021	2020	2019	2018	2017 **	2016	2015	2014*	2013
<b>Expenses:</b>										
Governmental activities:										
Administration	\$ 98,203	\$ 91,932	\$ 83,755	\$ 74,608	\$ 67,632	\$ 63,380	\$ 60,449	\$ 67,468	\$ 63,073	\$ 55,792
Mid-level administration	161,412	173,973	167,491	152,790	144,093	140,582	133,979	131,654	125,914	123,424
Instruction	1,074,699	1,176,500	1,126,208	1,029,595	942,262	905,610	852,148	808,275	787,582	753,432
Special education	335,944	352,473	345,016	307,237	278,939	266,165	257,803	249,129	242,142	241,468
Student personnel services	24,644	27,866	24,774	22,077	18,847	18,725	17,120	14,702	19,301	13,692
Health services	37,993	29,131	28,664	25,907	23,747	23,719	22,781	21,796	21,078	20,714
Student transportation	83,856	85,865	94,912	94,003	84,777	82,464	80,006	81,129	67,651	73,953
Operation of plant	119,938	122,582	117,591	129,991	117,569	111,734	109,077	111,785	111,341	106,695
Maintenance of plant	52,871	46,719	49,513	45,754	42,536	45,502	40,637	40,274	37,615	33,857
Food Services	-	-	4,496	-	-	0	0	-	-	-
Community services	959	418	386	664	640	676	417	320	357	289
Capital administration	9,264	12,432	20,633	18,714	8,057	9,279	7,557	6,073	12,181	8,525
Student activities	6,585	2,916	-	-	-	0	0	-	-	-
Interest on long-term debt	5,378	4,215	4,207	3,076	1,126	1,100	1,114	1,120	243	335
Total governmental activities	2,011,747	2,127,022	2,080,046	1,891,994	1,724,727	1,668,936	1,583,088	1,533,725	1,488,478	1,432,176
Business-type activity	53,290	36,322	45,272	50,709	49,391	48,275	46,795	45,330	42,382	41,404
Total expenses	2,065,037	2,163,344	2,125,318	1,942,703	1,774,118	1,717,211	1,629,883	1,579,055	1,530,860	1,473,580
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services	245	122	228	178	198	300	403	468	243	383
Operating grants and contributions	442,778	219,874	193,276	170,988	159,135	158,277	154,541	149,547	152,074	143,687
Capital grants and contributions	82,791	86,087	129,228	112,470	229,092	191,652	162,251	121,262	92,056	92,210
Total governmental activities program revenues	525,814	306,083	322,732	283,636	388,425	350,229	317,195	271,277	244,373	236,280
Business-type activity:										
Charges for services	83	27	8,807	12,707	13,062	13,072	12,878	12,334	12,891	13,320
Operating grants and contributions	77,853	25,722	32,644	37,533	36,346	37,562	35,397	32,802	31,108	29,303
Total business-type activity program revenues	77,936	25,749	41,451	50,240	49,408	48,734	48,275	45,136	43,999	42,623
Total program revenues	603,750	331,832	364,183	333,876	437,833	398,963	365,470	316,413	288,372	278,903
Net (Expense) Revenue:										
Governmental activities	(1,485,933)	(1,820,939)	(1,757,314)	(1,608,358)	(1,336,302)	(1,318,707)	(1,265,893)	(1,262,448)	(1,244,105)	(1,195,896)
Business-type activity	24,646	(10,573)	(3,821)	(469)	17	459	1,480	(194)	1,617	1,219
Total net (expense)	\$ (1,461,287)	\$ (1,831,512)	\$ (1,761,135)	\$ (1,608,827)	\$ (1,336,285)	\$ (1,318,248)	#####	\$ (1,262,642)	\$ (1,242,488)	\$ (1,194,677)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Unrestricted grants and contributions	\$ 1,406,144	\$ 1,609,997	\$ 1,584,341	\$ 1,491,209	\$ 1,443,733	\$ 1,398,398	\$ 1,371,932	\$ 1,341,910	\$ 1,299,336	\$ 1,244,335
Other	14,785	6,593	7,233	8,555	5,406	4,756	5,468	7,313	6,398	6,095
Reversion of fund balance to Baltimore County	-	-	-	-	-	(20,000)	-	-	-	-
Total unrestricted general revenues	1,420,929	1,616,590	1,591,574	1,499,764	1,449,139	1,383,154	1,377,400	1,349,223	1,305,734	1,250,430
Transfers	(880)	(1,017)	(779)	(1,958)	(192)	(1,511)	(397)	(555)	(566)	(690)
Total governmental activities	1,420,049	1,615,573	1,590,795	1,497,806	1,448,947	1,381,643	1,377,003	1,348,668	1,305,168	1,249,740
Business-type activity:										
Transfers	880	1,017	779	1,958	192	1,511	397	555	566	690
Total business-type activity	880	1,017	779	1,958	192	1,511	397	555	566	690
Total general revenues and other changes in net position	\$ 1,420,929	\$ 1,616,590	\$ 1,591,574	\$ 1,499,764	\$ 1,449,139	\$ 1,383,154	\$ 1,377,400	\$ 1,349,223	\$ 1,305,734	\$ 1,250,430
<b>Changes in Net Position:</b>										
Governmental activities	\$ (65,884)	\$ (205,366)	\$ (166,519)	\$ (110,552)	\$ 112,645	\$ 62,936	\$ 111,110	\$ 86,220	\$ 61,063	\$ 53,844
Business-type activity	25,526	(9,556)	(3,042)	1,489	209	1,970	1,877	361	2,183	1,909
Total changes in net position	\$ (40,358)	\$ (214,922)	\$ (169,561)	\$ (109,063)	\$ 112,854	\$ 64,906	\$ 112,987	\$ 86,581	\$ 63,246	\$ 55,753

\* 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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Fund:</b>										
Non-spendable	\$ 2,790	\$ 2,434	\$ 653	\$ 621	\$ 488	\$ 491	\$ 495	\$ 498	\$ 221	\$ 639
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	89,170	126,538	71,956	57,035	58,994	52,832	66,549	39,588	34,539	35,628
Unassigned	118,166	31,432	16,376	9,100	474	4,692	24,534	24,876	13,550	4,451
<b>Total general fund</b>	<b>\$ 210,126</b>	<b>\$ 160,404</b>	<b>\$ 88,985</b>	<b>\$ 66,756</b>	<b>\$ 59,956</b>	<b>\$ 58,015</b>	<b>\$ 91,578</b>	<b>\$ 64,962</b>	<b>\$ 48,310</b>	<b>\$ 40,718</b>
<b>All other governmental funds:</b>										
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	12,760	10,600	10,565	11,113	11,973	13,814	15,570	16,843	16,973	15,297
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	(286)	(334)	(883)	(1,991)	(1,976)	(1,492)	(587)	-
<b>Total all other governmental funds</b>	<b>\$ 12,760</b>	<b>\$ 10,600</b>	<b>\$ 10,279</b>	<b>\$ 10,779</b>	<b>\$ 11,090</b>	<b>\$ 11,823</b>	<b>\$ 13,594</b>	<b>\$ 15,351</b>	<b>\$ 16,386</b>	<b>\$ 15,297</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues:</b>										
Intergovernmental	\$ 2,009,551	\$ 1,898,793	\$ 1,885,836	\$ 1,773,900	\$ 1,830,275	\$ 1,746,876	\$ 1,687,092	\$ 1,610,994	\$ 1,542,010	\$ 1,479,501
Other	17,271	8,142	8,216	9,499	7,475	6,710	7,690	9,506	7,649	7,209
Total revenues	2,026,822	1,906,935	1,894,052	1,783,399	1,837,750	1,753,586	1,694,782	1,620,500	1,549,659	1,486,710
<b>Expenditures:</b>										
Current:										
Administration	76,159	62,020	59,731	55,216	52,084	47,915	45,478	53,339	48,592	43,972
Mid-level administration	110,095	102,667	103,380	101,234	99,665	97,214	93,464	91,502	87,368	87,294
Instruction:										
Instructional salaries	633,551	586,093	585,643	558,164	534,065	518,075	497,405	483,607	469,150	461,528
Instructional textbooks and supplies	32,079	47,540	26,329	28,594	27,779	27,734	28,397	28,444	33,928	26,628
Other instructional costs	23,212	51,010	63,584	69,308	58,685	52,127	38,103	17,981	16,873	14,931
Special education	253,894	236,199	234,417	221,391	207,944	197,859	191,377	185,697	180,429	181,271
Student personnel services	16,862	16,523	15,137	14,448	13,062	12,814	12,179	10,172	9,517	9,517
Health services	23,366	17,878	17,967	17,299	16,402	16,030	15,798	15,034	14,525	14,564
Student transportation	71,001	58,916	69,790	72,199	64,658	62,141	59,055	70,148	63,898	57,751
Operation of plant	92,352	87,945	96,379	128,758	128,254	87,445	87,236	90,286	90,636	86,955
Maintenance of plant	45,832	38,125	40,451	38,964	35,729	38,731	34,301	32,636	35,372	29,315
Fixed charges	457,250	436,478	415,891	384,665	396,663	409,827	392,424	403,077	397,970	377,854
Food Services	-	-	4,496	-	-	-	-	-	-	-
Community services	881	393	301	496	490	645	321	252	293	251
Capital administration	88,385	90,563	133,680	116,271	231,594	195,289	166,205	125,293	96,251	94,970
School activities expenditures	6,585	2,916	-	-	-	-	-	-	-	-
Debt service:										
Principal	41,400	8,981	9,338	12,150	10,212	9,026	9,587	10,062	7,226	6,799
Interest	5,378	4,215	4,207	3,076	1,126	1,100	1,114	1,120	243	336
Total expenditures	1,978,282	1,848,462	1,880,721	1,822,233	1,878,412	1,773,972	1,672,444	1,618,650	1,552,501	1,493,936
Excess (deficit) of revenues over expenditures	48,541	58,473	13,331	(38,834)	(40,662)	(20,386)	22,338	1,850	(2,842)	(7,226)
<b>Other financing sources (uses):</b>										
Capital lease issuance	2,194	5,846	8,398	45,323	41,870	5,052	2,521	13,767	11,523	5,051
Reversion of fund balance to Baltimore County	-	-	-	-	-	(20,000)	-	-	-	-
Total other financing sources (uses)	2,194	5,846	8,398	45,323	41,870	(20,000)	2,521	13,767	11,523	5,051
<b>Net change in fund balances</b>	\$ 50,735	\$ 64,319	\$ 21,729	\$ 6,489	\$ 1,208	\$ (35,334)	\$ 24,859	\$ 15,617	\$ 8,681	\$ (2,175)
Debt service as a percentage of noncapital expenditures*	2.5%	0.8%	0.8%	0.9%	0.7%	0.6%	0.7%	0.7%	0.5%	0.5%

\* 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.



**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	Operation of Plant	Maintenance of Plant	Food Services	Community Services	Capital Administration	Student Activities	Interest on Long-term Debt	Food Services	Total
2022	\$ 98,203	\$ 161,412	\$ 1,074,699	\$ 335,944	\$ 24,644	\$ 37,993	\$ 83,856	\$ 119,938	\$ 52,871	\$ -	\$ 959	\$ 9,264	\$ 6,585	\$ 5,378	\$ 53,290	\$ 2,011,747
2021	91,932	173,972	1,176,500	352,473	27,866	29,131	85,865	122,582	46,719	-	419	12,432	2,916	4,215	36,322	2,163,344
2020	83,755	167,491	1,126,208	345,016	24,774	28,664	94,912	129,991	49,513	4,496	386	20,633	-	4,207	45,272	2,125,318
2019	74,608	152,790	1,029,595	307,237	22,077	25,907	94,003	117,569	45,754	-	664	18,714	-	3,076	50,709	1,942,703
2018	67,632	144,093	942,262	278,939	18,847	23,747	84,777	112,071	42,536	-	640	8,057	-	1,126	49,391	1,774,118
2017	63,380	140,582	905,610	266,165	18,725	23,719	82,464	111,734	45,502	-	676	9,279	-	1,100	48,275	1,717,211
2016	60,449	133,979	852,148	257,803	17,120	22,781	80,006	109,077	40,637	-	417	7,557	-	1,114	46,795	1,629,883
2015	67,468	131,654	808,275	249,129	14,702	21,796	81,129	111,785	40,274	-	320	6,073	-	1,120	45,330	1,579,055
2014	63,073	125,914	787,582	242,142	19,301	21,078	67,651	111,341	37,615	-	357	12,181	-	243	42,382	1,530,860
2013	55,792	123,424	753,432	241,468	13,692	20,714	73,953	106,695	33,857	-	289	8,525	-	335	41,404	1,473,580

**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		
2022	\$ 245	\$ 442,778	\$ 82,791	\$ 889,312	\$ 516,264	\$ 568	\$ 14,785	\$ 1,946,743	
2021	149	251,596	86,087	861,086	748,315	596	6,593	1,954,422	
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	

**Board of Education of Baltimore County**  
***Governmental Funds Revenues by Source <sup>1</sup>***  
***Last Ten Fiscal Years***  
***(In Thousands)***

Fiscal Year	Baltimore County	State of Maryland	United States		Total
			Government	Other	
2022	\$ 925,028	\$ 900,931	\$ 183,592	\$ 17,271	\$ 2,026,822
2021	922,254	870,238	106,301	8,142	1,906,935
2020	931,121	873,406	81,309	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

<sup>1</sup> Includes general, special revenue, capital projects funds.

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

Fiscal Year	Mid-Level Administration	Instructional			Student Personnel Services	Health Services	Student Transportation	Operation of Plant	Maintenance of Plant	Fixed Charges	Food Services	Community Services	Capital Administration	School Activities Expenditures	Debt Service	Total
		Salaries	Textbooks and Supplies	Other Costs												
2022	\$ 76,159	\$ 110,095	\$ 32,079	\$ 23,212	\$ 253,894	\$ 16,862	\$ 23,366	\$ 71,001	\$ 92,352	\$ 45,832	\$ -	\$ 881	\$ 88,385	\$ 6,585	\$ 46,778	\$ 1,978,281
2021	62,020	102,667	47,540	51,010	236,199	16,523	17,878	58,916	87,945	38,125	-	393	90,563	2,916	13,196	1,848,462
2020	59,731	103,380	26,329	63,584	234,417	15,137	17,967	69,790	96,379	40,451	4,496	301	133,680	-	13,545	1,880,721
2019	55,216	101,234	28,594	69,308	221,391	14,448	17,299	72,199	128,758	38,964	-	496	116,271	-	15,226	1,822,233
2018	52,084	99,665	27,779	58,685	207,944	13,062	16,402	64,658	128,254	35,729	-	490	231,594	-	11,338	1,878,412
2017	47,915	97,214	27,734	52,127	197,859	12,814	16,030	62,141	87,445	38,731	-	645	193,289	-	10,126	1,773,972
2016	45,478	93,464	28,397	38,103	191,377	12,179	15,798	59,055	87,236	34,301	-	321	166,205	-	10,701	1,672,444
2015	53,339	91,502	28,444	17,981	185,697	10,172	15,034	70,148	90,286	32,636	-	252	125,293	-	11,182	1,655,074
2014	48,592	87,368	33,928	16,873	180,429	9,747	14,525	63,898	90,636	35,372	-	293	96,251	-	7,469	1,577,665
2013	43,972	87,294	26,628	14,931	181,271	9,517	14,564	57,751	86,955	29,315	-	251	94,970	-	7,135	1,514,843

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

Fiscal Year	General Fund											Debt Service Fund	Special Revenue Fund	Total		
	Administration	Mid-Level Administration	Instructional Salaries and Other Costs	Instructional Textbooks and Supplies	Special Education	Student Personnel Services	Health Services	Student Transportation	Operation of Plant	Maintenance of Plant	Fixed Charges				Capital Administration	General Fund
2022	\$ 56,941	\$ 112,146	\$ 618,838	\$ 29,147	\$ 226,500	\$ 16,914	\$ 18,894	\$ 84,829	\$ 115,921	\$ 49,880	\$ 341,793	\$ 5,028	\$ 1,676,832	\$ 71,767	\$ 253,506	\$ 2,002,105
2021	63,119	108,707	625,774	25,781	218,760	17,566	18,574	79,684	112,606	45,499	329,140	4,991	1,650,201	67,872	144,303	1,862,376
2020	55,322	105,034	633,311	26,025	213,953	15,537	17,776	77,053	108,203	44,338	310,135	4,825	1,611,512	61,587	94,271	1,767,370
2019	51,741	103,252	608,584	28,902	198,771	14,774	17,495	74,589	103,823	41,294	281,908	4,569	1,529,702	54,389	95,301	1,679,392
2018	51,213	100,523	577,463	27,405	183,087	12,132	16,778	69,660	96,238	38,335	299,312	4,318	1,476,464	53,032	87,345	1,616,841
2017	44,472	98,521	553,422	25,255	175,878	10,071	16,201	67,568	93,218	36,783	310,568	4,034	1,435,991	47,898	87,062	1,570,951
2016	42,469	94,822	524,601	25,502	171,041	9,744	15,667	66,232	91,579	40,536	310,952	3,793	1,396,938	40,807	82,686	1,520,431
2015	49,658	94,597	487,075	25,751	166,057	9,389	15,258	65,541	93,641	33,719	304,576	3,795	1,349,057	38,914	70,386	1,458,357
2014	45,231	89,576	468,709	30,636	160,859	9,103	14,674	60,423	94,846	33,661	300,013	3,417	1,311,148	35,556	73,475	1,420,179
2013	36,778	87,872	460,254	22,137	160,856	8,888	14,317	60,761	89,904	34,644	291,928	3,915	1,333,717	33,249	80,272	1,447,238

**Board of Education of Baltimore County**  
**General Fund Revenue and Expenditures - Budgetary Basis**  
**Last Ten Fiscal Years**  
**(In Thousands)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
	% of Total	% of Total	% of Total	% of Total	% of Total	% of Total	% of Total	% of Total	% of Total	% of Total
<b>Revenues by Source:</b>										
Baltimore County	\$ 889,312	\$ 861,086	\$ 851,563	\$ 816,971	\$ 790,069	\$ 757,552	\$ 748,849	\$ 738,075	\$ 712,086	\$ 689,743
State of Maryland	747,711	746,496	726,050	677,409	654,223	633,765	618,578	594,327	576,122	553,541
United States Government	568	596	689	668	573	887	795	727	881	665
Other	37,825	35,851	37,433	40,510	33,463	28,433	25,210	20,868	22,625	24,218
Total revenue	1,675,416	1,644,029	1,615,735	1,535,558	1,478,328	1,420,637	1,393,432	1,353,997	1,311,714	1,268,167
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Expenditures - Current</b>										
Administration	55,125	59,193	53,468	49,388	50,038	42,777	41,162	49,181	43,509	36,604
Mid-Level Administration	106,345	102,893	103,605	101,026	99,632	96,744	93,307	91,657	87,221	82,227
Instructional costs:										
Salaries	562,484	558,748	561,967	536,767	516,312	499,339	479,200	467,484	452,028	445,809
Textbooks and supplies	25,891	23,143	25,476	26,896	25,394	23,698	23,975	23,980	29,136	20,329
Other costs	47,402	50,940	60,820	67,443	55,585	50,866	36,265	15,778	12,980	10,935
Special education	222,612	216,893	212,620	196,877	182,398	175,008	168,440	161,262	156,997	158,232
Student personnel services	15,859	15,285	14,805	13,145	11,098	9,070	8,867	8,997	8,783	8,749
Health services	17,060	16,636	17,117	16,146	15,639	15,106	15,021	14,669	14,140	14,003
Student transportation	77,378	65,703	72,719	73,744	68,876	65,112	65,697	64,980	59,687	59,288
Operation of plant	109,199	101,623	104,838	99,927	94,808	90,049	87,396	92,777	93,978	87,728
Maintenance of plant	46,185	41,700	41,690	39,376	37,360	34,832	38,950	33,284	32,787	34,304
Fixed charges	326,388	325,854	305,801	279,518	296,008	305,072	294,171	303,540	299,988	291,894
Capital administration	4,430	4,474	4,660	3,908	4,032	3,591	3,240	3,381	2,903	3,641
Total expenditures	1,616,359	1,583,085	1,579,586	1,504,161	1,457,180	1,411,264	1,355,691	1,330,970	1,294,137	1,258,743
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Excess of revenue over expenditures</b>	\$ 59,057	\$ 60,944	\$ 36,149	\$ 31,397	\$ 21,148	\$ 9,373	\$ 37,741	\$ 23,027	\$ 17,577	\$ 9,424

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

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<u>Fiscal Year</u>	<u>Capital Lease Debt</u>	<u>Percentage Of Personal Income (1)</u>	<u>Per Capita (1) (2)</u>
2022	\$ 110,662	**	**
2021	99,410	**	**
2020	102,567	0.19%	120.03
2019	103,507	0.20%	121.83
2018	70,334	0.15%	83.27
2017	38,676	0.08%	46.06
2016	42,650	0.09%	51.47
2015	49,716	0.11%	59.94
2014	46,011	0.11%	55.67
2013	16,038	0.04%	19.46

The only debt incurred by the Board are capital lease financing arrangements for the purchase of school buses, other vehicles, Technology equipment, 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



**Kaden Brown**

**Grade 8**

**Deer Park Middle Magnet School**

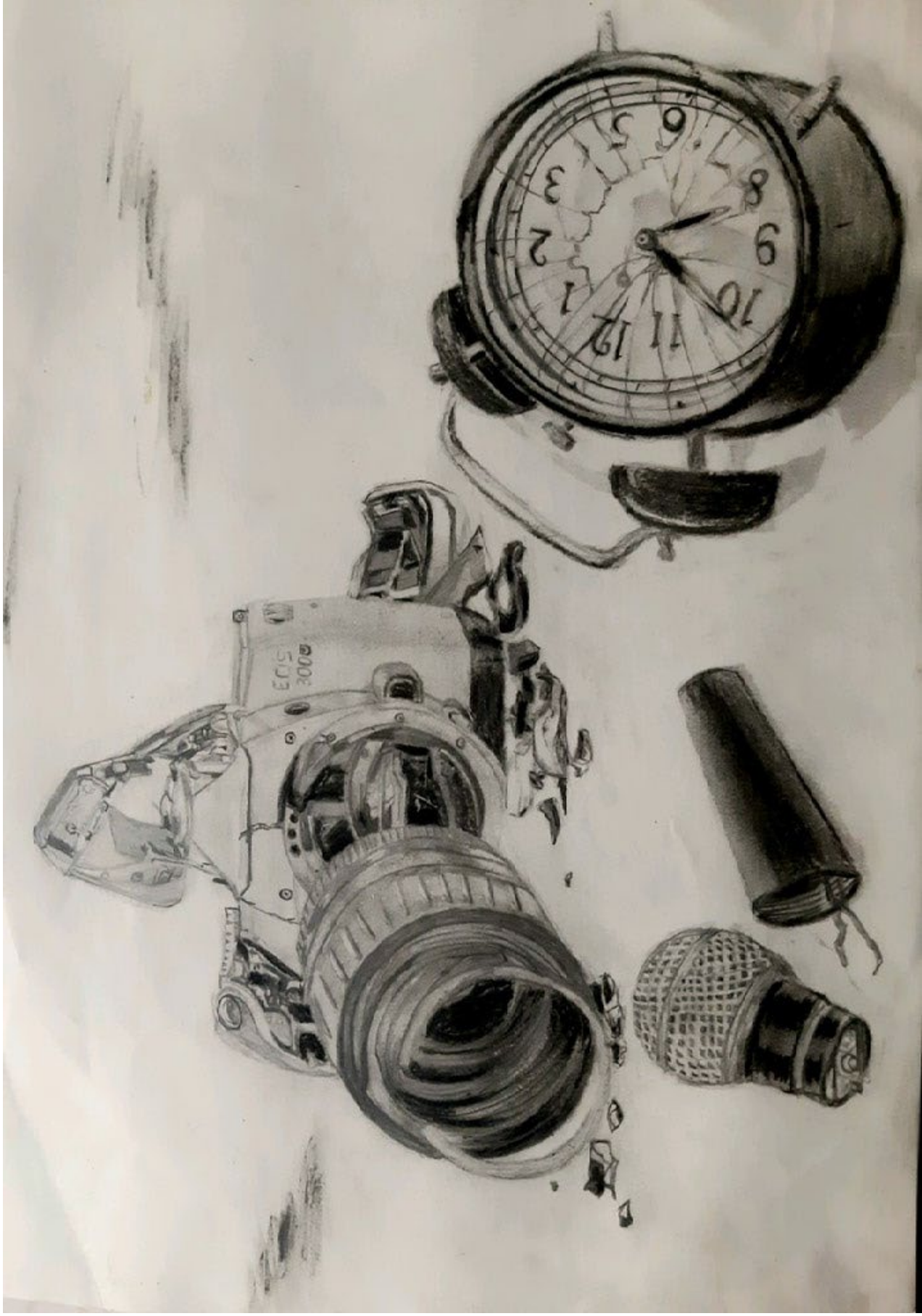


**Board of Education of Baltimore County**  
**Cost Per Pupil - Budgetary Basis**  
**Last Ten Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Number of Pupils Enrolled</b>	111,124	111,084	115,038	113,814	113,282	112,139	111,126	109,984	108,376	107,033
<b>Current Expense</b>										
General Fund:										
Administration	\$ 496	\$ 533	\$ 465	\$ 434	\$ 442	\$ 381	\$ 370	\$ 447	\$ 401	\$ 342
Mid-Level Administration	957	926	901	888	880	863	840	833	805	815
Instructional:										
Salaries	5,062	5,030	4,885	4,716	4,558	4,453	4,312	4,251	4,172	4,165
Textbooks and supplies	233	208	221	236	224	211	216	218	269	190
Other costs	427	459	529	593	491	454	326	143	120	102
Special education	2,003	1,953	1,848	1,730	1,610	1,560	1,516	1,466	1,449	1,478
Student personnel services	143	138	129	115	98	81	80	82	81	82
Health services	154	150	149	142	138	135	135	133	130	131
Student transportation	696	591	632	648	608	581	591	591	551	544
Operation of plant	983	915	911	878	837	803	787	844	867	820
Maintenance of plant	416	375	362	346	330	311	351	303	303	321
Fixed Charges <sup>(1)</sup>	2,937	2,933	2,658	2,456	2,613	2,720	2,647	2,760	2,768	2,727
Capital administration	40	40	41	34	36	32	29	31	27	34
Total General Fund	14,546	14,251	13,731	13,216	12,865	12,585	12,200	12,102	11,942	11,750
<b>Special Revenue Fund</b>	1,754	1,016	793	728	660	675	682	635	665	687
<b>Debt Service Fund:</b>										
Principal	447	381	383	321	316	287	232	225	210	202
Interest	199	230	152	157	152	140	135	129	118	108
Total Debt Service Fund	646	611	535	478	468	427	367	354	328	310
<b>Total Cost Per Pupil</b>	\$ 16,945	\$ 15,878	\$ 15,060	\$ 14,422	\$ 13,993	\$ 13,687	\$ 13,249	\$ 13,091	\$ 12,935	\$ 12,747

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, 2021, contributions by the State of Maryland to the Teachers' Retirement and Pension System of \$95.9 million on behalf of Baltimore County Public Schools are not included in this calculation.



**Board of Education of Baltimore County**  
**Enrollment by Schools**

Elementary	2022	2021	Elementary	2022	2021	Elementary	2022	2021	Middle	2022	2021
Arbutus	374	390	Johannyake	527	551	Victory Villa	661	640	Windsor Mill	681	691
Baltimore Highlands	506	469	Joppa View	675	685	Villa Cresta	636	649	Woodlawn	672	657
Battle Grove	328	334	Kingsville	301	272	Vincent Farm	753	742	Home Assignment	2	1
Bear Creek	489	457	Lansdowne	565	544	Warren	382	367	<b>Total Middle</b>	25,212	25,924
Bedford	289	319	Logan	509	501	Watershed Public Charter	263	231	<b>High</b>		
Berkshire	437	423	Lutherville	345	338	Wellwood International	469	496	BCDC Educational Center	43	31
Campfield Ctr. *	377	333	Lynons Mill	656	685	West Towson	376	435	George Washington Carve	1003	997
Carney	616	628	Mars Estates	336	346	Westchester	664	668	Catonsville	1813	1809
Carroll Manor	354	351	Martin Boulevard	260	283	Westowne	656	659	Catonsville Ctr. for Alter. :	23	51
Catonsville	672	638	Mays Chapel	592	668	Winand	422	455	Chesapeake	970	988
Cedarmere	540	524	McCormick	311	308	Winfield	443	447	Crossroads Center *	92	88
Chadwick	611	647	Middleborough	326	306	Woodbridge	438	430	Dulaney	1867	1930
Chapel Hill	594	593	Middlesex	389	370	Woodholme	679	679	Dundalk	2005	1842
Charlesmont	363	349	Milbrook	343	344	Woodmoor	552	565	Eastern School of Technol	1215	1207
Chase	364	355	New Town	840	818	Home Assignment	1		Extended Day Learning Pr	26	37
Chatsworth	311	335	Norwood	470	470	<b>Total Elementary</b>	51,614	51,547	Franklin	1452	1457
Chesapeake Terrace	312	273	Oakleigh	495	493	<b>Middle</b>			Hereford	1282	1285
Church Lane	332	331	Oliver Beach	146	168	Arbutus	1001	1004	Kenwood	1821	1679
Colgate	505	458	Orems	361	363	Catonsville	740	821	Lansdowne	1336	1296
Cromwell Valley Magnet	380	367	Owings Mills	750	746	Cockeysville	833	878	Loch Raven	861	836
Deep Creek	425	426	Padonia International	537	508	Crossroads Center *	61	81	Milford Mill	1293	1312
Deer Park	443	396	Perry Hall	546	592	Deep Creek	860	907	New Town	1344	1214
Dogwood	511	578	Pine Grove	547	565	Deer Park	1536	1495	Overlea	1286	1148
Dundalk	781	732	Pinewood	552	576	Dumbarton	1080	1152	Owings Mills	1121	1120
Edgemere	405	404	Pleasant Plains	544	525	Dundalk	837	827	Parkville	2152	2075
Edmondson Heights	531	499	Pot Spring	441	446	Franklin	1172	1258	Patapsco	1365	1402
Elmwood	523	524	Powhatan	240	216	General John Stricker	804	846	Perry Hall	2006	2018
Essex	454	435	Prettyboy	402	385	Golden Ring	882	851	Pikesville	885	905
Featherbed Lane	549	473	Randallstown	341	384	Holabird ***	911	920	Randallstown	1143	1097
Fifth District	291	281	Red House Run	575	575	Hereford	716	720	Rosedale Alternative *	18	17
Fort Garrison	286	283	Reisterstown	499	500	Holabird ***	874	910	Sparrows Point	1129	1097
Franklin	394	400	Relay	600	616	Lansdowne	774	817	Towson	1678	1677
Fullerton	560	574	Riderwood	381	405	Loch Raven Tech. Acad.	6	15	Western School of Techno	937	920
Glenmar	284	282	Riverview	554	513	Meadowood Educ. Ctr. *	6	15	Woodlawn	1769	1680
Glyndon	513	512	Rodgers Forge	400	392	Middle River	1063	1132	<b>Total High</b>	33,953	33,226
Grange	454	446	Sandalwood	468	479	Northwest Acad. of Health	744	784	<b>Special Education</b>		
Gunpowder	500	494	Sandy Plains	514	534	Parkville	1048	1076	Battle Monument	57	63
Halethorpe	269	320	Scotts Branch	468	520	Perry Hall	1813	1878	Maiden Choice School	129	130
Halstead Academy	501	478	Seneca	365	389	Pikesville	952	967	The Ridge Ruxton School	106	119
Hampton	686	645	Seven Oaks	476	476	Pine Grove	922	926	White Oak School	53	75
Harford Hills	396	370	Seventh District	329	337	Rosedale Alternative *	3	8	<b>Total Special Educati</b>	345	387
Hawthorne	465	442	Shady Spring	477	485	Ridgely	1050	1100	<b>Total Enrollment</b>	111,124	111,084
Hebbville	472	479	Sparks	477	477	Southwest Academy	784	794			
Hernwood	342	339	Stoneleigh	637	651	Sparrows Point	560	630			
Hillcrest	675	692	Summit Park	329	379	Stemmers Run	860	806			
Hollabird MS ***	229	225	Sussex	444	425	Sudbrook Magnet	971	972			
Honeygo	693	661	Timber Grove	526	544						
Jacksonville	482	480	Trimonium	447	444						

\* Centers  
\*\*\* Grades 4-8

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Elementary:</b>										
Preschool	3,486	2,842	3,914	3,843	3,705	3,768	3,762	3,702	3,627	3,610
Kindergarten	7,768	7,333	8,265	8,154	8,354	8,373	8,392	8,633	8,586	8,552
Grade 1	7,811	8,004	8,367	8,517	8,570	8,548	8,890	8,756	8,843	8,458
Grade 2	7,975	8,111	8,620	8,657	8,679	9,040	8,878	8,885	8,540	8,340
Grade 3	8,058	8,296	8,773	8,679	9,148	8,872	8,844	8,575	8,432	8,039
Grade 4	8,211	8,506	8,750	9,172	8,974	8,930	8,614	8,538	8,139	8,049
Grade 5	8,305	8,455	9,202	9,065	8,978	8,663	8,553	8,191	8,140	7,883
<b>Total Elementary</b>	<b>51,614</b>	<b>51,547</b>	<b>55,891</b>	<b>56,087</b>	<b>56,408</b>	<b>56,194</b>	<b>55,933</b>	<b>55,280</b>	<b>54,307</b>	<b>52,931</b>
<b>Middle:</b>										
Grade 6	7,956	8,581	8,746	8,606	8,378	8,245	8,043	8,016	7,710	7,496
Grade 7	8,611	8,739	8,704	8,368	8,355	8,134	8,093	7,796	7,623	7,612
Grade 8	8,645	8,604	8,383	8,263	8,158	8,083	7,755	7,605	7,602	7,626
<b>Total Middle</b>	<b>25,212</b>	<b>25,924</b>	<b>25,833</b>	<b>25,237</b>	<b>24,891</b>	<b>24,462</b>	<b>23,891</b>	<b>23,417</b>	<b>22,935</b>	<b>22,734</b>
<b>High:</b>										
Grade 9	9,576	8,455	9,172	8,483	8,533	8,209	8,079	8,171	8,127	8,266
Grade 10	8,390	8,941	8,360	8,430	8,159	7,977	7,956	8,008	8,026	7,816
Grade 11	7,909	7,740	7,650	7,431	7,299	7,196	7,238	7,401	7,247	7,376
Grade 12	8,078	8,090	7,716	7,706	7,586	7,683	7,623	7,331	7,330	7,524
<b>Total High</b>	<b>33,953</b>	<b>33,226</b>	<b>32,898</b>	<b>32,050</b>	<b>31,577</b>	<b>31,065</b>	<b>30,896</b>	<b>30,911</b>	<b>30,730</b>	<b>30,982</b>
<b>Special Education Schools</b>	<b>345</b>	<b>387</b>	<b>416</b>	<b>440</b>	<b>406</b>	<b>418</b>	<b>406</b>	<b>376</b>	<b>404</b>	<b>386</b>
<b>Total Enrollment</b>	<b>111,124</b>	<b>111,084</b>	<b>115,038</b>	<b>113,814</b>	<b>113,282</b>	<b>112,139</b>	<b>111,126</b>	<b>109,984</b>	<b>108,376</b>	<b>107,033</b>
<b>Number of teachers</b>	<b>8,006</b>	<b>8,102</b>	<b>8,091</b>	<b>7,950</b>	<b>7,770</b>	<b>7,770</b>	<b>7,697</b>	<b>7,567</b>	<b>7,405</b>	<b>7,294</b>
<b>Ratio of students to teachers</b>	<b>13.9</b>	<b>13.7</b>	<b>14.2</b>	<b>14.3</b>	<b>14.6</b>	<b>14.4</b>	<b>14.4</b>	<b>14.5</b>	<b>14.6</b>	<b>14.7</b>

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

Board of Education of Baltimore County  
 Other Data  
 Last Ten Years

Number of Schools	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary	107	107	107	107	107	106	107	106	105	106
Middle	27 a	27 a	27 a	27 a	26 a	27	27	27	27	27
High	24	24	24	24	24	24	24	24	24	24
Special Education	4	4	4	4	4	4	4	4	4	4
Alternative Centers and Programs	9	9	12	12	12	12	13	12	13	13
Total	171	171	174	174	173	173	175	173	173	174

a- Includes one school serving students in grades 4-8

**Student Transportation Data**

Estimated number of eligible riders daily	77,456	81,733 c	84,000	84,016	81,306	71,500	71,916	71,431	70,030	70,224
Number of bus routes:										
County	664	626	641	670	697 b	693	691	730	772	774
Private contractor	144	159	157	138	130 b	130	118	112	84	82
Total bus routes	808	785	798	808	827	823	809	842	856	856

b- Revised counts

c- No Elig. Students were transported during the Covid-19 Shutdown

**High School Graduates**

	7,077	7,374	7,389	7,124	7,141	7,358	7,320	7,082	7,255	7,347
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**Total Enrollment**

	111,124	111,084	115,038	113,814	113,282	112,139	111,126	109,984	108,376	107,033
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Above data was provided by various departments within the Baltimore County Public Schools' system.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Breakfast</b>										
Number of days breakfast served	182	193	122	177	178	183	183	183,000	178	-
Number of free breakfast served to pupils annually:										
Regular reimbursement	-	-	25,784	26,803	26,613	39,365	43,890	40,384	26577	-
Severe need reimbursement	6,328,314	2,209,232	2,532,129	3,682,432	3,682,466	3,722,747	3,819,934	3,496,394	3225925	-
Average number of free breakfasts served to pupils daily:										
Regular reimbursement	-	-	211	151	150	215	240	221,000	149	-
Severe need reimbursement	34,771	11,447	20,755	20,805	20,688	20,343	20,874	19,106	18123	-
Number of paid breakfasts served to pupils annually:										
Regular reimbursement	-	-	6,220	5,695	4,106	6,336	7,415	3,692	2414	-
At reduced price	-	-	30,137	31,307	27,347	39,003	36,303	24,540	19855	-
Severe	-	-	406,502	549,508	453,066	471,255	486,090	441,907	395781	-
At paid price	-	-	1,230,406	1,620,445	1,349,779	1,338,962	1,243,725	1,011,280	811761	-
Average number of paid breakfasts served to pupils daily:										
Regular reimbursement	-	-	51	32	23	35	41	21,000	14	-
At reduced price	-	-	247	177	154	213	198	138,000	112	-
Severe	-	-	3,332	3,105	2,545	2,575	2,656	2,483	2223	-
At paid price	-	-	10,085	9,155	7,583	7,317	6,796	5,681	4560	-
Total number of reimbursable breakfasts served to pupils	6,328,314	2,209,232	4,231,178	5,916,190	5,543,377	5,617,668	5,637,357	5,018,197	4482313	-
Average number of reimbursable breakfasts served to pupils daily	34,771	11,447	34,682	33,425	31,143	30,698	30,805	27,422	25182	-
Charge per breakfast to students:										
Elementary:										
Paid	\$ -	\$ -	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ -
Reduced	\$ -	\$ -	\$ -	\$ -	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ -
Secondary:										
Paid	\$ -	\$ -	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ -
Reduced	\$ -	\$ -	\$ -	\$ -	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ -
<b>Lunch</b>										
Number of days lunch served	180	193	122	180	181	183	183	183	178	181
Number of free lunches served to pupils annually	9,880,029	2,314,976	3,676,473	5,377,175	5,566,864	5,643,859	5,799,784	5,757,754	5,526,728	5,407,195
Average number of free lunches served to pupils daily	54,889	11,995	30,135	29,873	30,756	30,841	31,693	31,463	31,049	29,874
Number of paid lunches served to pupils annually:										
At reduced price	-	-	644,314	880,368	788,367	802,948	836,311	835,382	848,243	905,582
At regular price	-	-	1,695,840	2,456,411	2,484,351	2,454,891	2,288,025	2,119,176	2,086,479	2,267,562
Average number of paid lunches served to pupils daily:										
At reduced price	-	-	5,281	4,889	4,356	4,388	4,570	4,565	4,765	5,003
At regular price	-	-	13,900	13,647	13,726	13,415	12,503	11,580	11,722	12,528
Total number of lunches served to pupils annually	9,880,029	2,314,976	6,016,627	8,713,654	8,839,582	8,901,698	8,924,120	8,712,312	8,461,450	8,580,339
Average number of lunches served to pupils daily	54,889	11,995	49,317	48,409	48,837	48,643	48,766	47,608	47,536	47,405
Charge per lunch to students:										
Elementary:										
Paid	\$ -	\$ -	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90
Reduced	\$ -	\$ -	\$ -	\$ -	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40
Secondary:										
Paid	\$ -	\$ -	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Reduced	\$ -	\$ -	\$ -	\$ -	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40

\*\*\* In FY2021 and FY2022, all meals (breakfast and lunch) were served free of charge to students under the Summer food Service Program.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Full-time Equivalent Positions by Fund:</b>										
General Fund	14,320	14,463	14,387	14,163	13,857	13,717	13,571	13,445	13,338	13,204
Special Revenue Fund	937	796	753	742	746	682	622	594	575	555
Food Service Enterprise Fund	650	645	640	623	625	616	591	586	561	584
Internal Service Fund	2	2	2	2	2	2	-	-	-	-
<b>Total Full-time Equivalent Positions By Fund</b>	<b>15,909</b>	<b>15,906</b>	<b>15,782</b>	<b>15,530</b>	<b>15,230</b>	<b>15,017</b>	<b>14,784</b>	<b>14,625</b>	<b>14,474</b>	<b>14,343</b>
<b>Total Full-time Equivalent Positions By Function:</b>										
Administration	318	322	320	315	313	315	315	319	319	316
Mid-level Administration	1,115	1,116	1,113	1,107	1,100	1,087	1,091	1,081	1,067	1,067
Instructional	7,444	7,606	7,581	7,486	7,342	7,287	7,179	7,088	7,031	6,899
Special Education	2,288	2,244	2,242	2,153	2,061	2,026	1,994	1,983	1,984	1,998
Student Personnel Services	183	195	178	163	136	112	107	108	113	113
Health Services	229	235	229	223	218	217	214	214	216	216
Student Transportation	1,225	1,226	1,212	1,206	1,191	1,191	1,191	1,180	1,148	1,141
Operation of Plant	1,226	1,226	1,216	1,213	1,194	1,192	1,190	1,184	1,172	1,165
Maintenance of Plant	250	250	253	254	259	248	249	249	249	250
Capital Administration	42	43	43	43	43	42	41	39	39	39
	14,320	14,463	14,387	14,163	13,857	13,717	13,571	13,445	13,338	13,204
Special Revenue Fund (primarily instructional)	937	796	753	742	746	682	622	594	575	555
Food Service Enterprise Fund	650	645	640	623	625	616	591	586	561	584
Internal Service Fund	2	2	2	2	2	2	-	-	-	-
<b>Total Full-time Equivalent Positions by Function</b>	<b>15,909</b>	<b>15,906</b>	<b>15,782</b>	<b>15,530</b>	<b>15,230</b>	<b>15,017</b>	<b>14,784</b>	<b>14,625</b>	<b>14,474</b>	<b>14,343</b>

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Schools:</b>										
Elementary										
Buildings	107	107	107	107	107	107	107	106	105	106
Square Feet	6,893,474	6,129,079	7,053,069	7,035,196	6,846,309	6,755,151	6,711,151	6,560,121	6,467,506	6,506,021
Capacity	53,838	53,674	53,858	53,657	52,229	51,500	51,098	49,975	49,264	48,933
Enrollment	52,329	51,547	55,891	56,087	56,408	56,194	55,933	55,280	54,307	52,931
Middle										
Buildings	27	27	27	27	27	27	27	27	27	27
Square Feet	3,625,675	3,626,575	3,800,464	3,803,274	3,799,030	3,752,200	3,719,824	3,855,512	3,854,297	3,854,297
Capacity	26,822	27,953	27,681	27,593	27,788	27,605	27,379	28,203	28,203	28,264
Enrollment	24,424	25,916	25,821	25,211	24,866	24,461	23,871	23,385	22,903	22,695
High										
Buildings	24	24	24	24	24	24	24	24	24	24
Square Feet	5,504,482	5,527,982	5,522,204	5,519,518	5,545,940	5,599,482	5,599,482	5,351,847	5,171,264	5,126,992
Capacity	27,862	34,974	34,707	34,688	34,606	35,247	34,973	34,005	34,005	34,093
Enrollment	33,820	33,158	32,790	31,921	31,469	30,932	30,770	30,751	30,576	30,811
Special Education										
Buildings	4	4	4	4	4	4	4	4	4	4
Square Feet	243,870	196,975	243,870	243,870	243,870	243,870	243,870	243,870	243,870	243,870
Capacity	760	480	760	760	760	760	760	760	760	760
Enrollment	345	387	416	440	406	418	406	376	404	386
Alternative										
Buildings	2	2	2	2	2	2	2	2	3	3
Square Feet	23,500	23,500	78,945	23,500	23,500	55,445	10,104	10,104	19,604	218,785
Capacity	350	100	350	100	257	350	350	350	745	1030
Enrollment	206	76	120	155	133	134	146	192	186	210
<b>Total Schools</b>										
Buildings	164	164	164	164	164	164	164	163	163	164
Square Feet	16,291,001	15,504,111	16,698,552	16,625,358	16,458,649	16,406,148	16,375,367	16,112,390	15,932,977	15,949,965
Capacity	109,632	117,181	117,356	116,798	115,640	115,462	114,560	113,293	112,977	113,080
Enrollment	111,124	111,084	115,038	113,814	113,282	112,139	111,126	109,984	108,376	107,033

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 continuing at Colgate ES.

<b>Transportation:</b>										
School Buses	838	838	849	857	856	883	895	886	883	883
Trucks	430	430	400	410	401	407	392	363	363	363

Above data provided by Baltimore County Public Schools' Departments of Facilities Management and Student Transportation.





Madeleine Hoyle

Grade 7

Middle River Middle School

**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)
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	828,616	79,824,300	2,926,993	1,203	2,925,790	3.67	3,530.94
2017	839,682	82,101,821	3,327,761	1,647	3,326,114	4.05	3,961.16
2018	844,633	84,887,632	3,797,190	103,996	3,693,194	4.47	4,372.54
2019	849,584	87,744,194	4,034,369	103,461	3,930,908	4.60	4,626.86
2020	854,535	90,700,152	4,237,143	5,951	4,231,192	4.67	4,951.46
2021	858,808	90,298,866	4,345,777	7,354	4,338,423	4.81	5,051.68

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)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Consolidated Public Improvement (CPI)</b>										
<b>General Obligation Debt</b>										
Assessed value										
Real property	\$ 81,448,482	\$ 77,870,032	\$ 75,548,498	\$ 75,289,712	\$ 76,579,861	\$ 78,767,139	\$ 81,446,013	\$ 84,155,733	\$ 86,955,435	\$ 89,503,256
Personal property	3,024,342	3,024,740	2,986,722	3,023,312	3,244,439	3,334,682	3,441,619	3,588,461	3,744,717	3,795,610
Total assessed value	84,472,824	80,894,772	78,535,220	78,313,024	79,824,300	82,101,821	84,887,632	87,744,194	90,700,152	93,298,866
Debt limit (4% of total assessed value)	3,378,913	3,235,791	3,141,409	3,132,521	3,192,972	3,284,073	3,395,505	3,509,768	3,628,006	3,731,955
Debt applicable to limit:										
Consolidated public improvement bonds	1,036,500	1,161,100	1,235,730	1,274,405	1,311,740	1,323,355	1,410,445	1,557,695	1,633,440	1,683,415
Pension liability funding	24,735	274,010	267,085	249,082	238,928	376,741	368,682	358,895	348,979	338,908
CPI commercial paper notes	240,000	240,000	216,000	211,900	99,800	121,000	246,000	246,000	145,000	205,000
Total debt applicable to debt limit	1,301,235	1,675,110	1,718,815	1,735,387	1,650,468	1,821,096	2,025,127	2,162,590	2,127,419	2,227,323
Legal debt margin	\$ 2,077,678	\$ 1,560,681	\$ 1,422,594	\$ 1,397,134	\$ 1,542,504	\$ 1,462,977	\$ 1,370,378	\$ 1,347,178	\$ 1,500,587	\$ 1,504,632
<b>Metropolitan District General Obligation Debt</b>										
Assessed value (1)										
Real property	\$ 72,056,007	\$ 68,888,892	\$ 67,005,625	\$ 64,936,021	\$ 67,958,118	\$ 69,971,527	\$ 72,576,110	\$ 75,003,966	\$ 77,499,206	\$ 79,744,716
Personal property	2,675,581	2,675,882	2,648,990	2,607,552	2,879,164	2,962,312	3,066,809	3,198,222	3,337,486	3,381,775
Total assessed value	74,731,588	71,564,774	69,654,615	67,543,573	70,837,282	72,933,839	75,642,919	78,202,188	80,836,692	83,126,491
Debt limit (3.2% of total assessed value)	2,391,411	2,290,073	2,228,948	2,161,394	2,266,793	2,333,883	2,420,573	2,502,470	2,586,774	2,660,048
Debt applicable to limit:										
Metropolitan District (MD) bonds	822,490	850,645	875,708	928,611	1,003,368	1,107,298	1,334,052	1,615,201	1,646,637	1,824,755
MD commercial paper notes	160,000	160,000	183,800	187,500	99,300	225,000	245,000	42,000	205,000	-
Total debt applicable to debt limit	982,490	1,010,645	1,059,508	1,116,111	1,102,668	1,332,298	1,579,052	1,657,201	1,851,637	1,824,755
Legal debt margin	\$ 1,408,921	\$ 1,279,428	\$ 1,169,440	\$ 1,045,283	\$ 1,164,125	\$ 1,001,585	\$ 841,521	\$ 845,269	\$ 735,137	\$ 835,293

Notes:  
(1) Assessed value of property in the Metropolitan District.  
\* The County has \$7.354 million restricted to repaying the principal of outstanding debt as of June 30, 2021.

**Baltimore County, Maryland**  
**Demographic and Economic Statistics**  
**Fiscal Years 2011 - 2020**

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)	
2011	809,941	41,510,448	51,251	39.1	15.0	104,331	7.9
2012	818,425	44,020,189	53,786	39.1	15.4	105,315	7.7
2013	824,130	42,456,296	51,517	39.2	15.4	107,033	7.3
2014	826,545	44,217,353	53,497	39.2	15.4	108,376	6.5
2015	829,379	45,794,140	55,215	39.2	15.3	109,984	5.9
2016	828,616	47,396,114	57,199	39.1	15.3	111,126	5.4
2017	839,682	48,796,244	58,113	39.1	15.3	112,351	4.4
2018	844,633	50,614,690	59,925	39.4	15.4	113,282	4.2
2019	849,584	52,104,719	61,330	39.5	15.6	113,814	3.7
2020	854,535	55,429,652	64,865	39.5	15.7	115,038	6.8

**Notes:**

- (1) U.S. Bureau of the Census, Population Estimates Branch
- (2) Data extracts prepared by the U.S. Bureau of the Census and Maryland Office of Planning
- (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  
2020 and Nine Years Ago**

	2020		2012	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
<b>Employer</b>				
Baltimore County Public Schools	15,770	3.55	16,000	4.47
Social Security Administration/CMS	15,415	3.47	14,327	4.01
Baltimore County Government	8,237	1.85	8,262	2.31
T. Rowe Price Associates, Inc.	4,200	0.95	3,700	1.03
Community College of Baltimore Co.	4,184	0.94	3,474	0.97
Greater Baltimore Medical Center	3,900	0.88	3,470	0.97
Franklin Square Hospital	3,900	0.88	2,109	0.59
UMBC	3,612	0.81	1,952	0.55
Towson University	3,476	0.78	1,934	0.54
McCormick & Company, Inc.	2,300	0.52	1,864	0.52
Saint Joseph Medical Center	2,250	0.51		
<b>Total</b>	<b>67,244</b>	<b>16.13</b>	<b>57,092</b>	<b>15.96</b>

Source: Baltimore County Department of Economic Development  
FY21 Information not available as of date of report

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

2021		2012	
Taxpayer	Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
BGE	\$ 1,404,510,340	\$ 997,577,503	1.18%
Verizon	296,621,100	315,449,640	0.37%
Merritt Mgt Corp	459,382,965	444,480,797	0.53%
Comcast	109,846,410	244,751,100	0.29%
TRP Suburban	177,797,937	240,718,860	0.28%
Towson Town Center	238,526,700	87,954,940	0.10%
Home Properties	223,112,267	174,438,370	0.21%
Trade Point Atlantic LLC	442,639,024	191,945,096	0.23%
Wal Mart	171,195,327	167,246,600	0.20%
Columbia Gas Transmission LLC	70,063,000	89,069,563	0.11%
	<b>\$ 3,593,695,070</b>	<b>\$ 2,953,632,469</b>	<b>3.50%</b>

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**

<b>Fiscal Year</b>	<b>County Direct Rates</b>		
	<b>Real</b>	<b>Personal</b>	<b>Total (a)</b>
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
2020	1.100	2.7500	1.168
2021	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 June 30	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Total Tax Levy	Amount	Percentage of Original Levy	Amount	Percentage of Original Levy	Amount
2012	\$ 846,418	\$ 841,983	99.48	\$ 3,536	99.89	\$ 845,519
2013	853,307	851,115	99.74	1,365	99.90	852,480
2014	856,946	854,254	99.69	1,824	99.90	856,078
2015	872,676	869,303	99.61	2,452	99.89	871,755
2016	888,230	886,008	99.75	973	99.86	886,981
2017	921,713	918,421	99.64	134	99.64	918,555
2018	953,533	947,231	99.70	(1,962)	99.70	950,641
2019	987,128	982,261	99.60	963	99.60	982,774
2020	1,022,700	1,012,379	98.99	8,165	98.99	1,012,379
2021	1,051,970	1,041,379	98.99	-	99.76	1,049,436



**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	Total Taxable Assessed Value (1)	Estimated Actual Value			
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	
2020	65,216,577	21,738,859	86,955,436	1,684,088	2,060,628	3,744,716	90,700,152	90,700,152		1.168	
2021	64,442,344	25,060,912	89,503,256	1,793,085	2,002,525	3,795,610	93,298,866	93,298,866		1.167	

Note:

(1) Tax exempt properties are not included

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

