



Baltimore County Maryland

**Comprehensive Annual Financial Report
For The
Fiscal Year Ended June 30, 2014**

Baltimore County, Maryland



Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2014

Prepared By The Office Of Budget and Finance

INTRODUCTORY



SECTION

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
BALTIMORE COUNTY, MARYLAND
FOR THE YEAR ENDED JUNE 30, 2014
TABLE OF CONTENTS**

I. INTRODUCTORY SECTION

Letter of Transmittal	III
Organizational Chart	XII
List of Principal Officials	XIII
GFOA Certificate of Achievement	XIV

II. FINANCIAL SECTION

Independent Auditors' Report	1
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A. MANAGEMENT'S DISCUSSION AND ANALYSIS 3

B. BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Statement of Net Position	14
Statement of Activities	15

Fund Financial Statements

Governmental Fund Financial Statements

Balance Sheet	16
Statement of Revenues, Expenditures and Changes in Fund Balances	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Budgetary Comparison Statement – General Fund	19

Proprietary Fund Financial Statements

Statement of Net Position	20
Statement of Revenues, Expenses, and Changes in Net Position	21
Statement of Cash Flows	22

Fiduciary Fund Financial Statements

Statement of Net Position	23
Statement of Changes in Net Position	24

Component Units Financial Statements

Statement of Net Position	25
Statement of Activities	26

Notes to Basic Financial Statements	27
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C. REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in County's Net Pension Liability and Related Ratios – Police Fire and Widow's Pension Plan (PFW)	66
Schedule of County Contributions – PFW Pension Plan	66
Schedule of Investment Returns – PFW Pension Plan	67
Schedule of Funding Progress – Other Post Employment Benefit (OPEB) Trust	67
Schedule of Employers' Contributions – OPEB Trust	67

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
BALTIMORE COUNTY, MARYLAND
FOR THE YEAR ENDED JUNE 30, 2014
TABLE OF CONTENTS
(continued)**

**D. COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES –
SUPPLEMENTARY INFORMATION**

Governmental Funds

Schedule of Appropriations and Expenditures – Budget and Actual – General Fund	70
Combining Balance Sheet – Nonmajor Governmental Funds	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	77
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Liquor License Fund	78
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Stormwater Management Fund	79

Internal Service Funds

Combining Statement of Net Position	80
Combining Statement of Revenues, Expenses and Changes in Net Position	81
Combining Statement of Cash Flows	82

Fiduciary Funds

Combining Statement of Net Position – Benefits Trust Funds	83
Combining Statement of Changes in Net Position – Benefits Trust Funds	84

III. STATISTICAL SECTION

Financial Trends

Net Position by Component	85
Changes in Net Position	86
Fund Balances of Governmental Funds	88
Fund Balances of Governmental Funds - Pre GASB Statement No. 54	89
Changes in Fund Balances of Governmental Funds	90
Unreserved Fund Balance and Revenue Stabilization Reserve Account Expressed as a Percentage of General Fund Revenues and Transfers In	92
General Fund Revenues	93
General Fund Tax Revenues by Source	94
General Fund Expenditures and Transfers by Function	95

Revenue Capacity

Taxable Assessed Value and Estimated Actual Value of Taxable Property	96
Property Tax Rates – Direct and Overlapping Governments	97
Principal Property Taxpayers	98
Property Tax Levies and Collections	99

Debt Capacity

Ratios of Outstanding Debt by Type	100
Ratios of Net General Obligation (GO) Debt to Estimated Actual Value of Property And Net GO Debt per Capita	101
Legal Debt Margin Information	102

Demographic and Economic Information

Demographic and Economic Statistics	103
Principal Employers	104

Operating Information

Full-time Equivalent County Government Employees by Function	105
Operating Indicators by Function	107
Capital Asset Statistics by Function	109



KEVIN KAMENETZ
County Executive

KEITH DORSEY, Director
Office of Budget and Finance

December 23, 2014

Honorable County Executive and Members of
The Baltimore County Council

The Comprehensive Annual Financial Report (CAFR) of Baltimore County, Maryland (the "County") for the fiscal year ended June 30, 2014 is submitted herewith in accordance with the requirements of Section 516 of the Baltimore County Charter. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data as presented is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures are included that are necessary to enable the reader to gain the maximum understanding of the County's financial affairs.

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles as applicable to governmental entities in the United States (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The County's financial statements have been audited by CliftonLarsonAllen LLP, Independent Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the County's financial statements for the fiscal year ended June 30, 2014 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit that the County's financial statements as of and for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section.

The County is required to undergo a federally mandated annual audit called "The Single Audit" which is designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE COUNTY

The Reporting Entity And Its Services

The County is a corporate polity which performs all local governmental functions within its jurisdiction, as there are no incorporated towns, villages, municipalities or other political subdivisions with separate taxing authority. Under home rule charter since 1957, the County is governed by an elected County Executive and a seven-member County Council with each serving separate executive and legislative functions, respectively.

The Community College of Baltimore County, the Board of Education of Baltimore County, and the Board of Library Trustees for Baltimore County are reported as discretely presented component units because they are deemed to be fiscally dependent on the County. The component units are reported separately within the County's financial statements to emphasize that they are legally separate from the County. The County and its component units provide the full range of municipal services contemplated by statute or charter. This includes education, police and fire protection, sanitation, health and social services, public improvements, planning and zoning, recreational and cultural activities, and general administrative services.

Adopted Budget

The annual budget serves as the foundation for the County's financial planning and control. Pursuant to County Charter, the County Executive presents the capital and operating budgets to the County Council during April of each year. The County Council may decrease or delete any items in the budget except those required by the public laws of the State of Maryland and except any provision for debt service on outstanding obligations or for estimated cash deficits. In its deliberations, the Council considers the recommendations of the Spending Affordability Committee (Committee) consisting of 3 members of the County Council and 2 other members from an area of specialty, such as finance, organized labor, etc. On or before February 15 in each year, the Committee submits to the County Council and County Executive a report with recommendations on fiscal goals or growth in the County budget to a level that does not exceed the rate of growth of the County's economy. The budget must be adopted by the affirmative vote of not less than four members of the County Council on or before June 1 each year. The adopted budget becomes effective July 1 and provides the spending authority at the program level for the County's operations.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management. A budget-to-actual comparison is provided for the General Fund on page ___ as part of the basic financial statements for the governmental funds. Additional information regarding the County's budget can be found in Note 1 of the notes to the basic financial statements and in schedules provided in the other supplementary information section.

As part of the annual operating budget process, the County develops a six-year Capital Improvement Program (CIP) consisting of the upcoming fiscal year's appropriations (the "Budget Year") and the succeeding five-year program. The CIP is divided into two areas: the Metropolitan District, for all water and sewer projects, and the Consolidated Public Improvements for all other capital projects. A major source of funding for the CIP is borrowed funds. CIP bond appropriations appearing in the Budget Year represent an authorization to borrow money. The cost to service this debt impacts the General Fund and the Metropolitan District Fund and increases with the amount of outstanding debt.

INFORMATION USEFUL IN ASSESSING THE GOVERNMENT'S ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Economic Condition

The County is situated in the geographic center of Maryland, surrounding the City of Baltimore almost entirely. The County is the largest jurisdiction by population in a metropolitan area with more than 2.6 million people. The City of Baltimore and the County are entirely separate political units.

The County has the third largest land area of any political subdivision in the State of Maryland. Within its 612 square miles (plus an additional 28 square miles of water with over 200 miles of shoreline) are situated at least 29 identifiable, unincorporated communities which, as of 2010, ranged in population from approximately 4,300 to 63,000. The County's overall population grew 6.7% from 754,292 in 2000 to 805,029 in 2010. Today, the County has the third highest population in the State of Maryland and the second highest number of jobs.

Healthcare and education, the sectors that generally report job stability and growth despite economic downturns, are well represented in the County by five regional medical centers and five major colleges and universities. BD Diagnostic Systems shares a zip code with Pay Pal and a large concentration of nationally recognized professional service organizations. Headquarters for the Social Security Administration and Centers for Medicare and Medicaid Services and a corps of IT contractors form the Woodlawn Federal Center. Major operations of T. Rowe Price, Toyota Financial Services, Euler Hermes, Zurich America, Baltimore Life, Farmers Insurance Group, and Bank of America form a powerful finance-insurance community. Manufacturing holds its place with companies such as: General Motors, McCormick and Company, Stanley Black & Decker, Lockheed Martin, AAI and Procter & Gamble.

New Business and Real Estate Activity

The following section highlights a sampling of business and real estate activity in the County from June 2013 to July 2014.

Towson Square (formerly known as Towson Circle III) is a new mixed-use project in Towson developed by the Heritage Properties/Cordish Company joint venture. The four-acre development now under construction will include a 75,000 square foot, 3,400-seat, 15 screen multiplex cinema atop a 3-story, 850-space garage and seven restaurants. The open, pedestrian friendly plaza will include a traffic circle with a European-style fountain, bistro-style outdoor dining areas and landscaping. The County is investing \$6.2 million toward the parking garage and \$2 million for infrastructure improvements, which will leverage \$85 million in private investment. Slated to open in late 2014, the project will bring an estimated 1,530 jobs to the area, 660 on the construction side and another 870 others when the project is operational.

Towson Residential - Since 2008, over 1,200 new luxury residential units in three major projects have been completed. Wood Partners has teamed with Chesapeake Realty Partners to develop The Winthrop, which will consist of 295 units. Lease-up commenced May 2014. A second phase, developed by Wood Partners and Taylor Property Group, will comprise 175 units. The apartments will be owned and operated separately, but their design is complementary. These buildings will replace a 70-year-old, 150-unit apartment complex and will triple the site's density. In April 2013 it

was announced that a proposed \$60 million, 61-bed, 200-unit student housing project with 1st floor retail would be built at 101 York Rd.

Towson Commons – this office/retail building in the center of Towson was recently purchased by Garrison Investment Group and plans are underway for renovations to the vacant ground floor retail spaces. Leasing is expected to pick up as a result of the change in ownership and commitments by General Dynamics and LA Fitness.

General Dynamics Information Technology (formerly ViPS), The largest tenant in Towson Commons, has expanded its leased space from 120,000 square feet to 146,000 square feet to accommodate a consolidation from two other locations in the County

LA Fitness, a national chain of fitness clubs, completed renovations on the former movie theater space in Towson Commons to create a new 52,700 square feet state-of-the-art facility including an indoor pool.

Towson Row – In June 2013, plans were unveiled for a transformative, \$300 million mixed-use development at the southern gateway to downtown Towson, one block from Towson University. The development program calls for 200,000 square feet of Class A office space, 350 luxury residential units, 200 hotel rooms, 300 quality student housing units and more than 100,000 square feet of retail, shops, restaurants and an upscale grocery store.

Sale of County Properties – In December 2013, the County Council approved the sale of three functionally obsolete County properties housing two police stations and a fire station, located on heavily traveled commercial corridors in Randallstown, Towson and Dundalk. The Towson and Dundalk properties are awaiting the approval of Planned Unit Development (PUD). The profit from the sale of these properties will help defray the cost of new replacement buildings and generate new property tax revenue, in addition to providing jobs and economic stimulus. In Dundalk, Vanguard Commercial Development will redevelop a portion of the property into a restaurant-retail-recreational town center to be known as “Merritt Pavilion.” Merritt Pavilion is envisioned as a family-friendly destination and would have 12 separate buildings spread over 12 acres. It is anticipated to include restaurants, fast casual dining establishments, an ice cream or frozen yogurt shop, an urgent care medical facility, a convenience store/gas station facility, a drive-in fast food restaurant, and other not yet defined retail. Along with the \$2.1 million purchase price, the annual property tax at full build-out is anticipated to be approximately \$76,172. The proposal also allows recreation programs at the site to continue uninterrupted and adds other recreational amenities. In Towson, CVP-TF, LLC will add a convenience store and gas station, as well as approximately 10,000 square feet of retail strip and a 4,200 square foot restaurant pad site. Retail uses include a drive-in fast food restaurant, a fast casual restaurant, and a bank. The property was purchased from the County for \$8.3 million and will add annual property tax revenue of approximately \$26,125. In Randallstown, 101 Development Group, a wholly-owned subsidiary of Genesis HealthCare LLC, purchased the County property that joins its neighboring senior nursing center for \$275,000. The Development Group will raze the existing building and construct much needed additional parking.

Metro Centre at Owings Mills – Metro Centre at Owings Mills (the “District”) is a mixed-use, transit-oriented special taxing district that is being developed by Owings Mills Transit, LLC through the use of tax increment financing. The project, upon completion of the South Parcel which was designated in 2010, would support more than 1.2 million square feet of commercial office space; 300,000 square feet of complementary retail space; 1700 residential units; educational facilities totaling 120,000 square feet and a hospitality component offering up to 250 rooms. The project adjoins the Owings Mills Metro stop and a 2,865-space commuter parking garage. Total investment in the project is expected to be \$550 million at completion. Two five-story upscale residential buildings, with 232 apartments and ground-floor retail and restaurant space, are located along the main street next to the Owings Mills Metro station and the new 120,000 SF County Campus at Metro Centre library and community college building. The first building is leasing and the second building will be delivered soon. A second large parking garage with 2,412 spaces is now under construction. In December 2013, the County approved the addition of a 13-acre North Parcel to the District, bringing the total size of the District to more than

45 acres. The new parcel will support more than 666,000 square feet of commercial office space, 19,000 square feet of retail space, and two additional parking garages totaling 4,577 parking spaces.

Foundry Row is a planned mixed-use development in Owings Mills that will be anchored by a Wegman's grocery store and is expected to represent a \$140 million investment. The demolition and site prep are complete.

Dunbar Digital Armor, a once armored-car business in Hunt Valley, has branched into a cybersecurity firm. In 2013 they launched a subsidiary company called Dunbar Digital Armored to protect online transactions for thousands of banks and retail customers.

Miller's Minuteman Press, a graphic design, print and mailing company, is centralizing its production facility and expanding its services. In April, 2014 it was announced the printing press will move from Cockeysville to its new \$5.2 million, 36,450 square foot one-story facility in Owings Mills. This move will allow the company to expand its workforce by about 30 percent.

Corix Utilities is a subcontractor to BGE that provides oSmart Meter and measurement field services to replace outdated meters in the County. Since July, 2011 they have hired 124 employees in the County and are looking to hire 66 more employees over the next year.

Reliable Churchill, the largest wine and spirits distributorship in Maryland, is locating its headquarters, office and warehouse operations to Baltimore Crossroads. A new 449,200 square foot building will be built to complete the consolidation. Reliable plans to transfer over 500 associates to the new location. The facility opened in August, 2014.

Synagro, an operator of industrial and municipality wastewater facilities and provider of recycled wastewater by-products equipment, has moved its corporate headquarters from Houston, TX to Baltimore Crossroads. Synagro services more than 600 customers (nationwide). The move to the Crossroads adds 50 new employees to the County, bringing the company's total employment to over 100.

Du-Claw Brewing Company has leased space on Yellow Brick Road in Rosedale for a brewing operation that will supply beer for their popular brew pub chain, produce beer for retail sales through distributors, and provide bottling services for other brewers.

BECO Management, a Rockville-based real estate management company, purchased two office buildings located at 10451 and 10461 Mill Run Circle adjacent to Owings Mills Mall. The company is investing \$15 million in improvements to the two properties. There is a resurgence of leasing activity as a result of renovations.

Apex IT Services, an IT solutions provider to federal, state and commercial clients, relocated from Columbia, Maryland to leased office space on Lord Baltimore Drive in Woodlawn. Plans include adding 53 jobs.

Douron Commercial Interiors occupies its new headquarters, showroom and warehouse at 10 Painters Mill Road. The renovation of the 100,000 SF former flavorings manufacturing plant has allowed the company to consolidate several warehouses and provide space for a new showroom. The company currently employs 118 people.

Greater Baltimore Board of Realtors, a membership services organization for residential realtors, signed a lease for 7,798 square feet of office space at Timonium Two on Greenspring Drive for its new headquarters location.

Ruby Tuesday, the national chain casual dining restaurant, has built a new 175 seat, 5,000 square foot restaurant on Liberty Road in Randallstown. They employ 60 - 80 people.

Heavy Seas Brewing recently made a major investment to expand its Halethorpe based brewery. The investment includes new tanks, a new bottling line and a new tasting/hospitality room. The new tasting/hospitality room which opened in November 2013 features an outdoor seating area and is open to the public Wednesday - Saturday. Future investments include a new \$2.5

million Brewhouse. With all of these additions, Heavy Seas expects to increase capacity by 130%.

Collins Seafood and Grill is a new family run restaurant that opened on Offutt Road in Randallstown investing \$850,000 and employing 40 people.

Potomac Photonics, an advanced micro-manufacturer specializing in small hole drilling, laser micromachining, 3D printing, micromarking, and other technologies, relocated from Prince Georges County to bwtech@umbc research & technology park bringing 25 jobs

Industrial Redevelopment

Sparrows Point/Dundalk

The Sparrows Point peninsula was the location of a major integrated steel mill for more than 100 years. In May 2012, the final steel mill operator, RG Steel, declared bankruptcy and announced plans to close the facility and lay off all 2,000 workers. For the past two years, the County has been working aggressively both to define and pursue a new vision for this valuable 3,100 acres of land with deep water, freight rail and interstate access, and to help the dislocated steelworkers acquire the training and support services they need to enable them to move into new careers.

The Sparrows Point Partnership, an advisory group of private-sector port, logistics and real estate professionals, was established by the County Executive in 2012 to recommend how best to position Sparrows Point and the surrounding area for long term job growth. In May 2013, the Partnership released its first-year report, which highlighted the area's exceptional assets including a massive land product: 5.3 square miles, with more than 3,300-acres zoned for industrial use, deepwater access near the growing Port of Baltimore, interconnected transportation, including direct connection to two class one railroads and interstate highways, exceptional natural gas and electricity supplies, a large supply of treated water flowing directly to the site and a highly capable, motivated workforce

The report also outlined the County's vision for growth at Sparrows Point, driven by several key principles which include expanding maritime use on the peninsula in partnership with the Maryland Port Administration, retaining the current zoning for industrial use, encouraging private ownership to rebuild the aging infrastructure on the site, managing a long-term strategy that includes active participation and guidance from the County, the State of Maryland and the Port of Baltimore

Currently, the Maryland Port Administration, with the support of the County, is engaged in serious negotiations with the current owner of the former steel mill, Environmental Liability Transfer, Inc. (ELT), to purchase up to 600 acres of land for a new port terminal, in line with the Sparrows Point Partnership vision.

The County continues to provide support services to dislocated RG Steel workers. Hundreds of workers have received training for new jobs under Federal trade adjustment assistance programs. County and state staffs are working to help those workers find jobs as they complete their training programs.

Technology Locations

bwtech@UMBC

The [bwtech@UMBC](mailto:bwtech@umbc) Research & Technology Park (the "Park") is a 71-acre community engaged in research, entrepreneurship, and economic development. The Park contains eight buildings, including multi- and single-tenant buildings and 3 incubators. Over 40 cyber security companies currently reside and do business in the Park. The Park is adjacent to the main UMBC campus with direct access to the innovative research and amenities of a major university.

Award winning incubators provide affordable office and laboratory space, flexible leasing terms and business support services. The Cyber Incubator@bwtech is a unique, innovative business incubation program that delivers business and technical support to early state companies providing cyber security-related products and services. The incubator is located in a Class A office suite at the Park. The Northrop Grumman Cync Program is a unique partnership between Northrop Grumman and the Cyber Incubator@bwtech, with an eye towards commercializing technology to protect the nation from a growing range of cyber threats. The CyberHive is a business development co-working environment for cyber companies seeking opportunities with the government, military, and commercial sectors. Recently expanded to meet the demand of the growing cyber security industry, the 10,000 square-foot CyberHive currently has 26 companies that lease dedicated space and will have room for five more. The Maryland Clean Energy Technology incubator is designed for early stage companies working with solar power, wind power, biofuels, electric grid, and energy management and storage. The Life Sciences incubator is a nationally recognized life-science and technology business incubation program that is home to over 40 early state bioscience and technology companies.

The Park companies have access to UMBC campus amenities and enjoy the strategic location only minutes away from BWI Thurgood Marshall Airport, downtown Baltimore, and the federal agencies located in the Washington, D.C. corridor. The location, coupled with the opportunity to collaborate with the talented students and faculty of UMBC's nationally recognized science and engineering programs, makes an ideal location for technology, bioscience and research organizations at all stages of development

Enterprise Zones

An enterprise zone is a tool that the State of Maryland offers to local jurisdictions for promoting economic development in certain qualifying areas. The County has three Enterprise Zones - the North Point Zone, located along the industrial North Point corridor in southeast Baltimore County; the Southwest Zone (which was just recertified for an additional ten years in June 2013), located in the Washington Boulevard/Hollins Ferry Road industrial corridor; and the Federal Center at Woodlawn Zone approved in June 2011. These three areas contain over 5,400 acres of industrial and office-zoned land, and over 550 businesses. Since the approval of the first zone in December 1995, 160 businesses in the North Point and Southwest enterprise zones have committed to investing over \$300 million in real property improvements and \$270 million in machinery and equipment. In addition, approximately 3,000 new jobs have been created. The Halethorpe-Arbutus area in the Southwest Enterprise Zone has seen particularly dramatic growth, with almost 3,000 new jobs in a four-year period. The program offers two primary benefits to businesses in the designated zone that make new investments or hire new employees:

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

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

Economic Development Financing Assistance

In FY2014, the County provided financial assistance to 4 companies for various projects with significant economic benefit for the County. In each of these projects, the County has leveraged its investment with additional financial assistance provided by public or private resources. Together, these 4 projects are expected to result in over \$1.4 million in new investment, creating more than 16 new jobs and retaining 9 existing jobs. The Baltimore County Small Business Loan Fund was expanded to include 2 financial institutions. The Loan Fund was able to increase its lending capacity to \$13.9 million. The loan program is used to provide financing to small businesses that operate in the County. Additionally, in June 2014 the County was awarded \$1.5 million to fund loans to small, minority, women-owned and veteran owned businesses within a 10 mile radius of the Maryland Live Casino in Anne Arundel County. The Boost Fund will provide flexible financing to assist in the acquisition of business assets, working capital, equipment, owner occupied commercial real estate, construction of new facilities and lease hold improvements. The Fund will issue loans with terms varying from 3 to 15 years.

Relevant Financial Policies

The County's debt and financial management policies as set forth by the County Executive were recognized by all major rating agencies with the continuation of the County's triple-A credit rating. The policies included target ratios to be met and ceiling or floor ratios. The County will take appropriate corrective action to ensure that ratios do not go above or drop below their respective desired ceiling or floor.

The County's long-term policy was to produce unreserved General Fund fund balance equal to 5% of General Fund revenues each year. The volatility in the national economy and potential changes in intergovernmental aid required the County to take the fiscally prudent step of raising its target level for unreserved General Fund balances during this period to 7% of General Fund revenues. Most of the 7%, an amount equal to 5% of the revenue budget will be placed in the County's Revenue Stabilization Account to protect the County from unforeseen emergencies and future economic downturns which result in major revenue shortfalls. Funds in the account may not be utilized for any other purpose without the specific recommendation of the County Executive and a majority plus one approval of the County Council.

Any unreserved fund balance in excess of the 7% of revenues target level will be retained to provide only short-term tax stabilization. Any excess well above the target level will be eliminated through tax rate reductions or dedicated to one time items such as pay-as-you-go contributions in order to reduce the level of programmed borrowing for capital expenditures.

Major Initiatives

The following are some selected highlights and budget priorities for FY 2014 that are expected to affect future financial position:

Education – The FY 2014 budget continued to make education a top priority in the County. The budget included a \$758 million General Fund appropriation to the Baltimore County Public School System (BCPS). The County's commitment to fully fund the BCPS at "maintenance of effort" (MOE) level continued in the budget; however, an additional \$7.3 million for one-time items excluded from MOE, was also provided. When capital related items were included, total education funding exceeded \$1.4 billion.

The FY 2014 budget also included funding for a new STEM building on the Community College of Baltimore County's Catonsville campus, and full staffing for the new County Campus at the Owings Mills Metro Centre.

Public Safety – With a budget allocation of nearly \$92 million, including \$7 million in grants and in-kind services the County remains committed to having the best-prepared and best-equipped fire department in the nation. Every ambulance in the County is now equipped with a mobile hotspot, allowing crews instant access to data collected by the 911 Center, which will increase the efficiency of our emergency responders.

Community Conservation and Preservation - Our capital budget continued to reinvest in infrastructure projects throughout the County. The road resurfacing budget increased by an additional \$8 million, for a total of \$28 million over two years.

The County also has made a commitment to recreational programming by allocating \$20 million for various regional parks, community centers, and other facilities in all parts of the County.

AWARDS AND ACKNOWLEDGEMENTS

The GFOA has awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The County has received a Certificate of Achievement for the last 35 consecutive years (fiscal years ended June 30, 1979 – 2013). We believe that our current report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Financial Operations Division. I would like to express my appreciation to them for their dedication to ensuring the financial integrity of the County and in the preparation of this report.

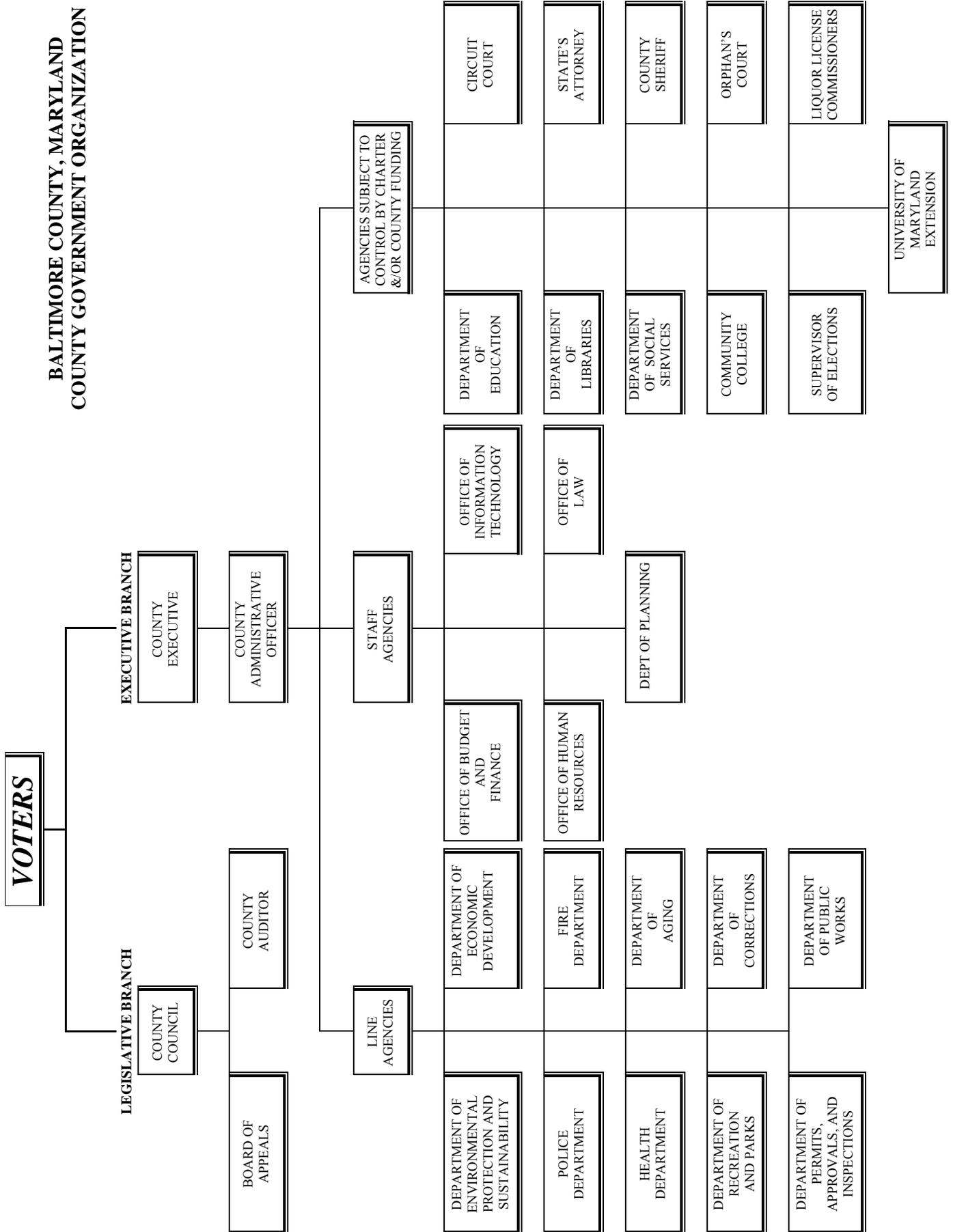
Credit also must be given to the County Executive and the County Council for their support in maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Keith Dorsey". The signature is written in a cursive, flowing style.

Keith Dorsey, Director
Office of Budget and Finance

**BALTIMORE COUNTY, MARYLAND
COUNTY GOVERNMENT ORGANIZATION**



LIST OF PRINCIPAL OFFICIALS
June 30, 2014

Elective

County Executive
County Council

Kevin Kamenetz
Tom Quirk
Vicki Almond
Todd Huff
Kenneth N. Oliver
David Marks
Cathy Bevins
John Olszewski, Sr.

Administrative

Administrative Officer
Director of Budget and Finance
County Attorney
County Auditor
Director of Public Works
Chief of Police
Fire Chief
Director of Aging
**Director of Economic and
Workforce Development**
**Director of Environmental Protection
and Sustainability**
Director of Information Technology
**Director of Permits, Approvals
and Inspections**
Director of Human Resources
Director of Planning
Director of Recreation and Parks
Superintendent of Schools
Director of Health and Human Services
Director of Libraries
President of Community College
Director of Corrections
Administrative Law Judges

Fred Homan
Keith A. Dorsey
Michael E. Field
Lauren Smelkinson
Edward C. Adams, Jr.
James W. Johnson
John J. Hohman
Joanne E. Williams

Will Anderson

Vincent J. Gardina
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June 30, 2013

Executive Director/CEO