THE COUNTY COMMISSIONERS
OF KENT COUNTY, MARYLAND
AGENDA

January 31, 2023

10:00 AM Call to Order/Pledge of Allegiance/Moment of Silence

Time Is Allotted At The End Of Each Meeting For The Commissioners To Receive Comments From The Public

Consent Items

- # 1 - Regular Session Minutes, January 24, 2023
- # 2 - Liquor Minutes, January 24, 2023
- # 3 - Closed Session Minutes, January 24, 2023
- # 4 - Rosemary Ramsey Granillo, Director, Local Management Board
  - Community Partnership Agreement Grant Award & Acceptance Form

Recognition

- Muriel Cole, Commissioner Representative, Commission on Aging
  - Certificate of Appreciation for Margie Baker

Appointments

- Muriel Cole, Commissioner Representative, Commission on Aging
  - Annual Report 2022
- Dr. Karen Couch, Superintendent, and Alleesa Stewart, Supervisor of Finance, Kent County Public Schools
  - Kent County Public Schools Audited Financial Statements FY2022
- Dr. Karen Couch, Superintendent, and Alleesa Stewart, Supervisor of Finance, Kent County Public Schools
  - Unrestricted Funds Budget Amendment #1, Fiscal Year 2023

Departmental Appointments

- Herb Dennis, Warden, Kent County Detention Center
  - FY2023 Capital Budget Funds Requested
- Steve Wallace, Captain, Kent County Detention Center, and Penny Young-Carrasquillo, Grants Manager
  - Opioid Use Disorder Treatment Initiative

Public Works Director

- Roads Division
  - FY2023 Surface Treatment Contract
- Water and Wastewater Division
  - Tolchester Service Area, Sewer Allocation Requests

Acting Human Resources Director

Park and Recreation

2023 Seasonal Salaries

County Administrator

Anthony W. Bertino, Jr., President, Worchester County Government

Request for Support, Increase County Room Tax

County Administrator Report

James F. Ports, Jr, Secretary Maryland Department of Transportation

Strategic Highway Safety Plan

Shelley Heller, County Administrator

Request For A Meeting With Kent County Representatives

Letters for Signature

Bill Mackey, Director, Planning, Housing, and Zoning

Agricultural Advisory Commission Member Appointments

Bill Mackey, Director, Planning, Housing, and Zoning

Bay Bridge Monitoring Committee

Bill Mackey, Director, Planning, Housing, and Zoning

Zoning Appeals Board Member Appointment

Public Comment/Media Review

Procedures For Public Comment

Contingency Fund

Contingency and Use of Fund Balance Report

American Rescue Plan Act Funds

American Rescue Plan Act (ARPA) Funds Spend Plan

Closed Session

Thomas N. Yeager, County Attorney

Legal and Potential Litigation

The meeting was closed under the Annotated Code of Maryland, General Provisions Article § 3-305 (b) (7) To consult with counsel to obtain legal advice; and (8) to consult with staff, consultants, or other individuals about pending or potential litigation.

Pat Merritt, Acting Director, Human Resources

Personnel

The meeting was closed under the Annotated Code of Maryland, General Provisions Article § 3-305(b) (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals.

Pat Merritt, Acting Director, Human Resources

Personnel

The meeting was closed under the Annotated Code of Maryland, General Provisions Article § 3-305(b) (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals.

1 - Regular Session Minutes, January 24, 2023
1/31/2023
County Commissioners Meeting

ATTACHMENTS:
Description

2 - Liquor Minutes, January 24, 2023
1/31/2023
County Commissioners Meeting

ATTACHMENTS:

Description

3 - Closed Session Minutes, January 24, 2023
1/31/2023
County Commissioners Meeting

ATTACHMENTS:

Description

4 - Rosemary Ramsey Granillo, Director, Local Management Board
1/31/2023
County Commissioners Meeting

Item Summary:
Community Partnership Agreement Grant Award & Acceptance Form

ATTACHMENTS:

Description

01.31.23 Grant Award and Acceptance CCIF-2023-0001 Kent County Commissioners Community Partnership Agreement Kent County Local Management Board (LMB) Governor's Office of Crime Control and Preventionov.org_20230131_133446

1/13/2023

Governor's Office of Crime Control and Prevention

Control Number: 43057
Regional Monitor: Drushel Williams, Christina
Fiscal Specialist: Smith, Shalatikka

Grant Award & Acceptance Form

Grant Award Number: CCIF-2023-0001
Sub-recipient: Kent County Board of County Commissioners
Project Title: Kent County Community Partnership Agreement
Implementing Agency: Kent County Local Management Board (LMB)
Award Period: **07/01/2022 - 06/30/2023** CFDA: State General Funds

Funding Summary			
	Grant Funds	73.4 %	**$543,666.00**
	Cash Match	26.6 %	**$196,902.00**
	In-Kind Match	0.0 %	**$0.00**
	Total Project Funds		**$740,568.00**

This Grant Award is hereby made for financial assistance by the Governor's Office of Crime Control and Prevention in accordance with the

Maryland Code, Human Services Article § 8-501 Supports child and family programs that reflect the values and priorities of the Governor and Children's Cabinet

This Grant Award is subject to the General Conditions and any Special Conditions attached to this award, as well as all statutes and requirements of the State of Maryland.

This Grant Award incorporates all the information, conditions, representations and Certified Assurances contained in the grantee's application.

The Grant Award shall become effective as of the start date of the award, unless otherwise specified, and upon submission to the Grants Management System, within twenty-one (21) calendar days, of a fully executed original of this document signed by the duly authorized official of the sub-recipient unit of government or sub-recipient agency receiving this Grant Award. Copies and faxes are not acceptable.

FOR THE STATE OF MARYLAND:

[signature]

Executive Director

Governor's Office of Crime Control and Prevention

SUB-RECIPIENT ACCEPTANCE:

Ronnie Fithian

Signature of Authorized Official

Ronnie Fithian, President
Typed Name And Title

January 31, 2023
Date

To submit, sign in blue ink and scan and upload the document to the grant award Documents section in the Grants Management System.

Grant Award - General Conditions

Grant Award Number:	CCIF-2023-0001	**Sub-Recipient:**	Kent County Board of County Commissioners
Award Period:	07/01/2022 - 06/30/2023	**Implementing Agency:**	Kent County Local Management Board (LMB)
Project Title:	Kent County Community Partnership Agreement		

1 Award Period of Performance

Approved by the Governor's Office of Crime Prevention, Youth, and Victim Services (Office) of the submitted application, and the subaward that it has generated, is for the time period stated in this Subaward Package and constitutes no commitment for funding prior to the time period nor the continuation of funding beyond that time period. The subaward may be terminated by one or both parties with written notice. If the subaward is terminated before the end of the funding period, an accounting of the current quarterly and year to date expenses must be provided within 60 calendar days. Also see the General Condition related to Termination of the Subaward.

2 Statutes and Requirements of State and Federal Funds

This sub-award is subject to all State of Maryland and Federal statutes and requirements that apply to the relative funding source.

3 General and Special Conditions (POST AWARD INSTRUCTIONS)

This subaward is subject to the Special Conditions contained in your award packet and General Conditions (Post Award Instructions) referenced on the Office website, as accepted by the Authorized Official on the official Award Acceptance document. The Office retains the right to add Special Conditions, if and when needed, during the award period of performance. General Conditions (http://www.goccp.maryland.gov/grants/general-conditions.php) are the Post Award policies, procedures, guidelines, and business rules from the Office for grant funds, irrelevant of the funding source.

4 Sub-award Acceptance Document

The original Award Acceptance document containing the original signature of the Executive Director of the Office must be signed (electronic signature is acceptable) by the Authorized Official noted on the submitted application. This signed document must be uploaded in the Grants Management System (GMS) WITHIN 21 CALENDAR DAYS of receipt of the award package. Late submission will be accepted on a case by case basis and may result in an increased risk/monitoring level of the subaward, a delay in the project activity and related reimbursement, and/or termination of the subaward. Acceptance of this subaward constitutes a commitment. The Authorized Official on the submitted application is the County Executive, Duly Authorized Official of the local unit of Government, Mayor, Commissioner, Town Administrator (if confirmed), President (if confirmed), or if agencies are permitted to apply directly, the head of the agency receiving the subaward.

5 Notification of Project Commencement Form

The Notice of Project Commencement/Delay form must be initialed in the Award Information Verification Section, AND signed at the bottom (electronic signature is acceptable) preferably by the Project Director. Alternatively, if the Project Director is unavailable, the Fiscal Contact or Authorized Official may sign. The signed document must be uploaded in the Grants Management System (GMS) within 30 calendar days of the receipt of the award package. Late submission will be accepted on a case by case basis and may result in an increased risk/monitoring level of the subaward, a delay in the project activity and related reimbursement, and/or termination of the subaward. Please be advised online reporting is not accessible until the signed Award Acceptance and Project Commencement documents have been received by the Office. NOTE: If the project will not commence within 45 calendar days of the start date of the period of performance, you may submit Grant Adjustment Notice (GAN) within the GMS for review and approval. Any delay to the start date of this project does not warrant, or necessarily allow, an extension to the end date.

6 Special Conditions

It is important that you review all conditions attached to this subaward including general and special conditions. Each Special Condition page must be initialed by the Authorized Official* on the bottom right hand corner (electronic signature is acceptable). The initialed Special Condition pages must be uploaded in the Grants Management System (GMS) within 21 calendar days of receipt of the award package. Late submission will be accepted on a case by case basis and may result in an increased risk/monitoring level of the subaward, a delay in the project activity and related reimbursement, and/or termination of the subaward. *See General Conditions below related to the Authorized Official.

7 Subrecipient Organizational Capacity Questionnaire

This questionnaire (http://goccp.maryland.gov/subrecipient-organizational-capacity-questionnaire/) is used as an assessment tool post award for the purpose of determining the appropriate subrecipient monitoring and technical assistance level. Please note, this document assessment is not part of the criteria used in making award decisions. This completed questionnaire is required post-award and must be submitted with your Award Acceptance Document and Notification of Project Commencement. Please note, this questionnaire must be completed by the Applicant Agency. For government agencies, it may be necessary to coordinate with the State or County directly and the agency, unit or division implementing the project.

8 Civil Rights Federal Reporting Requirements

Recipients as well as subrecipients of Federal Financial Assistance through the Office of Justice Programs are subject to various Federal Civil Rights Laws such as those related to discrimination on the basis of race, color, national origin, sex, religion or disability.

The U.S. Department of Justice, Office of Justice Programs (OJP), Office for Civil Rights (OCR) developed the Equal Employment Opportunity Reporting tool to help recipients receiving funding (Safe Streets Act which authorizes VAWA, VOCA or JJDPA) comply with the Equal Employment Opportunity Plan (EEOP). The EEOP Reporting Tool is accessed online at https://ojp.gov/about/ocr/eeop.htm

New users will need to register for an account. Prior to registering for a new account and/or completing your report, please know the source of grant and from which year your award has been funded. Your grant number can be found on your award documents (for example: VOCA-17-XXXX would indicate VOCA 2017 funding).

Once you are registered, the EEOP Utilization Report tool will give you step-by-step guidance for preparing and submitting your EEO Utilization Report and/or certification form.

Upon submission/completion of your report, forward the confirmation email to your funding manager and include a cc: dlcivilrightscompliance_goccp@maryland.gov In your forwarded email, include in the subject line: Civil Rights/EEOP reporting and your award number so the Office can update your organization's information. If you have any questions, please email your funding manager and cc: dcivilrightscompliance_goccp@maryland.gov.

9 Sub-award Budget Notice and New Personnel

The approved Budget Notice is included in your subaward packet. This Budget Notice may have been modified from the project budget submitted in the original application and represents approved expenses for the project. Any delays in hiring must be reported to your Program Fund Manager in writing within 30 calendar days of receipt of the subaward package. If project personnel are not hired within 45 calendar days, project personnel allocations may be deobligated at the discretion of the Office. Also see General Condition related to Key Personnel.

10 Personnel Costs

Support of Salaries, Wages, and Fringe Benefits: Charges made to awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed and comply with the established policies and practices of the organization. 2 CFR §200.430 (Compensation - personnel services) and 2 CFR §200.431 (Compensation - fringe benefits)

The use of percentages is not allowable to claim personnel costs. Records to support claimed costs in this category need to include timesheets or time and effort reports that record actual time charged to allowable grant program activities and signed by a supervisor. When necessary and as an alternative, payroll records may reflect certified after the fact work distribution of an employee's actual work activities. The certification statement must reflect the dates and number of hours charged to the award and the specific activities that were completed. The certification statement must be dated and signed by the supervisor, and the grant number must also be included in the statement.

11 Consultant Rates

The threshold for consultant rates is $650 per day. Rates above this threshold will be considered on a case by case basis, with sufficient budget justification. Advanced approval is required.

12 Supplanting

Supplanting is the use of grant funds to replace state or local funds which were previously appropriated/budgeted for, or otherwise would have been spent on, the specific purpose(s) for which this subaward has been awarded. Any line item paid for with Office grant funds must be used to supplement your organization's existing budget, and may not replace any funds that were already included in your entity's existing or projected budget.

13 Budgeted Match Above Standard Requirements

The subrecipient's acceptance of this subaward constitutes a commitment that the budgeted match (if applicable), as stated on the Award Acceptance Form, may be above the standard requirements and will remain so throughout the life of the award. The subrecipient agrees that the required match (if applicable) will be allotted and relative expenditures reported, for each quarterly reporting period in which they are expended. It is further agreed that the full amount of the budgeted match (if applicable and over match if submitted) will be reported regardless of any subsequent adjustments to the grant funds budgeted and/or any financial modifications to this subaward. Any requested change to this match (if applicable) must be submitted electronically in the GMS through a GAN request and is subject to prior approval by the Office.

14 Expended Grant Funds During Award Period

All grant funds related to the subaward project, as well as any required match funds (if and where applicable) must be encumbered, obligated (requisitions, purchase orders, or contracts, which are negotiated purchases) or expended (payment of an invoice) by the end of the subaward period or any pre-authorized extension thereof. Failure to expend encumbered funds within 30 calendar days following the End Date of the award period may jeopardize reimbursement and/or result in the deobligation of funds. In that event, remaining obligations will be the sole responsibility of the subrecipient.

15 Property Inventory Report Form

The submission of the Property Inventory Report Form (PIRF) is a requirement for each financial reimbursement request that includes equipment with acquisition costs of $5,000 or more per unit, that is approved under this subaward. The form is included in the Project Director's award package. Body Armor subawards (BARM and BPVP) are additionally referred to their Special Conditions for the required PIRF, all other conditions remain the same.

16 Procurement

If the subrecipient does not have written procurement guidelines, the subrecipient must refer to the State of Maryland Procurement Policy and Procedures, which includes the consideration of Minority Business Enterprises (MBE). An overview of Maryland Procurement may be accessed here: https://procurement.maryland.gov/ and the manual can be found here: https://procurement.maryland.gov/maryland-procurement-manual-1-introduction-and-general-overview/.

17 Issuance of Request for Proposals, Bids, Procurement Process

When issuing requests for proposals, bid solicitations, or other procurement requests, all subrecipients shall clearly state within said document that the cost of the potential purchase is being funded in part, or in its entirety, with government grant funds.

18 Modifications to Subaward

You are required to submit a GAN if the budget modification changes the scope of the project, the project award period, and/or changes to Project Director or Fiscal Officer. This would include altering the period of performance, goals, activities and/or outcomes, adding budget line items, authorizing use of a subcontractor or other organization that was not identified in the original approved budget, or contracting for or transferring of grant award efforts; or if a budget modification affects more than one budget category. For example, if you wish to transfer funds between the Equipment and Personnel categories, the Office currently requires the submission of a GAN.

Requests for changes or modifications must be submitted electronically in the GMS at least 30 calendar days prior to the end of the award through a GAN and approved by the Office prior to the occurrence. To be clear, the activity may not take place until the Authorized Official and/or the Project Director receives documented approval from the Office. This approval will come via an automated email from the GMS. These changes may not be requested via telephone, fax, or email.

There are limited subaward adjustments that do not require the submission of a GAN. Subrecipients are not required to submit a GAN if the proposed changes are within both the same budget category and existing line items and if the overall changes do not exceed the total budget category (i.e. you are not requesting additional funding). Additionally, subrecipients are not required to submit a GAN to change the name(s) of approved grant funded personnel as a result of staffing changes. subrecipients should update the Program Fund Manager of staffing changes via email or by including this information on the next quarterly progress reports. See the Grant Management System Help Documents area of the Office website for more information.

The recipient should act as soon as possible to submit an GAN via the GMS. All GANs must be submitted at least 30 days prior to the end of the award period, allowing the Office sufficient time to review the GAN. Exceptions for GANs within 30 days of the end of the award period will be considered on a case by case basis. Requests for an exception must be submitted via email to the Program Fund Manager with sufficient justification for the consideration of completion of the GAN administratively by the Program Fund Manager.

There are two types of GANs as follows:

1. General GAN - must be submitted to make any type of non budgetary change to a grant to include, but not limited to, project scope, changes to the period of performance, and personnel changes.

2. Budget GAN - must be submitted to make any changes to line items within the budget to include, but not limited to, reallocating funding, adding budget line items, deobligating funds, and requesting additional funding.

Depending on the adjustments requested, the subrecipient may need to submit a general and/or a budget GAN; however only one GAN of each type may be active in the GMS at a time.

GANs must be completed by one of the following authorized personnel: authorized official, project director, the fiscal officer, or pre-approved alternative authorized signatory. GANs submitted by anyone else will be returned to the subrecipient.

19 Authorized Official/Alternate Authorized Official

The Authorized Official must possess the authority to enter into a legal agreement on behalf of the entity and bind it to the award terms and conditions. The Authorized Official on the submitted application is the County Executive, Duly Authorized Official of the local unit of Government, Mayor, Commissioner, Town Administrator (if confirmed), President (if confirmed), or if agencies are permitted to apply directly, the head of the agency receiving the subaward.

If there is a change of the person in the Authorized Official position, a letter, on letterhead, must be submitted to the Office via email at support@goccp.freshdesk.com and contain all of the following:

1. Authorized official's contact information: All of the contact information listed on the new user page (name, title, organization, address, phone, email, etc.) for the new authorized official.

2. Statement of authority: The new authorized official must state that they are the authorized official for the organization and provide their job title and the date on which they assumed the role of authorized official.

3. Signature of the new authorized official.

The Alternate Authorized Signatory is not the same as the Authorized Official. The Alternate Authorized Signatory is a person permitted to sign on behalf of the Authorized Official (county executive, mayor, town administrator, president); Authorized Point of Contact (head of any sub-unit of government, agency, division, department, or bureau); Project Director and/or Fiscal Officer. To authorize an alternate signatory, the person granting authorization for another party to sign on their behalf must follow the three steps documented above. The purpose of the request must be acknowledged in the letter (e.g. sign all award documents at all times, change of personnel, in case of illness, vacation, leave of absence, etc.). If authorization is to sign all award documents at all times please attach a copy, if applicable, of an Executive Order, or the vote from Council minute meetings.

Subrecipients may use the same directions above to make additional updates to the Alternative Authorized Signatory to include, but not limited to, removal of personnel no longer authorized to make grant changes on behalf of the organization.

20 Issuance of Statements, Press Releases, or Other Documents - GOCPYVS role

When issuing public statements, press releases, or other documents relating to this project or when conferences, seminars, workshops, or forums are held in reference to this project, the subrecipient agrees that the source of funding of this project and the role of the Office must and will be clearly acknowledged. The subrecipient will ensure that all publications resulting from this project will have the following language on the publication: "The Governor's Office of Crime Prevention, Youth, and Victim Services funded this project under subaward number BJAG-2009-9000 (your subaward number). All points of view in this document are those of the author and do not necessarily represent the official position of any State or Federal agency."

21 Reproduction and Sharing of Subaward and Project Materials

The Office has the right to reproduce, with attribution, and share any and all materials and documents generated as a result of this subaward and project.

22 Online Reporting and Post-Award Technical Assistance

All subrecipients are required to view the Office's Grants Management System (GMS) Training Videos, which can be accessed at: http://goccp.maryland.gov/grants/gms-help-videos/. These videos provide step-by-step guidance through the online system, from application to reporting. If you require technical assistance relative to the online GMS Reporting software during business hours you may contact the Office IT Staff at support@goccp.freshdesk.com.

23 Privacy and Confidentiality of Client Records

The subrecipient must comply with federal regulations and state laws concerning the privacy and confidentiality of client records, including statistical information gathered for research purposes.

24 Use of GOCPYVS forms

All Governor's Office of Crime Prevention, Youth, and Victim Services' required forms must be generated electronically through the web-based Grants Management System (GMS). Only applications and/or reports that are in "Submitted" status online will be reviewed and considered.

25 Online Submission of Quarterly Report Forms inline with Project Scope

The subrecipient must implement the project in accordance with the approved narrative and budget set-forth in the subaward.
All Quarterly Report Forms (Progress Reports, Performance Measurements, and Financial Reports) must be submitted via the Office web-based Grants Management System (GMS). In accordance with policy, the Office may freeze the release of funds until a subrecipient is current in the filing of all programmatic and financial reports and said reports have been approved by the Office.
PROGRAM REPORTS: Progress Reports and Performance Measurements must be submitted via the GMS on a quarterly basis. Additionally, federal required reports, as applicable to include the Performance Measurement Tool (PMT), are due no later than 15 calendar days after the end of each quarter. This due date is prior to the submission of relative quarterly financial reports. Financial reports submitted with Programmatic reports cannot be processed for payment until programmatic reports are in "Submitted" status online. Where the start date of any subaward may vary, the quarterly time frames are constant. Those time frames and the relative due dates are:

07/01 - 09/30: reports due 10/15
10/01 - 12/31: reports due 01/15
01/01 - 03/31: reports due 04/15
04/01 - 06/30: reports due 07/15

In addition the Office may require an Annual Progress Report which would be documented in the Special Conditions. This information will be used to monitor and assess the program to determine if it is meeting the stated goals and objectives, supports the State Crime Control and Prevention Strategy Plan and complies with federal requirements. Failure to submit these reports in the prescribed time may prevent the disbursement of funds.

FINANCIAL REPORTS: The Financial Report form must be electronically submitted within 30 calendar days after the end of each quarter. The Award Acceptance, Project Commencement, Progress and Performance Measurement Reports must be submitted prior to processing the quarterly financial report. If the above noted documents and program reports have not been submitted within the required time frame, financial reports may be denied and returned. Where the start date of any subaward may vary, the quarterly time frames are constant. Those time frames and the relative due dates are:

07/01 - 09/30: reports due 10/30
10/01 - 12/31: reports due 01/30
01/01 - 03/31: reports due 04/30
04/01 - 06/30: reports due 07/30

There are two exceptions to the above timeline. The first, is if a subaward does not end at the end of a quarter. The second is for nonprofit agencies that qualify for and have been granted monthly reimbursement for a particular subaward. In these instances, the financial report is due on the 30th of the following month.

Grant Award - General Conditions

Grant Award Number:	CCIF-2023-0001	**Sub-Recipient:**	Kent County Board of County Commissioners
Award Period:	07/01/2022 - 06/30/2023	**Implementing Agency:**	Kent County Local Management Board (LMB)
Project Title:	Kent County Community Partnership Agreement		

26 Submission of Revised Financial Report

The Financial Reports must be submitted no later than 30 calendar days from the end of the reporting period. If the initial 30 calendar day submission is not your actual final report for the reporting period, the subrecipient must email the Fiscal Specialist and copy the Program Manager stating that the report is not final at the same time that the financial report is submitted electronically, which is no later than 30 calendar days from the end date of the reporting period. Submission of a "Final/Revised" report must be emailed to the Office staff described above and uploaded into the Grants Management System (GMS) for this particular subaward no later than 60 calendar days after the end of the reporting period. Revisions are a manual process that require the subrecipient to make corrections on a copy of the previously electronically submitted 30 day report, with the words "Final/Revised" labeled across the top. Additionally, the “Final/Revised” submission document must include the dated signatures from the authorized agency representative. The corrections must be actual expenditures, not the variance. At the end of the subaward period, the Office reserves the right to complete an administrative closeout and deobligate remaining funds on any subaward that does not comply with this requirement.

27 Failure to Submit Reports within allotted time frames

Failure to submit any report within the allotted time frame(s) noted in the above conditions, or any pre-authorized extension thereof, may result in the delay or prevention of payment, and/or the deobligation of funds. If late reporting occurs, the expenditure or obligation may become the responsibility of the subrecipient.

28 Holding Funds

In accordance with policy, the Office will hold the release of funds until a subrecipient is current in the filing of all reports, submission of documentation, and have resolved any remaining issues.

29 Monitoring Expenditures

In order to verify the appropriateness of all grant fund related expenditures, the Office staff will monitor the use of grant funds as reported by subrecipients. Back-up documentation must be maintained on-site, be available upon request, correlate with the mandatory quarterly reporting, and be maintained as necessary to provide that obligations under this subaward and other such standards as they apply are being met. The Office, fund source agencies, State Legislative Auditors, or any State or Federal authorized representatives must have access to any documents, papers, or other records of recipients which are pertinent to the award, in order to make audits, examinations, excerpts, and transcripts. Please also see the General Condition on Records Retention.

30 Records Retention

Retain all financial records, supporting documents, statistical records, and all other records pertinent to the award for a period of 3 years from the date of submission of the final programmatic and financial reports. Retention is required for purposes of examination and audit. Records may be retained in an electronic format. Please also see the General Condition on Monitoring Expenditures and 2 C.F.R. 200.333 regarding federal requirements.

31 Termination of Subaward

The performance of work under this award may be terminated by the Office in accordance with this clause in whole, or in part, whenever the Office determines that such termination is in the best interest of the State. If the subrecipient fails to fulfill obligations under this award properly and on time, or otherwise violates any provisions of the subaward, the Office may terminate the award by written notice to the subrecipient. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished supplies and services provided by the subrecipient shall become Office property. The Office will pay all reasonable costs associated with this program that the subrecipient has incurred prior to the date of termination, and all reasonable costs associated with the termination of the subaward. When an award is terminated or partially terminated, the awarding agency or pass-through entity and the recipient or subrecipient remain responsible for compliance with the requirements in 2 C.F.R. § 200.343 (Closeout) and 2 C.F.R. § 200.344 (Post-closeout adjustments and continuing responsibilities).

32 Civil Rights Discrimination

The subrecipient affirms that it shall not discriminate in any manner against any employee, applicant for employment, or clients of services, because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, sexual orientation, pregnancy, physical or mental handicap, or limited English proficiency, so as reasonably to preclude the performance of such employment and/or services provided. The subrecipient also agrees to include a provision like that contained in the preceding sentence for any underlying sub-contract, except a sub-contract for standard commercial supplies or raw material. The subrecipient must have a non-discrimination poster, publicly displayed, acknowledging that the entity does not discriminate and provides an avenue for employees, program beneficiaries, and any relative vendors. Formal complaints may be submitted online at Maryland Commission on Civil Rights: https://mccr.maryland.gov/; (410)767-8600; U.S. Department of Justice, Office of Justice Programs, Office for Civil Rights :https://www.ojp.gov/program/civil-rights/filing-civil-rights-complaint; (202) 307-0690, United States Equal Employment Opportunity Commission: https://www.eeoc.gov/;(800) 669-4000. Additionally, a complaint may be reported utilizing the form located on our website at http://goccp.maryland.gov/grants/civil-rights-compliance/. Also see the General Conditions related to Civil Rights Federal Reporting Requirements and Applicable Statutorily-imposed Nondiscrimination Requirements.

33 Proof of Applicable Audit Regulations - On Site

All subrecipients must have proper documentation to present to the Office upon request, to prove compliance with the Audit Regulations that apply. Local and State governments must have proof that they had an annual audit and submitted said audit to the State Legislature in September of the year of their subaward. Non-Profit Organizations must follow guidance located on the Maryland Secretary of State's website under the Charitable Division, located here: https://sos.maryland.gov/Charity/Pages/Instructions.aspx.

34 Single Audit Requirement

If your entity spends $750,000 or more per fiscal year in federal funds, a Single Audit is required in accordance with 2 CFR §200.514. If the audit discloses findings on Office grants, provide a copy of the report so that we may issue a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by §200.521

35 ACORN

The subrecipient agrees and understands that it cannot use any grant funds, either directly or indirectly, in support of any contract or subaward to either the Association of Community Organizations for Reform Now (ACORN) or its subsidiaries.

36 Reporting Fraud, Waste and Abuse

The subrecipient must promptly report any credible evidence of fraud, waste, abuse and similar misconduct with grant funding.

37 OJP Financial Guide

In addition to the Office's General Conditions (Post Award Instructions) and Special Conditions, the subrecipient agrees to comply with the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) Financial Guide where applicable, and to abide by any other terms and conditions imposed by the Office. The financial guide may be accessed at the following web URL:
http://www.ojp.usdoj.gov/financialguide/PDFs/OCFO_2013Financial_Guide.pdf

38 Food and Conference Costs

On October 21, 2011 the U.S. Department of Justice, Office of Justice Programs, Office of the Assistant Attorney General issued a memorandum to all Office of Justice Programs Grantees and Contractors regarding enacted conference costs and reporting requirements. In order to follow the federal guidelines, the Office will not approve any food and/or beverage costs associated with meetings, training, conferences, and/or other events. All conference costs will be thoroughly examined for compliance with the federal requirements. This restriction does not impact direct payment of per diem amounts to individuals in a travel status under your organization's travel policy. The Office may consider exceptions to this General Condition for non-federal funded grants.

39 Applicable Statutorily-imposed Nondiscrimination Requirements

Subrecipients will comply (and will require any subrecipients or contractors to comply) with any applicable statutorily-imposed nondiscrimination requirements, which may include § Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d; Omnibus Crime Control and Safe Streets Act of 1968, as amended, 34 U.S.C. §§ 10228(c) & 10221(a); Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794; Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681; Title II of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12132; Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102; Juvenile Justice and Delinquency Prevention Act of 1974, as amended, 34 U.S.C. § 11182(b); Victims of Crime Act of 1984, as amended, 34 U.S.C. § 20110(e); Violence Against Women Act of 1994, as amended, 34 U.S.C. § 12291(b)(13); and Partnerships with Faith-Based and Other Neighborhood Organizations, (28 CFR Part 38).

40 DUNS and SAM.Gov Requirements

Throughout the entire period of the grant, the subrecipient must maintain a valid unique identifier (currently DUNS Number) and current registration with SAM.Gov. A DUNS number is a unique nine-digit sequence recognized as the universal standard for identifying and keeping track of entities receiving federal funds. It is provided by the commercial company Dun and Bradstreet. SAM is the repository for certain standard information about federal financial assistance applicants, recipients, and subrecipients.

Access to SAM.GOV: https://sam.gov/SAM/

41 Computer Equipment/Program/Network Procurement

No award funds may be used to maintain or establish a computer network unless such network prohibits the viewing, downloading, and exchanging of pornography, and nothing limits the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

Grant Award - General Conditions

Grant Award Number:	CCIF-2023-0001	**Sub-Recipient:**	Kent County Board of County Commissioners
Award Period:	07/01/2022 - 06/30/2023	**Implementing Agency:**	Kent County Local Management Board (LMB)
Project Title:	Kent County Community Partnership Agreement		

42 Hire within 45 days

All project personnel supported with grant funding must be hired within 45 calendar days of receipt of the grant award package. Any delays in hiring must be reported in writing within 30 calendar days of receipt of the grant award package. If project personnel are not hired within 45 calendar days, project personnel allocations may be de-obligated at the discretion of the Office.

43 No distracted Driving While Performing Program Duties

Subrecipients are to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this grant, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

44 Services to those with Limited English Proficiency

The subrecipients are obligated to provide services to Limited English Proficient (LEP) individuals. Refer to the DOJ's Guidance Document. This regulation may be accessed at: https://www.lep.gov/.

State Government Article, Subtitle 11- Equal Access to Public Services for Individuals with Limited English Proficiency, §§10-1101—10-1105, Annotated Code of Maryland.

45 Drug-Free Workplace Requirements

Subrecipients are subject to the applicable requirements regarding the state and federal drug free workplace requirements. The state's policy can be found here: State of Maryland Substance Abuse Policy -- https://dbm.maryland.gov/employees/Documents/Policies/SubstanceAbusePolicy.pdf. The Federal Government-wide Requirements for Drug-Free Workplace (Grants) is codified at 28 C.F.R. Part 83.

46 Office Name Change Effective 1.1.2020

Any reference to the Governor's Office of Crime Control and Prevention or GOCCP should now be referenced as the Governor's Office of Crime Prevention, Youth, and Victim Services (Office) per Executive Order 01.01.2020.01.

Regional Monitor: Drushel Williams, Christina
Fiscal Specialist: Smith, Shalatikka

Governor's Office of Crime Control and Prevention

Grant Award - Special Conditions

Grant Award Number:	CCIF-2023-0001	**Sub-Recipient:**	Kent County Board of County Commissioners
Award Period:	07/01/2022 - 06/30/2023	**Implementing Agency:**	Kent County Local Management Board (LMB)
Project Title:	Kent County Community Partnership Agreement		

1 General Conditions

This grant award is subject to the General Conditions (POST AWARD INSTRUCTIONS) found on the GOCPYVS website (http://www.goccp.maryland.gov/grants/general-conditions.php). The aforementioned General Conditions/Post Award Instructions are REQUIRED to be reviewed, should be printed for your reference and are subject to change without written notice.

In addition, the Tips and Guidance page is provided as a resource on the GOCPYVS website (http://goccp.maryland.gov/grants/tips-and-guidance/) to address frequently asked questions.

Initial: RHF

Governor's Office of Crime Control and Prevention

Regional Monitor: Drushel Williams, Christina

Fiscal Specialist: Smith, Shalatikka

Budget Notice

Grant Award Number:	CCIF-2023-0001
Sub-recipient:	Kent County Board of County Commissioners
Project Title:	Kent County Community Partnership Agreement
Implementing Agency:	Kent County Local Management Board (LMB)
Award Period:	**07/01/2022 - 06/30/2023** CFDA: State General Funds

Funding Summary			
	Grant Funds	73.4 %	**$543,666.00**
	Cash Match	26.6 %	**$196,902.00**
	In-Kind Match	0.0 %	**$0.00**
	Total Project Funds		**$740,568.00**

Personnel

Description of Position	Salary Type	Funding	Total Budget
CCIF Personnel	Salary	Grant Funds	$473,277.00
Non CCIF Personnel	Salary	Cash Match	$99,732.00

Personnel Total: $573,009.00

Operating Expenses

Description	Funding	Quantity	Unit Cost	Total Budget
CCIF Operating	Grant Funds	0	$0.00	$28,531.00
Non CCIF Operating	Cash Match	0	$0.00	$19,345.00

Operating Expenses Total: $47,876.00

Travel

Description	Funding	Quantity	Unit Cost	Total Budget
CCIF Travel	Grant Funds	0	$0.00	$3,575.00
Non CCIF Travel	Cash Match	0	$0.00	$4,300.00

Travel Total: $7,875.00

Contractual Services

Description	Funding	Quantity	Unit Cost	Total Budget
CCIF Contractual	Grant Funds	0	$0.00	$24,759.00
Non CCIF Contractual	Cash Match	0	$0.00	$42,699.00

Contractual Services Total: $67,458.00

Equipment

Description	Funding	Quantity	Unit Cost	Total Budget
	Grant Funds	0	$0.00	$2,100.00
Non CCIF Equipment	Cash Match	0	$0.00	$21,900.00

Equipment Total: $24,000.00

Regional Monitor: Drushel Williams, Christina
Fiscal Specialist: Smith, Shalatikka

Governor's Office of Crime Control and Prevention

Budget Notice

Grant Award Number:	CCIF-2023-0001
Sub-recipient:	Kent County Board of County Commissioners
Project Title:	Kent County Community Partnership Agreement
Implementing Agency:	Kent County Local Management Board (LMB)
Award Period:	**07/01/2022 - 06/30/2023**

CFDA: State General Funds

Funding Summary			
	Grant Funds	73.4 %	**$543,666.00**
	Cash Match	26.6 %	**$196,902.00**
	In-Kind Match	0.0 %	**$0.00**
	Total Project Funds		**$740,568.00**

Other

Description	Funding	Quantity	Unit Cost	Total Budget
CCIF Other	Grant Funds	0	$0.00	$11,424.00
Non CCIF Other	Cash Match	0	$0.00	$8,926.00

Other Total: $20,350.00

Approved:

Governor's Office of Crime Control and Prevention Authorized Representative

Effective Date: 1/12/2023

Governor's Office of Crime Control and Prevention

Programmatic Reporting

Control Number: 43057
Regional Monitor: Drushel Williams, Christina
Fiscal Specialist: Smith, Shalatikka
Submitted Date:

Grant Award Number:	CCIF-2023-0001
Sub-recipient:	Kent County Board of County Commissioners
Project Title:	Kent County Community Partnership Agreement
Implementing Agency:	Kent County Local Management Board (LMB)
Award Period:	**07/01/2022 - 06/30/2023** CFDA: State General Funds

The information collected on this form helps us measure the progress you are making in achieving your project's goals and objectives. It also helps us determine what, if any, technical assistance you may need in implementing your project.

Progress Report Questions (7)

1	Describe when the Board last participated in a community planning process, the timeline for future planning, and the steps that are being taken to prepare.
2	Describe how the Local Management Board utilizes organizational and policy assessment tools in assessing community needs, planning, and incorporating the Children's Cabinet overall themes of Adverse Childhood Experiences (ACEs), Trauma-Informed Practices (TIPs), and Racial and Ethnic Disparities (R/ED)
3	Describe how the Board evaluates planning/program implementation and ongoing effectiveness of the Children's Cabinet funded programs and strategies, including, but not limited to monitoring of vendors for evidence of effectiveness and contract compliance.
4	Describe how the Board engages participation of individuals with lived experience (youth, parents/caregivers, and community members) including, but not limited to Board membership; program/strategy planning, implementation, evaluation; and outreach.
5	Provide an example of cooperation and collaboration between LMB staff, Board members, vendors, and other partners affiliated with the Children's Cabinet funded programs and strategies during the reporting period.
6	Please list any successes and/or emerging practices developed through Children's Cabinet funded programs and strategies.
7	Describe barriers/challenges to implementing programs and strategies. Include corrective actions taken or planned to overcome described barriers (include timeline). Are there any obstacles or barriers that could prevent you from expending all grant funds? Please include any requests for technical assistance.

Signed: ______________________ **Date:** 1/31/2023

Project Director - Granillo, Rosemary *(Project Director is preferred, Fiscal Contact or Authorized Official if Project Director is unavailable)*

Printed Name: Rosemary Ramsey Granillo **Phone:** 410-810-2673

Muriel Cole, Commissioner Representative, Commission on Aging
1/31/2023
County Commissioners Meeting

Item Summary:
Certificate of Appreciation for Margie Baker

ATTACHMENTS:

Description

01.31.23 Certificate of Appreciation for Margie Baker

Certificate of Appreciation

This is to certify that

Margie Baker

is hereby recognized

for fifteen (15) years of service as a Member of the Commission on Aging and for a lifetime of active support and advocacy for the seniors of Kent County. Ms. Baker's many years of experience as a Kent County public school teacher and an active member of the local community has been a true asset to the work of the Commission on Aging. Such commitment and loyalty are admired and well respected by all those who have had the honor of serving as a member with her. We, the County Commissioners of Kent County, Maryland, thank you for your continued devotion, dedication, and public service to Kent County and the community.

THE COUNTY COMMISSIONERS OF KENT COUNTY, MARYLAND

Ronald H. Fithian, President   Albert H. Nickerson, Member   John F. Price, Member

January 31, 2023

Muriel Cole, Commissioner Representative, Commission on Aging
1/31/2023
County Commissioners Meeting

Item Summary:
Annual Report 2022

ATTACHMENTS:

Description

1.31.2023 Commission on Aging 2022 Annual Report Slides

1.31.2023 Commission on Aging Annual Report 2022 Draft

Commission on Aging Annual Report 2022

JAN. 31, 2023

2022 Members

- **Muriel Cole, Co-Chair (Chestertown) (Commissioners' Representative)**
- **Carolyn Sorge, Co-Chair (Betterton)**
- **Wayne Benjamin, Treasurer (Chestertown)**
- **Dal Holmes, Secretary (Chestertown, Heron Point)**
- **Margie R. Baker (Chestertown)**
- **Phil Cicconi (Rock Hall)**
- **Nancy Connolly (Kennedyville)**
- **Olythea B. Hunley (Still Pond)**
- **Samuel W. Johnston (Galena)**
- **Erlena Linthicum (Georgetown/Fairlee)**
- **Darlene Stout (Still Pond)**
- **Bill Trainor (Rock Hall)**

2022 Highlights

- Vulnerable Population Registry
- Curtailing Scams
- Property Tax Credit Assistance
- Briefing to Candidates for Co.Commissioner

2023 Foci

- **Advocacy for Strong Funding for Upper Shore Aging**
- **Social Isolation**
- **Promotion of Existing Services**
- **Long-term Care Residents Rights**

KENT COUNTY COMMISSION ON AGING
Chestertown, Maryland

ANNUAL REPORT
January- December 2022
♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦

COMMISSION MEMBERS

Muriel Cole, Co-Chair (Chestertown) (Commissioners' Representative)
Carolyn Sorge, Co-Chair (Betterton)
Wayne Benjamin (Chestertown), Treasurer
Margie R. Baker (Chestertown)
Phil Cicconi (Rock Hall)
Nancy Connolly (Kennedyville)
Dal Holmes (Heron Point, Chestertown)#
Olythea B. Hunley (Still Pond)
Samuel W. Johnston (Galena)
Erlena Linthicum (Chestertown)#
Mary Etta Reedy (Rock Hall)
Darlene Stout (Still Pond)#
Bill Trainor (Rock Hall)

#Appointed during 2022

Cover illustration by Deb Brown, The Finishing Touch, Chestertown

Background

The Kent County Commission on Aging, established in 1969, is made up of representatives having an interest in seniors' issues and in alleviating problems faced by older citizens in Kent County.

Meetings are held at 10:30 a.m. the third Friday of each month, nine times per year, at Upper Shore Aging, 100 Schauber Road, Chestertown. Meetings are open to the public.

The purposes of the Commission, as listed in the by-laws approved by the Kent County Commissioners on January 13, 2015, are:

1. To advocate for the senior citizens of Kent County, Maryland.
2. Provide information, guidance, advice, and recommendations to the County Commissioners of Kent County ("County Commissioners") pertaining to senior citizens.
3. Obtain, develop, and provide information concerning programs and services, available funds, and other resources at the local, state, and federal levels regarding the concerns and needs of senior citizens.
4. Plan, initiate, and implement projects or activities for the benefit of senior citizens as authorized by any applicable budget.
5. Support programs offered by organizations that provide services to help elderly persons to be independent and stay in their homes as long as possible.
6. Generally, to do all things necessary or proper to promote the interests, well-being, and quality of life for senior citizens in Kent County, Maryland.

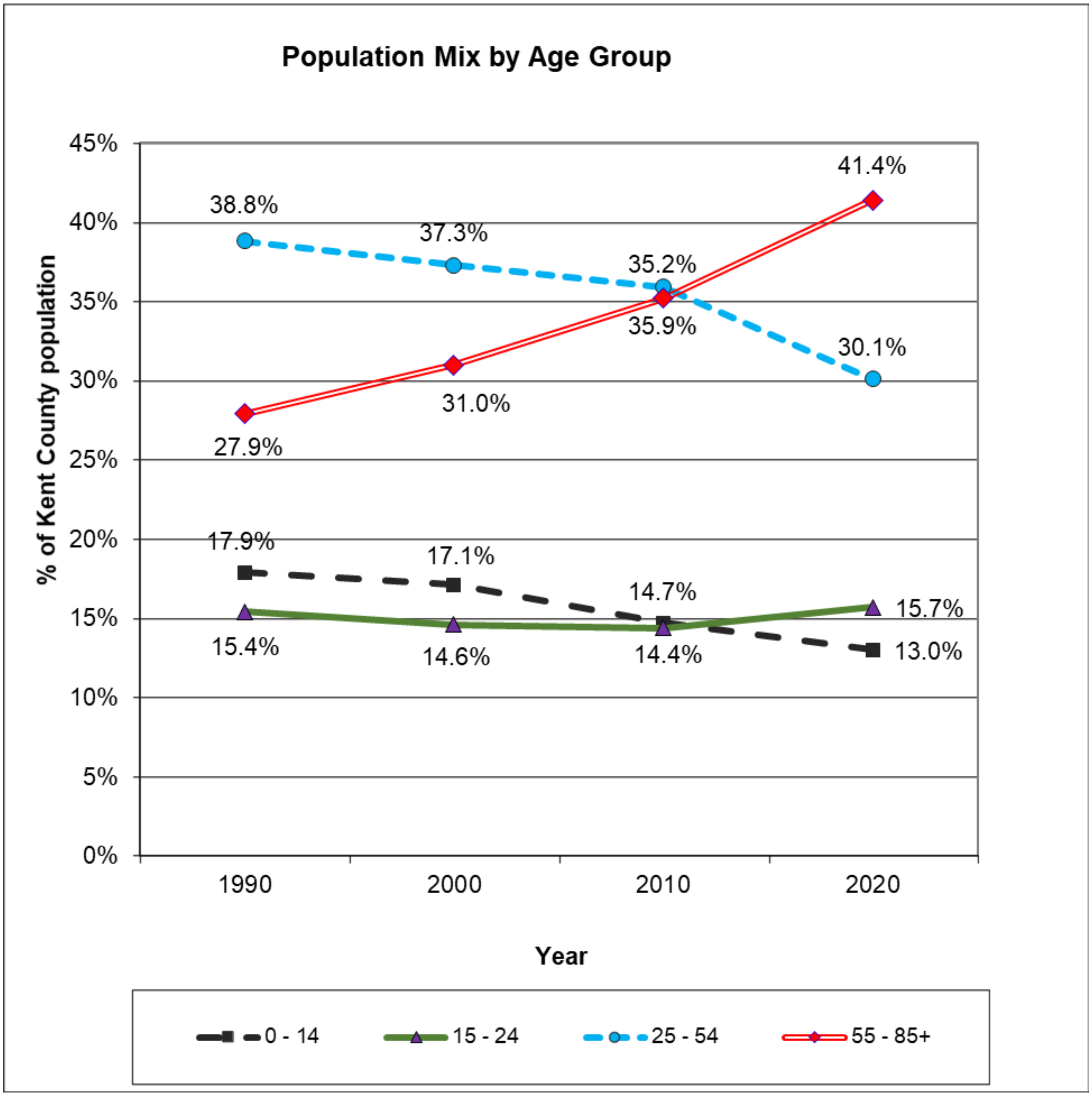
Demographics and Trends

The ratio of seniors to Kent County's overall population continues to increase, and officials can expect to see that trend intensified. Kent County is a beckoning destination for retirees for many reasons. Everyone acknowledges the need for a mix of residents of all ages, but we cannot deny the current situation and the consequent need to put a priority on senior services and programs. Note that the median age in Kent County has risen steadily, to surpass the Maryland median age which is 38.3. In Rock Hall it is 53.4.

	1990	2000	2010	2020
Kent County Population	17,842	19,197	20,906	19,422
% change		7.6%	8.9%	-7.1%
Households	6702	7,666	8,508	8,025
% change		14.4%	11.0%	-5.7%
Median age	36.6	41.2	45.1	45.9

(https://www.census.gov/quickfacts/fact/table/kentcountymaryland/AGE775219#AGE775219)

The 2020 U.S. Census results indicate that 27.1% of Kent County are 65 or older. On the Eastern Shore, only Talbot County comes close to the percentage of our older adults; 29.7% are 65 or older.



For every child in school here, there are 3.9 people over 65. The cohort of those 85 and over is the fastest growing segment.

Public services for seniors in Kent County are the joint responsibility of the Health Department, the Department of Social Services, and the Area Agency on Aging, which for Kent County (as well as Caroline and Talbot Counties) is Upper Shore Aging, Inc. None are funded adequately to meet the rising needs. All local seniors' programs continue to face challenges due to reduced budgets and increasing demands. Elderly persons are frequently physically unable to be advocates for their needs, which exacerbate these challenges. Cutbacks in resources occur, regardless of the cost-effectiveness of the cutbacks.

“We used to get sick and die. Now we get sick and live, get sick and live, get sick and live. The aging of the Eastern Shore is reaching truly crisis proportions,” Dr. Memo Diriker of Salisbury University warns.

As we become older, we are more likely to fall at home, become ill, and/or incur setbacks. Many on the Eastern Shore are especially isolated and live alone in our later years. Younger relatives are less and less available to help the elders.

Members

Members are appointed by the County Commissioners for a term of three years. Every effort is made to recruit individuals who reflect the racial, gender, and socio-economic mix in the County as well as representation from the various towns and villages.

Current members are leaders in a wide variety of local civic and church activities, setting examples for volunteer service. Among other roles, Margie Baker is a volunteer and former Board member with the Kent County Food Pantry and is active in local social justice work. Wayne Benjamin is the Immediate Past District Governor for the 22B of the Lions Club International which includes the nine counties of the eastern shore, He is also a Board member of the Animal Care Shelter for Kent County and a board Member of the Kent and Queen Anne County Guardianship Program. Phil Cicconi is currently the Vice President and co-founder of the Kent County Learning Center and formerly Vice-President of the Friends of Eastern Neck Wildlife Refuge. Muriel Cole is Past-President of HomePorts, Inc., and is a member of the Board of Directors of United Way Kent County. Dal Holmes is on the Board of Deacons at the Chestertown Presbyterian Church and is a former Board member of the Chester River Chorale. Lea Hunley is on the Advisory Board of the Department of Social Services and a liaison between the Board of HomePorts and the Chestertown Lions Club. Sam Johnston is past President of the Millington Lions Club and past member of the Millington Planning Commission. Erlena Linthicum is a volunteer at Asbury United Methodist Church and volunteer tutor at Rock Hall Elementary School. Carolyn Sorge serves on the Board of KART (Kent Association of Riding Therapy), and chairs the Betterton Community Development Corp. and the Betterton Heritage Museum. She is also a a Trustee for the Betterton United Methodist Church. Mary Etta Reedy is President and co-founder of the Kent County Learning Center, Treasurer of Wesley Chapel, Treasurer of Rock Hall Senior Citizens, secretary of the Rock Hall Garden Club, and a member of the Character Counts Steering Committee and Character Coach. Bill Trainor is on the Board of Directors at RiverArts and a tutor with the Rock Hall Learning Center.

Lauretta Freeman receiving a certificate from the Kent County Commissioners for 26 years of service on the Commission on Aging

FY21 Commission on Aging Funding

The Commission on Aging requests and receives a small annual budget allocation for administration. In FY22 the Commission requested from the Kent County Commissioners and received $3520, the same amount as in FY22. The majority of the budget is earmarked for reimbursement to members for expenses. The remainder is used for administrative expenses such as advertisements, publications, sponsorships, and facility and travel costs for events.

1- Lauretta Freeman receiving a certificate from the Kent County Commissioners for 26 years of service on the Commission on Aging

A 1978 County rule requires that members of all county commissions be reimbursed for expenses incurred. The county has interpreted this rule as a standard policy of paying members $25 per meeting attended, but in 2010 reduced the reimbursement to $25 per quarter. Co-chairs receive $30 per quarter. Although the County Commissioners proposed decreasing the number of meetings per year for the Commission on Aging to reduce costs, the Commission on Aging voted in 2010 to continue to meet nine times annually and members continue to accept one reimbursement per quarter regardless of expenses incurred.

SUMMARY OF 2022 ACTIVITIES

Coordination with Upper Shore Aging, Inc.

The Commission regularly learned about and commented on programs and services for Kent County seniors supported by Upper Shore Aging, Inc., which serves as the Area Agency on Aging for Kent, Caroline, and Talbot Counties.

Gary Gunther retired from the position of Executive Director of Upper Shore Aging and was replaced by Andy Hollis. Each gave monthly updates to the Commission on the FY22-23 Upper Shore Aging budgets, projected changes, and impacts. Funding is received from the federal, state, and local (Kent, Caroline, and Talbot) governments. Federal funds are distributed based on a population formula. Results of the 2020 U.S. Census will likely change the funding formulae, on which funding allocations are made to each county. Kent County receives the lowest in the State. Upper Shore Aging Inc requested a $50,000 increase to its FY23 allocation from Kent County, but only level funding ($179,082) was approved. Later in the year $50,000 more was provided. The Commission members were pleased that a priority is being given to filling vacant positions.

Members continue to be concerned that *the overall level of funding does not meet the rapidly increasing need for local senior services and programs* that support healthy and safe aging. This situation is exacerbated by the situation of multiple funding sources, with each depending on the others.

At each month's Commission meeting, Rosemarie Curlett, Director of the Center, reports on upcoming special events, trips, and classes offered at the center. The Commission encourages that this information be shared. Although many Maryland seniors centers remained closed into 2002 due to the pandemic, The Amy Lynn Ferris Center was open all year.

Meals-on-Wheels deliveries were made three times per week to over 65 households, as well as fresh fruits and vegetables in season and a "Grab n Go" meal through the Spring. A Farmers Market, bringing produce from two farms, was held bi-weekly during the summer, reinstituted after having been cancelled for two years due to the pandemic.

Advocacy for Local Hospital Services

A Commission member sits on the Community Advisory Committee for the Shore Regional Health Center in Chestertown. Now a designated "Maryland Rural Hospital" licensed for 25 inpatient and observation beds, the community rallied to maintain in-patient capability in the face of many hospital closures throughout the country. Locals emphasized the demographics showing an aging population and the need to provide for the special needs of seniors. In 2022 the hospital was designated as an "Age-Friendly Health System", and became an accredited "Geriatric Emergency Department". In spite of these efforts, the Commission on Aging remains concerned that medical services needed by residents of Kent County have diminished and there are no plans for replacing lost services.

State Legislative Oversight

The lobbying group United Seniors of Maryland has become inactive, but the Commission actively followed state budget proposals and decisions impacting Upper Shore Aging. Kent County does not fare well in state budget allocations for senior services.

Community Needs

> The greatness of a community is most accurately measured by the compassionate actions of its members.
> Coretta Scott King

Much discussion took place about the continued interest in in better meeting needs of seniors. Themes included the need for better promulgation of information such as services and aid that are available; increasing the existing supports; and the need for more social connection.

The Commission remained very concerned about social isolation among seniors, but as the pandemic continued, previous plans for organizing community social events for seniors were put on hold. Rock Hall is an example of a community that continues to organize social events regularly for homebound seniors, and the Commission has explored possibilities for replicating such opportunities in other Kent County communities.

Members wrote holiday cards to over 200 residents of the eight long-term care facilities in Kent County.

Property Tax Filing Assistance

The Kent County Commissioners' Office asked the Commission on Aging to help seniors apply for a Homeowner's Property Tax and Renter's Tax Credit, a state program for those with an annual income limit of $35,000. In December 2021 10 volunteers were trained by the State program manager of the Department of Assessments and Taxation. Beginning in February in-person appointments were set up in both Rock Hall and at Upper Shore Aging All media were used to publicize this assistance, including social media, radio, and newspapers.
Forms were made available and several applicants were helped in-person, but the majority did not have property tax bills that would make them eligible for the partial tax offset.

Scams

Mike Brison, Chestertown retail store manager, receiving a certificate from Kent County Commissioners for preventing a gift card scam

The Commission continued to be concerned with the prevalence of scams being perpetrated against seniors. A scam was thwarted by the manager of the Chestertown Dollar General, where a senior tried to purchase a large gift card, which had been the result of a scam phone call. The Commission arranged for the conscientious manager to be cited by the Kent County Commissioners for his actions. Members also researched new scamming modes and proposed instructing local businesses to be vigilant about gift card sales and to keep cards behind a counter.

Senior Housing Advocacy

Members followed closely the proposal to sell and convert the former Millington Elementary School building and property for conversion to senior housing and applauded the Kent County Commissioners for their agreement to transfer the property.

Volunteer Fair

The Commission helped organize and co-sponsor the second Kent County Volunteer Fair on Sep. 17. The Commission was a co-sponsor of the Kent County Volunteer Fair. A booklet listing Kent County volunteer opportunities was produced as well as an online listing, sponsored by MainStreet Chestertown in coordination with the Kent County Chamber of Commerce.

Kent County Retired Senior Volunteer Program (RSVP)

The Commission continued to endorse the RSVP Program which offers opportunities for volunteer work in various fields throughout the county. In 2022 over 30 local residents signed up for volunteer projects through RSVP.

Vulnerable Population Registry Program

Commission representatives met with the Kent County Sheriff's Office to plan a Vulnerable Population Registry Program. An effort was proposed and approved to create a 911 Center database which would better prepare first responders to deal with emergencies experienced by those who are most vulnerable to illness or injury. The data base would be populated in coordination with Shore Regional Health. Sign up is on a voluntary basis; information includes all emergency contact numbers, a photo, and physical description of each person registered.

Community Health Expo

The Commission assisted in organizing and was a Bronze Sponsor of the free annual Community Health and Wellness Expo held at Chestertown YMCA on October 20, organized by HomePorts, Inc., in partnership with the Kent County Health Department and Shore Regional Health. The event featured a variety of exhibits with valuable, up-to-date information for families as well as seniors. This year's Expo was the only such event in the area and highlighted over 50 community resources offering the latest health, wellness, and safety information. Flu shots and COVID vaccines were given by Chester River Pharmacy. Local vision specialists checked eye health.

State and Regional Coordination

In 2011 the Commission began a now annual tradition of an Eastern Shore regional luncheon meeting of Commissions on Aging in June, which has consistently resulted in a valuable exchange of information, strengthened networks, and new knowledge about priorities, concerns, and lessons learned. Due to the pandemic, the Commission decided not to pursue a get-together in 2022.

Programs

The Commission held nine meetings in 2022, all in person. Several special speakers were invited. In March, Tom Eager, President of the Board of HomePorts, Inc., spoke about the services of this locally-based aging-in-place organization. He noted the availability of financial aid, which waives the membership fee for those on a limited income and the extensive use of volunteers to provide transportation within Kent County.

In April, from the Kent County Sheriff's Department, Capt. Dennis Hickman spoke about various protections recommended for vulnerable adults; e.g., adequate lighting, security cameras and regularly locking the doors of homes and cars. He also described several of the scams currently being perpetrated against seniors, in particular romance and impostor schemes.

A decision was made to invite the six candidates for Kent County Commissioner to the October monthly meeting to share information with them so that they could become are better informed about local senior needs. At the meeting briefings were given which included statistics and demographic information. The candidates were shown graphs which indicate funding for seniors provided by counties to their area agency on aging. **Per senior resident, Kent spends $27.00, Caroline spends $32.37, Cecil spends $78.05, Queen Annes spends $200.33, and Talbot spends $41.67.** The portion of the annual Kent County budget that is allocated to Upper Shore Aging is 00.39%. The candidates were urged to lead a change: to increase funding for aging services in order to meet present needs.

PLANS FOR 2023

- The Commission will continue to educate, advocate, and organize for the best future possible for our seniors.

- The Commission will contact the 36th District State Senator and three Delegates to apprise them of the priority need for funding for Upper Shore Aging. With a budget surplus that exists in the Maryland State budget currently, it is imperative for Kent County to advocate for a more reasonable share. The present formula for distributing funds penalizes smaller counties.

- The Commission will continue to work with the Kent County Long-Term Care Ombudsman Program to support protecting the rights and promoting the well-being of residents in long-term care facilities.

- The Commission will continue its advocacy for better local transportation service.

  When community gatherings are again safe, the Commission will pursue the project to provide social opportunities for seniors in various communities, modeled on the successful monthly programs in Rock Hall.

- The Commission will work with Upper Shore Aging to expand outreach activities, possibly via churches, to inform seniors how to access services

- Recognizing more and more demands on the very limited resources, the Commission will continue to support the efforts of Upper Shore Aging in annual budget increases, grant funding, and fund-raising activities.

- The Commission will strongly encourage more local publicity about available senior services, via social media, newspapers, radio, community presentations, and marketing materials.

THE COUNTY KENT IN THE PROVINCE OF MARYLAND

Dr. Karen Couch, Superintendent, and Alleesa Stewart, Supervisor of Finance, Kent County Public Schools
1/31/2023
County Commissioners Meeting

Item Summary:
Kent County Public Schools Audited Financial Statements FY2022

ATTACHMENTS:

Description

Kent County Board of Education Audit Communication

Kent County Board of Education Financial Statements

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND

AUDIT COMMUNICATIONS

JUNE 30, 2022

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND

TABLE OF CONTENTS

COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

September 30, 2022

Board of Education of Kent County, Maryland
Rock Hall, Maryland

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of Kent County, Maryland for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 4, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Board of Education of Kent County, Maryland are described in Note 2 to the financial statements. Effective July 1, 2021, the Board adopted new accounting guidance from the Government Accounting Standard Board (GASB) Statement No. 87, *Leases*. Accordingly, as discussed in Note 14, the cumulative effect of the accounting change is reported as a restatement of beginning of the year net position. We noted no transactions entered into by the Board during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Board's financial statements were:

> Management's estimate of depreciation expense is based upon the estimated useful life of the assets. We evaluated the key factors and assumptions used to develop depreciation expense in determining that it is reasonable in relation to the financial statement taken as a whole.

Management's estimate of the net OPEB (other postemployment benefits) liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense which is recorded on the government-wide statements is based on an actuarial study performed by a third party. We evaluated the key factors and assumptions used to develop the accrual/expense in determining that it is reasonable in relationship to the financial statements taken as a whole.

Management's estimate of the net pension liability and related deferred outflows of resources, deferred inflows of resources, and pension expense which is recorded on the government-wide statements is based on an actuarial study performed by a third party. We evaluated the key factors and assumptions used to develop the accrual, deferred outflows/inflows, and expense in determining that it is reasonable in relationship to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of pensions in Note 7 to the financial statements describes the Board's pension plans, pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources related to pensions as well as the significant assumptions used in the actuarial valuation.

The disclosure of other post-employment benefits ("OPEB") in Note 9 to the financial statements describes the Board's defined benefit healthcare plan, net OPEB liability, OPEB expense, deferred outflows or resources, and deferred inflows of resources related to other post-employment benefits as well as the significant assumptions used in the actuarial valuation.

The disclosure in Note 14 to the financial statements which discusses the implementation of GASB Statement No. 87, *Leases*.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representation

We have requested certain representations from management that are included in the management representation letter dated September 30, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Board's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Auditing Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Board's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to the management's discussion and analysis, schedule of revenues, expenditures and encumbrances budget and actual – general fund, schedule of revenues, expenditures and encumbrances budget and actual – restricted grants fund, schedule of changes in the Board's net OPEB liability and related ratios, schedule of investment returns, schedule of the Board's proportionate share of the net pension liability, and the schedule of contributions; which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the additional supplementary information, which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board and management of the Board of Education of Kent County, Maryland and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

UHY LLP

UHY LLP

COMMENTS AND RECOMMENDATIONS

On the Horizon - Implementation of New Accounting Principles

Governmental Accounting Standards Board Statement No. 96, Subscription-Based Information Technology Arrangements

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements for this statement are effective for reporting periods beginning after June 15, 2022. As the use of cloud-based data management, storage and computing have grown, more organization are using subscription-based and time-bound information technology contracts. These contracts have traits similar to traditional leases. The objective of GASB Statement No. 96 is to improve financial reporting for subscription-based information technology arrangements (SBITA) by requiring recognition of certain assets and liabilities for subscription-based information technology arrangements. It defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding liability, provides for capitalization criteria for related outlays other than subscription payments, and requires additional note disclosures thereby enhancing the relevancy and consistency of information about governmental entity subscription-based information technology arrangements.

A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets (the underlying information technology assets) for a period of time in an exchange or exchange-like transaction.

The related SBITA liability will be reduced as payments are made and the SBITA asset will be amortized over the subscription term. The notes to the financial statements will need to include among other things a description of the arrangements, the amount of the SBITA assets recognized, and a schedule of future payments.

At the beginning of the period of implementation, subscription-based information technology arrangements should be recognized and measured using the facts and circumstances that exist at that time. Short-term arrangements with contracts of 12 months or less, including options to extend, are excluded.

BOARD OF EDUCATION
OF KENT COUNTY, MARYLAND

AUDITED FINANCIAL STATEMENTS

For the year ended June 30, 2022

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND

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INDEPENDENT AUDITORS' REPORT

Board of Education of Kent County, Maryland
Rock Hall, Maryland

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of Kent County, Maryland, component unit of Kent County, Maryland ("the Board"), 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of Kent County, Maryland, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Board of Education of Kent County, Maryland 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 14 to the financial statements, during the year ended June 30, 2022, the Board adopted new accounting guidance from the Government Accounting Standards Board (GASB) Statement No. 87, "Leases". 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.

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 of Education of Kent County, Maryland'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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 of Education of Kent County, Maryland's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Board of Education of Kent County, Maryland'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, schedule of revenues, expenditures and encumbrances budget and actual – general fund, schedule of changes in the Board's net OPEB liability and related ratios, schedule of investment returns, schedule of the Board's proportionate share of the net pension liability, and schedule of Board contributions – pensions, as listed in the table of contents, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Board of Education of Kent County, Maryland's basic financial statements. The accompanying schedule of revenues – general fund, combining balance sheet – nonmajor governmental funds, combining statement of revenues, expenditures, and changes in fund balances – nonmajor governmental funds, schedule of revenues and expenditures – food service fund, and statement of revenues, expenditures and fund balance – school activities fund, are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional supplementary information as referred to above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2022, on our consideration of The Board of Education of Kent County Maryland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 of Education of Kent County, Maryland's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Board of Education of Kent County, Maryland's internal control over financial reporting and compliance.

UHY LLP

Salisbury, Maryland
September 30, 2022

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education of Kent County, Maryland
Rock Hall, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of The Board of Education of Kent 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 of Education of Kent County, Maryland's basic financial statements, and have issued our report thereon dated September 30, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Board of Education of Kent County, Maryland's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of Kent County, Maryland's internal control. Accordingly, we do not express an opinion on the effectiveness of The Board of Education of Kent County, Maryland's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Board of Education of Kent County, Maryland's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

UHY LLP

Salisbury, Maryland
September 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A)
June 30, 2022

Our discussion and analysis of the Board of Education of Kent County's financial performance provides an overview of the Board's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the financial statements.

The goal of MD&A is for the Board's financial managers to present an objective and easily readable analysis of the Board's financial activities based on currently known facts, decisions, or conditions.

Financial Highlights

The General Fund unrestricted revenue budget was increased by $177,484, or 0.49%, during the year from the originally adopted budget. Amounts budgeted for unrestricted expense increased by $162,484. The final budget for restricted revenues and expense is based on grant award amounts to be received in future years.

The General Fund fund balance increased by $2,250,376 on a budgetary basis.

Excluding revenues and expenditures related to restricted federal and state grants, the General Fund budget revenues exceeded the actual revenues by $359,924; expenditures and encumbrances were $2,582,157, or approximately 8.8%, under the amended budget.

Details of the General Fund budget variances can be found on page 55 of the financial statements.

Basic Financial Statements

Management Discussion & Analysis

Government-wide Financial Statements ↔Fund Financial Statements
Notes to the Financial Statements
Required Supplemental Information

The illustration above represents the minimum requirements for the Board's external financial statements.

Government-wide Financial Statements

The government-wide perspective is designed to provide readers with a complete financial view of the entity known as The Board of Education of Kent County. The financial presentation of this perspective is similar to a private sector business.

The *statement of net position* presents information on all of the assets and liabilities of the Board with the difference between the two reported as *net position.* The *statement of activities* presents information showing how the Board's net position changed during the most recent fiscal year.

These statements measure the change in total economic resources during the period utilizing the accrual basis of accounting. This means any change in net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (like earned but unused employee leave), or for which cash has already been expended (depreciation of buildings and equipment already purchased).

The government-wide perspective is unrelated to budget and, accordingly, budget comparisons are not provided.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Board of Education of Kent County uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The Board's funds are presented in two categories, governmental funds and fiduciary funds. The Board of Education of Kent County does not operate any enterprise activities that are reported as proprietary funds.

The measurement focus of these statements is current financial resources; therefore the emphasis is placed on the cash flows of the organization within the reporting period or in the near future. Accordingly, the modified accrual basis of accounting that measures these cash flows is used. In the case of The Board of Education of Kent County, open encumbrances are excluded from expenditures. Additionally, the State of Maryland's contribution to the teachers' retirement system are added to revenue and expenditures.

Budgetary presentation of individual fund financial information utilizing the current financial resources measurement focus and the budgetary basis of accounting is presented as part of the Required Supplementary Information. In this presentation, available cash flows of the Board itself are measured, as well as the commitment to acquire goods or services with that cash. Open encumbrances at year-end are included in the expenditures.

This is the legal basis upon which the budget is adopted, so budget comparisons are provided. Governmental Accounting Standards (GASB) requires that we present the original adopted budget as well as the final budget, and discuss the changes between them.

	Government-wide Statements	**Fund Statements**	**Budgetary Fund Statements**
Measurement Focus	Economic Resources	Current Financial Resources	Current Financial Resources
Basis of Accounting	Accrual	Modified Accrual	Cash and Commitments
Budget	No	No	Yes

The table above presents the differences in the presentation of the basic financial statements.

Fiduciary Responsibility – Trust and Custodial Funds

Retiree Health Plan Trust

The Board is the trustee, or fiduciary, for its retiree health plan trust. We exclude the activity from Kent County Public Schools' other financial statements because the assets cannot be used to finance the Board's activities. We are responsible for ensuring the assets reported in this fund are used for their intended purposes.

The Board of Education of Kent County as a Whole

Table 1

	June 30, 2022	June 30, 2021	$ Change	% Change
Current and other assets	$ 8,821,013	$ 7,353,299	$ 1,467,714	19.96%
Capital assets	21,755,059	23,395,124	(1,640,065)	-7.01%
Total Assets	30,576,072	30,748,423	(172,351)	-0.56%
Deferred outflows of resources	8,549,609	6,907,713	1,641,896	23.77%
Current and other liabilities	3,876,888	4,011,626	(134,738)	-3.36%
Long-term liabilities	33,634,386	33,827,535	(193,149)	-0.57%
Total Liabilities	37,511,274	37,839,161	(327,887)	-0.87%
Deferred inflows of resources	4,597,790	1,534,598	3,063,192	199.61%
Net position:				
Invested in capital assets	21,060,725	21,934,433	(873,708)	-3.98%
Restricted	410,644	16,261	394,383	2425.33%
Unrestricted	(24,454,752)	(23,668,317)	(786,435)	3.32%
Total Net Position	$ (2,983,383)	$ (1,717,623)	$ (1,265,760)	73.69%

- The amounts at June 30, 2021 have been adjusted for the GASB Statement No. 87 implementation.

During the fiscal year ended June 30, 2022, the Board's net position decreased by $1,265,760. The decrease is primarily attributable to increased expenses related to instruction and special education as well as increased expenses in support services of which approximately $1.8 million is related to Other Post-Employment Benefits (OPEB). See Note 9 for additional details related to OPEB.

Capital assets are insured with the Maryland Association of Boards of Education Group Insurance Pool. The capital assets are managed using Sungard Pentamation Fixed Asset software. Inventory is updated annually.

The unrestricted net deficit at June 30, 2022 is $24,454,752. The Board has the cash flow available to meet all current obligations.

Table 2

	June 30, 2022	June 30, 2021	$ Change	% Change
Revenues				
Program Revenues				
Charges for services	$ 237,925	$ 158,778	$ 79,147	49.85%
Operating grants and contributions	10,060,981	6,772,783	3,288,198	48.55%
Capital grants and contributions	972,235	4,695,229	(3,722,994)	-79.29%
General Revenues				
Kent County	18,559,629	18,559,623	6	0.00%
State of Maryland	9,233,923	9,380,621	(146,698)	-1.56%
Federal sources	-	34,610	(34,610)	-100.00%
Other	238,267	203,035	35,232	17.35%
Total Revenues	39,302,960	39,804,679	(501,719)	-1.26%
Expenses				
Instruction and special education	19,967,321	18,270,181	1,697,140	9.29%
Administration	1,305,781	1,182,070	123,711	10.47%
Support services	17,675,203	16,172,085	1,503,118	9.29%
Depreciation - unallocated	1,620,415	1,491,651	128,764	8.63%
Total Expenses	40,568,720	37,115,987	3,452,733	9.30%
Change in Net Position	(1,265,760)	2,688,692	(3,954,452)	-147.08%
Net Position Beginning	(1,717,623)	(4,406,315)	2,688,692	-61.02%
Net Position End of Year	$ (2,983,383)	$ (1,717,623)	$ (1,265,760)	73.69%

- The amounts at June 30, 2021 have been adjusted for the GASB Statement No. 87 implementation.

Fund Performance

Funds are self-balancing sets of accounts used by the Board to control and manage money for particular purposes. As pointed out earlier, fund information is presented in two ways to satisfy two specific purposes.

General Fund

The total unrestricted budget was expended at 91.23% excluding restricted expenditures related to restricted federal and state grants. The variances in the end of year unexpended funds versus budgeted amounts are detailed by category on page 55 of the financial statements. Expenditure changes between major categories occurred to accommodate school system priorities during the fiscal year.

The Board and the County entered into a solar agreement which began in July 2012. The project is located on the school system's Worton campus and currently contains five properties. The waterfall consists of Worton Elementary School, Kent County Community Center, Kent County Parks & Recreation, Transmitter Building, and Kent County High School. The school system then entered into another solar arrangement with the Town of Rock Hall in January 2013. The Board of Education and Rock Hall Elementary School are both participants in this venture. The school system has recognized savings from this project.

A schedule of changes between the original and final budgets for the year ended June 30, 2022 is presented below.

	Original Budget	Final Budget	Total Change
Revenues			
Local	$ 18,559,629	$ 18,559,629	$ -
State of Maryland	9,352,034	9,496,424	(144,390)
Federal	71,000	71,000	-
Other sources	264,991	298,085	(33,094)
Restricted federal, state and other	7,195,638	7,195,638	-
Prior year's fund balance	1,049,356	1,049,356	-
Total Revenues	$ 36,492,648	$ 36,670,132	$ (177,484)
Expenditures and Encumbrances			
Administration	$ 1,264,877	$ 1,264,877	$ -
Mid-level administration	1,898,757	1,898,757	-
Instructional salaries	9,848,962	9,848,962	-
Instructional texts and supplies	199,154	199,154	-
Instructional other costs	725,992	725,992	-
Special education	3,230,956	3,375,346	(144,390)
Student personnel services	511,168	511,168	-
Student health services	428,340	428,340	-
Student transportation	1,833,241	1,833,241	-
Operation of plant	1,746,866	1,996,866	(250,000)
Maintenance of plant	655,405	700,405	(45,000)
Fixed charges	6,880,158	6,585,158	295,000
Capital outlay	59,991	78,085	(18,094)
Restricted programs	7,195,638	7,195,638	-
Total Expenditures and Encumbrances	$ 36,479,505	$ 36,641,989	$ (162,484)

It is critical for the reader to understand that local and state revenues account for nearly all of the general fund revenue. Both are stable and highly predictable. Additional revenues are neither stable nor predictable, and usually are not budgeted in full in the original budget, but handled as adjustments during the year.

Food Service

The Board's food service program is a special revenue fund. Increased staff costs and related expenses, along with the need to replace kitchen equipment, are ongoing trends of concern. In fiscal year 2022, revenues exceeded expenditures by $383,142, resulting in an increase in the program's fund balance. Revenues exceeded expenditures due to additional funding related to the COVID-19 pandemic.

The use of technology in inventory control and basic operations has resulted in tremendous improvements in managing the program. The school system uses a number of best practices in its food service operations and uses certain performance measures to monitor the efficiency of its operations. The system takes advantage of available USDA commodities and maximizes its participation in the National School Meal Program.

The school system has a secure web-based software program that gives parents the convenience to pay for school meals and other activities online by using MySchoolBucks. This software integrates and updates to our current Meal Tracker program eTrition. This allows parents to track their child's meal balance online. This program enabled the school system to collect online parent payments; improving collections and reducing loss of cash. Plans are ongoing to improve the service to parents and improve system efficiency.

Other

School districts in Maryland are in the uncommon position, as they are fully fiscally dependent on the state and county governments, of owning assets but not the debt associated with those facilities. Accordingly, the Board carries no bond rating and does not have a debt policy.

Capital Assets and Debt Administration

Capital assets – By the end of fiscal year 2022, the Board had invested $66.7 million in a broad range of capital assets, including land, school buildings, athletic facilities, vehicles, and furniture and equipment. Total depreciation expense for the year was approximately $1.7 million. More detailed information about capital assets can be found in Note 5 to the financial statements.

Long-term liabilities – At year end, the Board had $33,945,858 in long term liabilities of which $311,472 is due in the next fiscal year. This amount consists of the following:

- $31,645,251 in net OPEB obligation
- $1,080,481 in net pension liability
- $694,334 in financed purchases
- $525,792 in intangible right-to-use leases

Factors Bearing on the Board's Future

The most significant factors influencing the Board's future are declining student enrollment trends and its impact on future funding.

The use of fund balance, a one-time funding source, to balance the Board's operating budget creates a long-term sustainability concern. Continuing to use fund balance in this manner presents a future burden for the Board to generate a similar level of funding in subsequent years.

Additional factors that present challenges for the operating budget are that surrounding school systems consistently provide their employees with annual step increases in conjunction with a cost of living adjustment (COLA), underscoring the importance of boosting salaries to remain competitive. Other factors include increases in fixed costs, health care premiums, fuel and utilities that are beyond the Board's control.

The Maryland Commission on Innovation and Excellence in Education, known as the Kirwan Commission, was tasked with updating the State's school financing formula. Based on Commission recommendations, Senate Bill 1030 established The Blueprint for Maryland's Future as current State education policy. The effects on the use of education funding continue to change as the law is being interpreted and implemented.

Funding other post-retirement benefits (OPEB) in accordance with GASB 75 remains a concern. GASB 75 is an accounting standard for all governmental agencies which addresses post-employment benefits, other than pensions, such as health care. Under GASB 75 the District must recognize the present cost and liability of future health care that has been earned by current and retired employees. There is no requirement to fund this obligation, however, it does become a liability against the Board's assets as reported in the Government-wide Statement of Net Position. Currently, health care expenses for retirees and active employees are expensed when paid. This practice is expected to continue especially with the economic conditions our funding entities face at this time. Whether or not this liability is funded in the future may affect our budget, and the bond rating of county and state governments.

During FY 2015 the Board implemented provisions of GASB 68, Accounting and Financial Reporting for Pensions. GASB 68 requires the Board to report their proportionate share of the Maryland State Retirement and Pension System's net pension liability. The Board's proportionate share is calculated by the System's actuary and is reported as a liability on the Board's Government-wide Statement of Net Position. Currently, pension costs for retirees and active employees are expensed when paid.

Contacting the Board of Education of Kent County's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, and students with a general overview of the Board's finances and to demonstrate its accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact the Finance Office, (410) 778-7123, at The Board of Education of Kent County, Maryland.

FINANCIAL STATEMENTS

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities
ASSETS	
Cash and investments	$ 6,063,282
Accounts receivable:	
Federal funds from State of Maryland	1,367,857
State of Maryland	856,915
Local	191,605
Other	215,152
Inventories, at cost	32,875
Prepaid expenses	93,327
Non depreciable capital assets	5,040,957
Depreciable capital assets, net	16,714,102
TOTAL ASSETS	30,576,072
DEFERRED OUTFLOWS OF RESOURCES	
Pensions (see Note 7)	379,976
Other post-employment benefits (see Note 9)	8,169,633
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,549,609
LIABILITIES	
Accounts payable:	
Vendors	393,075
Accrued payroll	2,110,522
Accrued payroll deductions and withholdings	71,916
Other accrued expenses	5,398
Accrued leave	29,320
Unearned revenue	955,185
Long-term liabilities:	
Due within one year	311,472
Due in more than one year	33,634,386
TOTAL LIABILITIES	37,511,274
DEFERRED INFLOWS OF RESOURCES	
Pensions (see Note 7)	1,734,996
Other post-employment benefits (see Note 9)	2,862,794
TOTAL DEFERRED INFLOWS OF RESOURCES	4,597,790
NET POSITION	
Net investment in capital assets	21,060,725
Restricted for:	
Smith Estate	3,155
Food service	407,489
Unrestricted	(24,454,752)
TOTAL NET POSITION	$ (2,983,383)

See Independent Auditors' Report and Notes to Financial Statements.

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

		Program Revenues			Net (Expenses) Revenues and changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Current:					
Administration	$ 1,305,781	$ -	$ 219,957	$ -	$ (1,085,824)
Mid-level administration	2,006,155	-	227,169	-	(1,778,986)
Instructional salaries and wages	10,965,882	21,921	1,613,955	-	(9,330,006)
Textbooks and instructional supplies	917,555	-	708,261	-	(209,294)
Other instructional costs	1,898,533	-	1,323,526	-	(575,007)
Special education	4,179,196	-	1,169,745	-	(3,009,451)
Pupil personnel services	468,503	-	-	-	(468,503)
Health services	580,851	-	187,696	-	(393,155)
Pupil transportation	1,947,236	-	119,395	-	(1,827,841)
Operation of plant	1,838,173	-	44,379	-	(1,793,794)
Maintenance of plant	698,395	11,475	-	-	(686,920)
Fixed charges	7,576,102	-	683,791	-	(6,892,311)
Community services	194,670	-	194,670	-	-
Capital outlay	973,594	-	-	972,235	(1,359)
Food service	1,356,756	57,037	1,682,861	-	383,142
School activity expenditures	155,347	147,492	-	-	(7,855)
Unallocated depreciation	1,620,415	-	-	-	(1,620,415)
On-behalf Kent County contributions	175,567	-	175,567	-	-
On-behalf State Retirement contributions	1,710,009	-	1,710,009	-	-
Total Governmental Activities	$40,568,720	$ 237,925	$10,060,981	$ 972,235	(29,297,579)

General Revenues	
Kent County Appropriations	18,559,629
State of Maryland - unrestricted	9,233,923
Investment earnings	7
Miscellaneous	238,260
Total General Revenues	28,031,819
Change in Net Position	(1,265,760)
Net Position Beginning of Year, as restated (see Note 13)	(1,717,623)
Net Position End of Year	$ (2,983,383)

See Independent Auditors' Report and Notes to Financial Statements.

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	MAJOR FUNDS			
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 5,815,218	$ -	$ 248,064	$ 6,063,282
Accounts receivable:				
Federal funds from State of Maryland	1,367,857	-	-	1,367,857
State of Maryland	242,170	-	614,745	856,915
Other Board of Education funds	452,120	-	49	452,169
Local	-	191,605	-	191,605
Other	213,377	1,775	-	215,152
Inventories, at cost	-	-	32,875	32,875
Prepaid expenses	93,327	-	-	93,327
TOTAL ASSETS	$ 8,184,069	$ 193,380	$ 895,733	$ 9,273,182
LIABILITIES AND FUND BALANCES				
Accounts payable:				
Vendors	$ 383,907	$ -	$ 9,168	$ 393,075
Other Board of Education funds	-	193,380	258,789	452,169
Accrued payroll	2,091,218	-	19,304	2,110,522
Accrued payroll deductions and withholdings	71,916	-	-	71,916
Accrued leave	29,320	-	-	29,320
Other accrued expenses	5,398	-	-	5,398
Unearned revenue - Federal	860,042	-	-	860,042
Unearned revenue - State	68,776	-	-	68,776
Unearned revenue - USDA commodities	-	-	28	28
Unearned revenue - other	26,339	-	-	26,339
TOTAL LIABILITIES	3,536,916	193,380	287,289	4,017,585
COMMITMENTS AND CONTINGENCIES				
FUND BALANCES				
Nonspendable	93,327	-	32,875	126,202
Restricted	-	-	410,644	410,644
Committed	2,324,447	-	-	2,324,447
Assigned	72,330	-	164,925	237,255
Unassigned	2,157,049	-	-	2,157,049
TOTAL FUND BALANCES	4,647,153	-	608,444	5,255,597
TOTAL LIABILITIES AND FUND BALANCES	$ 8,184,069	$ 193,380	$ 895,733	$ 9,273,182

Total Governmental Funds Balances		$ 5,255,597
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 in the funds		21,755,059
Deferred outflows of resources not reported in the fund financial statements		
Pension (see Note 7)	379,976	
Other post-employment benefits (see Note 9)	8,169,633	
		8,549,609
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds		
Financed purchases	(694,334)	
Long-term leases	(525,792)	
Net pension liability	(1,080,481)	
Post-employment benefits	(31,645,251)	
		(33,945,858)
Deferred inflows of resources not reported in the fund financial statements		
Pension (see Note 7)	(1,734,996)	
Other post-employment benefits (see Note 9)	(2,862,794)	
		(4,597,790)
Net Position of Governmental Activities		$ (2,983,383)

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	MAJOR FUNDS			
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
County Appropriation	$18,559,629	$ 722,235	$ -	$ 19,281,864
State of Maryland	9,233,923	-	75,736	9,309,659
Federal sources	-	-	1,590,210	1,590,210
Restricted Federal revenues	5,238,179	-	-	5,238,179
Restricted State and other revenues	1,271,280	250,000	-	1,521,280
On-behalf Kent County contributions	175,567	-	-	175,567
On-behalf State Retirement contributions	1,710,009	-	-	1,710,009
Other sources:				
Sales of food	-	-	57,037	57,037
School activity revenues	-	-	147,492	147,492
Other	271,662	-	1	271,663
TOTAL REVENUES	36,460,249	972,235	1,870,476	39,302,960
EXPENDITURES				
Current:				
Administration	1,305,781	-	-	1,305,781
Mid-level administration	2,006,155	-	-	2,006,155
Instructional salaries and wages	10,965,882	-	-	10,965,882
Instructional textbooks and supplies	917,555	-	-	917,555
Other instructional costs	1,898,533	-	-	1,898,533
Special education	4,179,196	-	-	4,179,196
Student personnel services	468,503	-	-	468,503
Student health services	580,851	-	-	580,851
Student transportation	1,952,534	-	-	1,952,534
Operation of plant	2,066,751	-	-	2,066,751
Maintenance of plant	698,395	-	-	698,395
Fixed charges	6,086,070	-	-	6,086,070
Community services	194,670	-	-	194,670
Capital outlay	49,281	972,235	-	1,021,516
Food services	16,915	-	1,339,841	1,356,756
School activity expenditures	-	-	155,347	155,347
On-behalf Kent County contributions	175,567	-	-	175,567
On-behalf State Retirement contributions	1,710,009	-	-	1,710,009
TOTAL EXPENDITURES	35,272,648	972,235	1,495,188	37,740,071
EXCESS OF REVENUES OVER EXPENDITURES	1,187,601	-	375,288	1,562,889
OTHER FINANCING SOURCES				
Proceeds from long-term leases	60,883	-	-	60,883
TOTAL OTHER FINANCING SOURCES	60,883	-	-	60,883
Net change in fund balances	1,248,484	-	375,288	1,623,772
Fund balances, beginning as restated (see Note 13)	3,398,669	-	233,156	3,631,825
Fund balances, ending	$ 4,647,153	$ -	$ 608,444	$ 5,255,597

Net change in fund balances-total Governmental Funds		$ 1,623,772
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Fixed asset additions	108,805	
Current year depreciation	(1,748,870)	
Total		(1,640,065)
Proceeds from long-term leases are revenues in the governmental funds but increases in liabilities in the statement of net position.		(60,883)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Increase in pension expense due to deferred financing outflow		(17,118)
Decrease in pension expense due to net pension liability		1,934,213
Increase in pension expense due to deferred financing inflows		(1,559,103)
Decrease in post-employment benefits expense due to deferred financing outflow		1,687,042
Increase in post-employment benefits expense due to net OPEB liability		(2,002,949)
Increase in post-employment benefits expense due to deferred financing inflow		(1,532,117)
Repayment of financed purchases and long-term leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Financed purchases	133,753	
Long-term leases	167,695	
Total		301,448
Change in net position of Governmental Activities		$ (1,265,760)

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2022

	Retiree Benefit Trust Fund
ASSETS	
Investments	$ 1,255,083
TOTAL ASSETS	$ 1,255,083
NET POSITION	
Held in trust for other post-employment benefits	$ 1,255,083

See Independent Auditors' Report and Notes to Financial Statements.

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
RETIREE BENEFIT TRUST FUND
Year Ended June 30, 2022

	Retiree Benefit Trust Fund
ADDITIONS	
Contributions	$ -
TOTAL ADDITIONS	-
DEDUCTIONS	
Investment loss	199,535
Administrative expenses	616
TOTAL DEDUCTIONS	200,151
Change in net position	(200,151)
Net position held in trust for other post-employment benefits beginning of year	1,455,234
Net position held in trust for other post-employment benefits end of year	$ 1,255,083

Note 1. Description of the Board of Education of Kent County, Maryland

The Board of Education of Kent County (the "Board") is empowered by Title 13A of the Code of Maryland Regulations to fulfill the elementary and secondary educational needs of students in Kent County, Maryland (the "County").

Financial Reporting Entity

The Board is the basic level of government which has financial accountability and control over all activities related to public school education in Kent County, Maryland. The Board receives funding from local, State and Federal government sources and must comply with the requirements of these funding source entities.

The Board is a component unit of Kent County, Maryland and is included in the County's reporting entity. This conclusion has been reached based on the following criteria: 1) the County is responsible for approving the Board's budget and establishing spending limitations and 2) the Board cannot issue bonded debt, but the County can and does issue bonds to finance school system operations. In addition, there are no component units which are included in the Board's reporting entity.

Note 2. Summary of Significant Accounting Policies

The financial statements of the Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The most significant of the Board's accounting policies are described below.

A. Basis of Presentation

The Board's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the Board. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities. The activities of the General Fund (Current Expense Fund), Special Revenue Fund (Food Service Fund), Capital Projects Fund (School Construction Fund), and permanent fund (Smith Estate Fund) have been presented as governmental activities in the government-wide financial statements. There were no business-type activities. Internal activity between funds is eliminated from the statements.

The statement of net position presents the financial condition of the governmental activities of the Board at year-end, excluding fiduciary funds. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Board's governmental activities. Direct expenses are those that are specifically associated with a service,

Note 2. Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (continued)

program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from general revenues of the Board.

FUND FINANCIAL STATEMENTS

During the year, the Board segregates transactions related to certain Board functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Board at a more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column and non-major governmental funds are reported combined in a separate column in the fund financial statements.

B. Fund Accounting

The Board uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary (the Board has no proprietary funds).

GOVERNMENTAL FUND TYPES

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's major and non-major governmental funds:

Major funds:

General Fund (Current Expense Fund) - The General Fund is the general operating fund of the Board. All general revenues and other receipts that are not allocated by law or contractual agreement to another fund and general operating expenditures are accounted for in this fund.

Capital Projects Fund (School Construction Fund) – School Construction Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Board administers the construction and repair of public schools and uses the School Construction Fund to record the revenues from the County and other governmental units and the expenditures in connection therewith.

Note 2. Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (continued)

Non-major funds:

Special Revenue Fund (Food Service Fund) – Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Food Service Fund is used to account for and report all activities of the Board's nonprofit food service operation.

Smith Estate Fund – The Smith Estate fund is a permanent fund resulting from a bequest of funds that provides for payment of library expenses to the extent of investment income.

Special Revenue Fund (School Activity Fund) – The School Activity Fund is used to account for revenues and expenditures at the schools for, among other things, student insurance and pictures, athletics, clubs and other student activities, and principals' miscellaneous expenses.

FIDUCIARY FUND TYPES

Retiree Benefit Trust Fund – This fund consists of contributions of the Board to establish a reserve to pay for health and welfare benefits of future retirees. Contributions to the trust qualify as contributions and are reported using the economic resource measurement focus and the accrual basis of accounting under which expenses are recorded when the liability is incurred. Fiduciary funds are not reported in the government-wide financial statements.

C. Measurement Focus

Government-wide financial statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the Board are included on the statement of net position.

Fund financial statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for government funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Note 2. Summary of Significant Accounting Policies (Continued)

D. Basis of Accounting (continued)

Revenues-Exchange and Non-exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Non-exchange transactions, in which the Board receives value without directly giving equal value in return, include primarily grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursable basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: interest, tuition, grants, fees and rentals.

Unearned revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants received before the eligibility requirements are met are also recorded as unearned revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unearned revenue.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

The fair value of donated commodities used during the year is reported as an expenditure with a like amount reported as donated commodities revenue. Unused donated commodities are reported as unearned revenue.

E. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The budget is prepared on the budgetary basis of accounting. The budget establishes a limit on the amounts that the Board may appropriate and sets annual limits as to the amount of expenditures at a level of control selected by the Board. The legal level of control has been established by the Board at the category level within each fund.

Note 2. Summary of Significant Accounting Policies (Continued)

E. Budgetary Data (continued)

The budget may be amended during the year if projected increases or decreases in revenue are identified. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original budget was adopted. The amounts reported in the final budgeted amounts reflect amendments approved by the County government during the year between categories and those approved by the Board within categories. Unexpended appropriations lapse at the end of each fiscal year.

The expenditures under state and federal restricted programs may exceed budgeted amounts. The grants included in this category are not part of budget categories subject to the spending limitations of the operating budget. Expenditures under these programs are limited to the amounts of the respective grants.

Annual budgetary comparisons to actual expenditures are not presented in the financial statements for the capital projects fund. School construction is budgeted on a project basis with funds primarily provided by Kent County and State of Maryland. State funds are approved by the State’s interagency committee.

F. Inventory

On government-wide financial statements and the fund financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventory consists of expendable food and supplies held for consumption. Food received from the USDA is included at values stated by the USDA and is offset by a deferred credit until consumed.

G. Capital Assets

General capital assets are those assets not specifically related to activities reported in proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical costs) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The Board maintains a capitalization threshold of $5,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add value to the asset or materially extend an asset’s life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Property, plant and equipment is depreciated using the straight-line method over estimated useful lives of 20 to 50 years for buildings and land improvements and 5-20 years for equipment.

Assets that have been acquired with funds received through federal grants must be used in accordance with the terms of the grant. Federal regulations require, in some cases, that the Board must reimburse the federal government for any assets which the Board retains for its own use after the termination of the grant unless otherwise provided by the grantor.

Note 2. Summary of Significant Accounting Policies (Continued)

H. Compensated Absences

As of June 30, 2022, the value of accumulated unused sick leave has not been determined. It is not practical to estimate the portion of such values which will ultimately be paid because payment is contingent upon employees' future illnesses or retirement. The Board expects its commitment to provide sick leave to be met during the normal course of activities over the working lives of the present employees.

Any accumulated unused sick leave at retirement will ultimately be taken into consideration and paid through retirement benefits by the State of Maryland.

Twelve-month employees earn annual leave at varying rates dependent upon position and length of service. Annual leave generally must be taken by June 30 each year. For support staff, up to 15 days may be transferred to the next fiscal year. For administrative staff, up to three days may be transferred to the first week of July, and they can contribute 10 unused days to their 403(b) plans at the end of the fiscal year.

At June 30, 2022, a total of $29,320 in unused annual leave is available, which has been recorded as accrued leave payable in the Statement of Net Position.

Expenditures in the Statement of Revenues and Expenditures for such items are the amounts accrued during the year that normally would be liquidated with expendable available financial resources. All accrued compensated absences are recorded in the government-wide financial statements.

I. Unearned Revenues

Unearned revenues consist of federal and state grants, USDA commodities and other refundable advances that have not been expended as of June 30, 2022 and consist of the following:

Restricted federal, state and other grant programs	$	928,818
USDA commodities		28
Other unearned revenue		26,339
Total	$	955,185

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government–wide statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

Note 2. Summary of Significant Accounting Policies (Continued)

K. Net Position

In the government-wide financial statements, net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by grantors, creditors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

L. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that period. The Board has two items that qualify for reporting in this category. The Board recognizes a deferred outflow of resources related to its pension liability (Note 7) and OPEB liability (Note 9) for changes in assumptions, the difference between actual and expected experience, the net difference between projected and actual investment earnings on plan investments, and contributions subsequent to the measurement date. These amounts are deferred and recognized as an outflow from resources in the period that the amounts become available.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two items that qualify for reporting in this category. The Board recognizes a deferred inflow of resources related to its pension liability (Note 7) and OPEB liability (Note 9) for changes in assumptions, the difference between actual and expected experience, the net difference between projected and actual investment earnings on plan investments, and change in the proportion and share of contributions. These items are deferred and recognized as an inflow from resources in the period that the amounts become available.

The deferred outflows and inflows of resources represent reconciling items between the governmental fund financial statements and the government-wide financial statements.

Note 2. Summary of Significant Accounting Policies (Continued)

M. Fund Balance

Fund balances are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable (i.e. inventory or long term receivables), restricted (by external parties or legislation), committed (by resolution of the Board of Education), assigned (by management approval for specific purposes) and unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Board. Assigned fund balances is a limitation imposed by a designee of the Board. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

N. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

O. Cash and Cash Equivalents

The Board considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

P. Interfund Receivables and Payables and Transfers

Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds. Transfers are fund balance amounts reserved and/or designated in the prior year that received County approval to be spent on capital projects.

Q. Encumbrance Accounting

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Encumbrances are reported as assigned fund balance in the governmental fund financial statements. General fund unrestricted encumbrances outstanding at June 30, 2022 that were provided for in the current year's budget for the budgetary basis of accounting but will be accounted for under generally accepted accounting principles in the subsequent year totaled $72,330.

R. On-behalf Payments

The Board recognizes as revenue and expenditures amounts expended on its behalf during the fiscal year for amounts paid by third parties. During fiscal year 2022, the Board recognized $1,710,009 for amounts expended on its behalf by the State of Maryland for retirement contributions and $175,567 for amounts expended on its behalf by Kent County for school resource officers, information technology services, and ground maintenance.

S. New Accounting Policies

The Board adopted Government Accounting Standards Board's Statement No. 87, *Leases*, at July 1, 2021. This statement's objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases. The Statement increases the usefulness of the financial statements by requiring the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases.

Note 3. Cash and Investments

At June 30, 2022, the reported amount of the Board's deposits was $6,063,282 and the bank balance was $6,347,873. As required by law, each depository is to pledge securities at least equal to the amount on deposit at all times in addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC). These collateralization requirements are established to reduce custodial risk which is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. As of June 30, 2022, the bank deposits were fully insured or collateralized.

The Board's exposure to investment rate and credit risk is minimal as all investments are in cash and are thus precluded from having to sell below original cost. Custodial credit risk is mitigated by attempting to have all investments fully collateralized by securities.

Investment in External Investment Pool

The Board has funds designated for Other Postemployment Benefits (OPEB) that are held by the Maryland Association of the Boards of Education (MABE) in the MABE Pooled OPEB Investment Trust (MABE Trust). The MABE Trust is administered by MABE, and is a wholly-owned instrumentality of its members. The ten members who are the sole contributors to the MABE Trust are the Allegany Fiduciary Fund and the boards of education of the following counties in Maryland: Allegany, Caroline, Cecil, Charles, Harford, Kent, Prince George's, St. Mary's and Washington.

The investments of the MABE Trust are stated at fair value and are deposited with Fidelity at June 30, 2022. Investments consist of money market funds, U.S. government and agency fixed income and asset backed securities, equity securities, mutual funds and exchange traded funds, and corporate bonds and corporate asset backed securities. The MABE Trust categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 are significant unobservable inputs. All investments of the MABE Trust are considered Level 1 or Level 2, the Board's membership investment in the MABE Trust are considered Level 2. For investments in mutual funds, there are no unfunded commitments and investments are able to be fully redeemed on a daily basis. At June 30, 2022, the pooled position of the MABE Trust was $537,118,808 in total, of which the Board's allocated investment balance was $1,255,083. The Board may terminate its membership interest in the MABE Trust and withdraw its allocated investment balance by providing written notice six months prior to the intended date of withdraw.

The MABE Trust is audited annually by an independent CPA firm and issues a publicly available audited report. The report may be obtained by sending a request to the Administrator of the MABE Pooled OPEB Investment Trust, 621 Ridgely Avenue, Suite 300, Annapolis, Maryland 21401-1112 or by calling (410) 841-5414.

Note 4. Interfund Receivables and Payables

	Due From Other Funds	Due To Other Funds
General Fund	$ 452,120	$ -
School Construction Fund	-	193,380
Food Services Fund	-	258,789
Smith Estate	49	-
	$ 452,169	$ 452,169

Due to/from other funds represent advances of cash for operating needs. There were no transfers during the year.

Note 5. Capital Assets

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

	Balance June 30, 2021	Additions	Deductions	Transfers	Balance June 30, 2022
Governmental Activities					
Capital Assets, not being depreciated					
Construction in progress	$ 6,972,968	$ -	$ -	$ (2,054,036)	$ 4,918,932
Land	122,025	-	-	-	122,025
Total capital assets, not being depreciated	7,094,993	-	-	(2,054,036)	5,040,957
Capital assets, being depreciated					
Land improvements	726,079	-	-	-	726,079
Buildings, furniture, fixtures and equipment	56,243,081	47,922	-	2,054,036	58,345,039
Vehicles	1,769,634	-	-	-	1,769,634
Total capital assets, being depreciated	58,738,794	47,922	-	2,054,036	60,840,752
Less accumulated depreciation:					
Land improvements	(429,473)	(37,579)	-	-	(467,052)
Buildings, furniture, fixtures and equipment	(42,039,853)	(1,407,647)	-	-	(43,447,500)
Vehicles	(593,863)	(128,455)	-	-	(722,318)
Total accumulated depreciation	(43,063,189)	(1,573,681)	-	-	(44,636,870)
Total capital assets, being depreciated, net	15,675,605	(1,525,759)	-	2,054,036	16,203,882
Intangible right-to-use assets:					
Leased equipment	745,196	60,883	-	-	806,079
Less accumulated amortization	(120,670)	(175,189)	-	-	(295,859)
Total intangible right-to-use assets, net	624,526	(114,306)	-	-	510,220
Governmental activities capital assets, net	$ 23,395,124	$ (1,640,065)	$ -	$ -	$ 21,755,059

Note 5. Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

Pupil transportation	$	128,455
Unallocated		1,620,415
Total depreciation expense	$	1,748,870

Note 6. Long-Term Liabilities

A summary of long-term liabilities for the year ended June 30, 2022 is as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due within one year
Financed purchases	$ 828,087	$ -	$ 133,753	$ 694,334	$ 136,973
Intangible right-to-use leases	632,604	60,883	167,695	525,792	174,499
Net pension liability (Note 7)	3,014,694	-	1,934,213	1,080,481	-
Net OPEB liability (Note 9)	29,642,302	2,002,949	-	31,645,251	-
	$ 34,117,687	$ 2,063,832	$ 2,235,661	$ 33,945,858	$ 311,472

Long-term liabilities are normally paid from the General Fund.

Note 7. Pension Plans

Plan Description

The State Retirement Agency is the administrator of the Maryland State Retirement and Pension System (the 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. The System is comprised of the Teachers' Retirement and Pension Systems, Employees' Retirement and Pension Systems, State Police Retirement System, Judges' Retirement System, and the Law Enforcement Officers' Pension System. Responsibility for the System's administration and operation is vested in a 15 member Board of Trustees. The State Retirement Agency issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Retirement and Pension System of Maryland, 120 E. Baltimore Street, Suite 1660, Baltimore, Maryland 21202-1600 or on-line at www.sra.maryland.gov.

The System's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. For purposes of measuring net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Note 7. Pension Plans (Continued)

Generally, all regular employees of the Board participate in the Employees' Retirement and Pension Systems (Employee's Systems). Teachers employed by the Board generally participate in the Teachers' Retirement and Pensions Systems (Teachers' Systems). Both the Employees' Systems and the Teachers' Systems (collectively the Systems) are cost sharing multiple-employer defined benefit pension plans.

Teachers' and Employees' Retirement Systems and the Teachers' and Employees' Pension Systems

General Plan Policies

The Teachers' Retirement System of the State of Maryland was established on August 1, 1927 and is administered in accordance with the State Personnel and Pensions Article of the Annotated Code of Maryland for the purpose of providing retirement allowances and other benefits to teachers in the State. In addition, on January 1, 1980, the Teachers' Pension System of the State of Maryland was established. In this regard, teachers hired on or after January 1, 1980 become members of the Teachers' Pension System, unless they elect to join an optional retirement program. Until December 31, 2004, existing members of the Teachers' Retirement System had the option of remaining in the Teachers' Retirement System or transferring to the Teachers' Pension System.

On October 1, 1941, the Employees' Retirement System was established to provide retirement allowances and other benefits to State employees, elected and appointed officials and the employees of participating governmental units. Effective January 1, 1980, the Employees' Retirement System was essentially closed to new members and the Employees' Pension system was established. Until December 31, 2004, existing members of the Employees' Retirement System had the option of remaining in the Employees' Retirement System or transferring to the Employees' Pension System.

Significant Plan Benefits and Policies

The following is a general description of the significant plan benefits and related contribution requirements for the Teachers' and Employees' Retirement Systems and the Teachers' and Employees' Pension Systems:

Teachers' and Employees' Retirement Systems

Retirement Benefits:

A member may retire with full benefits after attaining the age of 60, or after completing 30 years of creditable service regardless of age. The annual retirement allowance is equal to 1/55 of a member's average final compensation (i.e. average of the member's three highest years of annual earnable compensation) multiplied by the number of years and months of accumulated creditable service. A member may retire with reduced benefits after completing 25 years of creditable service regardless of age. Retirement allowances are adjusted each year based on the Consumer Price Index. Cost-of-living adjustments (COLAs) are applied to all allowances payable for the year, however, the method by which the COLA is computed depends upon elections made by members and is tied to member contributions.

Note 7. Pension Plans (Continued)

Teachers' and Employees' Retirement Systems (continued)

Vested Allowance:

A member terminating employment before attaining retirement age but after completing 5 years of creditable service becomes eligible for a vested retirement allowance, provided the member lives to the age of 60 and does not withdraw his or her accumulated contributions. Members terminating employment before attaining retirement age and before completing 5 years of creditable service are refunded their accumulated contributions plus earned interest.

Employee Contributions:

Members of the Teachers' and Employees' Retirement System are required to contribute to the systems a fixed percentage of their regular salaries and wages (e.g. 7% or 5%, depending on the COLA option selected). The contributions are deducted from each member's salary and wage payment and are remitted to the systems on a regular, periodic basis.

Teachers' and Employees' Pension Systems

Pension Benefits:

A member may retire with full benefits after completing 30 years of eligibility service regardless of age, or at age 62 or older with specified years of eligibility service. On retirement from service, a member shall receive an annual service pension allowance. The annual pension allowance is equal to 1.2% of average compensation for the three highest consecutive years as an employee for years of creditable service accrued prior to July 1, 1998 and 1.8% of average compensation for the three highest consecutive years as an employee for years of creditable service accrued on or after July 1, 1998. Members are eligible for early service pension allowances upon attaining age 55 with at least 15 years of eligibility service.

Vested Allowance:

A member terminating employment before attaining retirement age, but after completing 5 years of eligibility service, becomes eligible for a vested pension allowance provided the member lives to age 62. Members terminating employment before attaining retirement age and before completing 5 years of eligibility service are refunded their accumulated contributions plus earned interest.

Employee Contributions:

Effective July 1, 2011, members of the Teachers' and Employees' Pension Systems are required to contribute to the systems 7% of their regular salaries and wages up to the social security wage base in the year ending June 30, 2022. The contributions are deducted from each member's salary and wage payments and are remitted to the systems on a regular, periodic basis.

For members enrolled on and after July 1, 2011, the employee contribution is 7%; vesting requires ten years of eligible service; service retirement is at age 65 with ten years of eligibility service or based on the Rule of 90 (age and service must equal 90); early service retirement is age 60 with 15 years of eligibility service; average final compensation is a five year average; and the benefit multiplier per year is 1.5%.

Note 7. Pension Plans (Continued)

Teachers' and Employees' Retirement Systems and the Teachers' and Employees' Pension Systems

Employer Contributions:

For the year ended June 30, 2022 the Board's total payroll for all employees was $20,445,360. Total covered payroll was $16,785,809. Covered payroll refers to all compensation paid by the Board to active employees covered by either the Teachers' Systems or Employees' Systems.

During fiscal year 2022, the State of Maryland contributed $1,710,009 to the Systems on behalf of the Board. The Board has recognized the State on-behalf payments as both a revenue and expense in the General Fund.

Teachers' Retirement and Pension Systems:

In accordance with Maryland Senate Bill 1301, *Budget Reconciliation and Financing Act of 2012*, the Board is required to pay the State 100% of the normal cost portion of the total pension cost for teachers. The normal cost is the portion of the total retirement benefit cost that is allocated to the current year of the employee's service. As contractually required, during fiscal year 2022, the Board contributed $653,999 to the Teachers' Retirement and Pension System.

Employees' Retirement and Pension Systems:

During fiscal year 2022, the Board contributed $170,840 to the Employees' Retirement and Pension System.

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

Because the State of Maryland pays the unfunded liability for the Teachers' Systems and the Board pays the normal cost for the Teachers' Systems, the Board is not required to record its' share of the unfunded pension liability for the Teachers' Systems, the State of Maryland is required to record that liability. The Board is required to record a liability for the Employees' Systems.

At June 30, 2022, the Board reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Board. 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:

	2022
Board's proportionate share of the net pension liability (Employees' Systems)	$ 1,080,481
State's proportionate share of the net pension liability (Teachers' Systems)	11,384,403
Total	$ 12,464,884

Note 7. Pension Plans (Continued)

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. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. As of June 30, 2021 the Board's proportion of the net pension liability was .007%, which was substantially the same as its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the Board recognized pension expense of $466,917 in the government-wide financial statements. $824,839 was recognized in the fund financial statements. At June 30, 2022, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ 209,136	$ 23,158
Net difference between projected and actual investment pension plan investments	-	493,435
Differences between expected and actual experience	-	82,813
Change in proportion and share of contributions		1,135,590
Board contributions subsequent to measurement date	170,840	-
Total	$ 379,976	$ 1,734,996

The $170,840 of deferred outflows of resources resulting from the Board's contributions to the Employees' Systems subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. The deferred inflows and outflows related to non-investment activity are being amortized over the remaining service life of 5.50 to 5.78 years, the fiscal year 2021 amortization period is 5.52 years. The net difference in investment earnings are being amortized over a closed five year period. These amounts will be recognized in pension expense as follows as of June 30, 2022:

Year Ending June 30,	Amortization of Pension Expens
2023	$ (360,958)
2024	(344,307)
2025	(343,485)
2026	(365,103)
2027	(112,007)
	$ (1,525,860)

Note 7. Pension Plans (Continued)

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:

Actuarial	Entry age normal
Amortization method	Level percentage of payroll, closed
Inflation	2.25% general, 2.75% wage
Salary increases	projected range from 0.00% to 8.50% per year
Discount rate	6.80%
Investment rate of return	6.80%
Mortality	Various versions of the Pub-2010 Mortality Tables for males and females with projected generaational mortality improvements based on the MP-2018 fully generational mortality Improvements scale for males and females

Investments
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-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the Board of Trustees 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	37%	4.70%
Private Equity	13%	6.50%
Rate Sensitive	19%	-0.40%
Credit Opportunity	9%	2.60%
Real Asssets	14%	4.20%
Absolute Return	8%	2.00%
Total	100%	

Note 7. Pension Plans (Continued)

Discount rate
A single discount rate of 6.80% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 6.80%. 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 plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Boards Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the System's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	Discount Rate	Board's Net Pension Liability
1% decrease	5.80%	$ 1,840,211
Current discount rate	6.80%	$ 1,080,481
1% increase	7.80%	$ 450,290

Note 8. 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; injuries to employees; and natural disasters. In 1986, the Maryland Association of Boards of Education Group Insurance Pool (the "Pool") was formed when several Maryland boards of education joined together to pool their casualty risks. Property insurance coverage was added in 1988 and workers compensation in fiscal year 2000. The Board pays an annual premium to the Pool each year which is calculated by an actuary. It is intended that the Pool be self-sustaining through member premiums. Reinsurance is carried through commercial companies for claims which exceed coverage limits as specified in the agreement. Should the Pool encounter deficits in its casualty and/or property funds, such deficits may be made up from assessments of the participating boards on a pro rata basis.

The Board continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. The Board purchases health insurance from a provider through a modified retrospective rating arrangement agreement. Settled claims have not exceeded insurance coverage for each of the past three fiscal years.

Note 8. Risk Management (Continued)

The Board is a member of the Eastern Shore of Maryland Educational Consortium (ESMEC) Health Alliance Trust, a public entity risk pool operating as a common risk management and insurance program for health insurance coverage. It is intended that ESMEC be self-sustaining through member premiums. Callable deficits, which are paid to ESMEC to cover potential shortfalls, are 8% of total premiums. Currently, ESMEC keeps on hand 12% as a recommended conservative reserve. As of December 31, 2021, the Boards' funds held by ESMEC exceeded the recommended conservative reserve by $642,133. All funds held by ESMEC are restricted to being used only for health care expenses.

Note 9. Post-Employment Health Care Benefits

Plan Description

The Board of Education of Kent County, Maryland administers a single-employer defined benefit healthcare plan, The Kent County Public Schools Retiree Health Plan ("the Plan"), that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees, their spouses and other dependents. The Plan does not issue a publicly available report.

Plan Administration

A trust account was established and the Board became a member of the Maryland Association of Boards of Education Pooled OPEB Investment Trust (MABE Trust). It is a member owned trust that provides the Board and nine other members a structure to pool assets to reduce investment costs and share administrative expenses. The Board reserves the right to establish and amend the provisions of its relationship with the MABE Trust with respect to participants, and benefits provided thereunder, or its participation therein, in whole or in part at any time, by resolution of the governing body and upon advance notice to the Trustees of the MABE Trust.

The MABE Trust was established to pool assets of its members for investment purposes only. Each member of the MABE Trust is required to designate a member trustee. The member trustees of the MABE Trust shall ensure that the MABE Trust keep such records as are necessary in order to maintain a separation of the assets of the MABE Trust from the assets of trusts maintained by other government employers. Assets of the member trusts are reported in the respective financial statements using the economic resources measurement focus and the accrual basis of accounting under which expenses are recorded when the liability is incurred. Employer contributions are recorded in the accounting period in which they are earned and become measureable. Investments are reported at fair value and are based on published prices and quotations from major investment brokers at current exchange rates, if available. The MABE Trust prohibits any part of the trust to be used for or diverted to purposes other than providing benefits to participants and beneficiaries under the Plan. The MABE Trust provides that in no event will the assets of the trust be transferred to an entity that is not a state, a political subdivision, or an entity the income of which is excluded from taxation under Section 115of the IRS Code.

The MABE Trust issues a publicly available audited GAAP-basis report that includes the financial statements and required supplementary information for the MABE Trust. This report may be obtained by writing to the Trust Administrator, Maryland Association of Boards of Education, 621 Ridgely Avenue, Suite 300, Annapolis, Maryland 21401 or by calling (410) 841-5414.

Note 9. Post-Employment Health Care Benefits (Continued)

Plan Membership

At January 1, 2020 (valuation date), the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	191
Inactive plan members or beneficiaries entitled but not yet receiving benefits	-
Active plan members	247
	438

Benefits Provided

The Plan provides medical, prescription drug, dental, and vision benefits to eligible retirees, their spouses and eligible dependents. Any employee who retires with an unreduced service retirement benefit from the Maryland Retirement System can purchase health insurance from the County. The Board provides a subsidy for employees with at least five years of service with Kent County Public Schools. The Plan provides for the payment of a portion or all of the health insurance premiums for eligible retired employees depending on their position with Kent County Public Schools and length of service. The Board of Education has the authority to establish and amend benefit provisions of the Plan. Plan members receiving benefits contribute a percentage of the monthly insurance premium. The Kent County Public Schools Retiree Health Plan pays 45% of the individual premium for each insured retiree who was a teacher, 55% for administrative and support services employees with under 30 years of service, and 100% for administrative and support services employees with 30 or more years of service. Spouses and other dependents are eligible for coverage, but the employee is responsible for the entire cost of such coverage if they retired on or after January 1, 1998. If they retired prior to January 1, 1998 the Board pays 45% of the premiums.

Participants must meet the eligibility requirements of the Maryland State Teachers'/Employees' pension system (EPS). For members hired before July 1, 2011, the earliest retirement eligibility is age 55 with 15 years of service, age 62 with 5 years of service, age 63 with 4 years of service, age 64 with 3 years of service, age 65 with 2 years of service, or 30 years of service regardless of age. For members hired after July 1, 2011, the earliest eligibility is age 60 with 15 years of service, age 65 with 10 years of service, or age plus service is at least 90 (Rule of 90).

Contributions

The employer's contributions are financed on a pay-as-you-go basis, and the future payment of these benefits is contingent upon annual approval of the operating budget.

Note 9. Post-Employment Health Care Benefits (Continued)

Investment Policy

The MABE Trust's policy in regard to the allocation of invested assets is established and may be amended by the Trustees by a majority vote of its members. It is the policy of the Trust to pursue an investment strategy that emphasizes growth of principal while avoiding excess risk. Short-term volatility will be tolerated inasmuch as it is consistent with volatility of a comparable market index. The MABE Trust's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2022:

Asset Class	Target Allocation
Equity	54.77%
Fixed income	38.93%
Cash	6.30%
Total	100.00%

Rate of Return

Best estimates of real rates of return for each major asset class included in the target asset allocations as of June 30, 2022, are summarized in the following table:

Asset Class	Long-Term Expectec Real Rate of Returr
Equity	4.72%
Fixed income	1.60%
Cash	-0.02%

For the year ended June 30, 2021, the total rate of return, net of investment expense, was 23.55%. The total rate of return represents a hypothetical return on capital balance invested in the Trust during the entire year. Actual return rates may vary due to the timing of capital contributions and redemptions.

Net OPEB Liability

The Board's net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021. The methods, assumptions, and participant data used are detailed in the fiscal year 2021 valuation report dated September 2, 2021. The discount rate was 2.45% as of June 30, 2020 and 1.92% as of June 30, 2021.

Actuarial Assumptions

Projections of benefits for financial reporting are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and Plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and Plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and actuarial value of significant valuation methods and assumptions are as follows:

Note 9. Post-Employment Health Care Benefits (Continued)

Valuation date	January 1, 2021
Measurement date - GASB 75	June 30, 2021
Actuarial cost method - GASB 75	Entry age normal
Asset valuation method	Market value of assets
Actuarial Assumptions:	
Discount rate - June 30, 2020	2.45%
Discount rate - June 30, 2021	1.92%
Payroll growth	3.00%
Inflation rate	2.50%
Rate of growth in real income	1.50%
Medical trend	Based on Society of Actuaries Long-Run Medical Cost Trend Model baseline assumptions. The model was released in October 2010 and updated in September 2019. The 2020 rate is 4.70% decreasing gradually to 4.00% in 2075.
Mortality	The mortality rates were calculated using the Pub-2010 Teacher Employees, Teacher Retirees and Disabled Teacher Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2019 Mortality Improvement Scale.

Discount Rate

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is selected from a range of 20-Year Municipal Bond Indices and include the Bond Buyer 20-Bond GO Index, the S&P Municipal Bond 20-Year High Grade Rate Index and the Fidelity 20-Year GO Municipal Bond Index. The final equivalent single discount rate used for this year's valuation is 1.92% as of June 30, 2021. The rate has been adjusted from 2.45% as of June 30, 2020.

Change in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2020	$ 30,820,127	$ 1,177,825	$ 29,642,302
Changes for the Year			
Service Cost	1,133,075	-	1,133,075
Interest	745,291	-	745,291
Changes of Benefit Terms	-	-	-
Experience Losses/Gains	(1,956,360)	-	(1,956,360)
Trust Contributions - Employer	-	733,079	(733,079)
Net Investment Income	-	284,054	(284,054)
Changes in Assumptions	3,091,431	-	3,091,431
Benefit Payments (net of retiree contribution	(733,079)	(733,079)	-
Administrative Expense	-	(6,645)	6,645
Net Changes	2,280,358	277,409	2,002,949
Balance as of June 30, 2021	$ 33,100,485	$ 1,455,234	$ 31,645,251

Plan fiduciary net position as a percentage of the total OPEB liability at June 30, 2020 is approximately 4.40%.

Note 9. Post-Employment Health Care Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Board using the discount rate of 2.45%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	Discount Rate	Net OPEB Liability
1% decrease	0.92%	$ 38,872,587
Current discount rate	1.92%	$ 31,645,251
1% increase	2.92%	$ 26,151,550

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the net OPEB liability of the Board, as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1% point lower or 1% point higher than the current rate:

	Healthcare Cost Trend Rate	Net OPEB Liability
1% decrease	3.00%	$ 25,450,905
Current healthcare cost trend rate	4.00%	$ 31,645,251
1% increase	5.00%	$ 40,078,666

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2022, the Board will recognize OPEB expense in the amount of $2,581,103 on the government-wide statements. At June 30, 2022, the Board reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ 5,500,738	$ 1,016,128
Net difference between projected and actual investment	-	134,851
Differences between expected and actual experience	2,668,895	1,711,815
Board's contributions subsequent to measurement date	-	-
Total	$ 8,169,633	$ 2,862,794

Note 9. Post-Employment Health Care Benefits (Continued)

Amounts reported as differences between projected and actual earnings on OPEB plan investments will be amortized and expensed over a closed five-year period. Amounts reported as differences between expected and actual experience will be amortized and expensed over a period equal to the average remaining service lives of all employees that are provided with other post-employment benefits through the plan. Amounts reported as changes in assumptions will be amortized and expensed over a period equal to the average remaining service lives of all employees that are provided with other post-employment benefits through the plan. Amortization expense related to net deferred inflows and outflows of resources over the next five years is expected to be as follows:

Year Ending June 30,	Amortization
2023	$ 786,226
2024	786,999
2025	787,314
2026	1,090,485
2027	1,140,193
Thereafter	715,622
	$ 5,306,839

GASB 74 Information

Plan Membership

At January 1, 2021 (valuation date), the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	191
Inactive plan members or beneficiaries entitled but not yet receiving be	-
Active plan members	247
	438

Contributions

The employer's contributions are financed on a pay-as-you-go basis, and the future payment of these benefits is contingent upon annual approval of the operating budget.

Rate of Return

For the year ended June 30, 2022, the total rate of return, net of investment expense, was -13.29%. The total rate of return represents a hypothetical return on capital balance invested in the Trust during the entire year. Actual return rates may vary due to the timing of capital contributions and redemptions.

Note 9. Post-Employment Health Care Benefits (Continued)

GASB 74 Information (continued)

Actuarial Assumptions

The total OPEB liability is based on January 1, 2021 valuation data rolled forward to June 30, 2022. The methods, assumptions and participant data used are detailed below:

Valuation date	January 1, 2021
Measurement date - GASB 74	June 30, 2022
Actuarial cost method - GASB 74	Entry age normal
Asset valuation method	Market value of assets
Actuarial Assumptions:	
Discount rate - June 30, 2021	1.92%
Discount rate - June 30, 2022	3.69%
Payroll growth	3.00%
Inflation rate	2.50%
Rate of growth in real income	1.50%
Medical trend	Based on Society of Actuaries Long-Run Medical Cost Trend Model baseline assumptions. The model was released in October 2010 and updated in September 2019. The 2020 rate is 4.70% decreasing gradually to 4.00% in 2075.
Mortality	The mortality rates were calculated using the Pub-2010 Teacher Employees, Teacher Retirees and Disabled Teacher Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2019 Mortality Improvement Scale.

Discount Rate

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is selected from a range of 20-Year Municipal Bond Indices and include the Bond Buyer 20-Bond GO Index, the S&P Municipal Bond 20-Year High Grade Rate Index and the Fidelity 20-Year GO Municipal Bond Index. The final equivalent single discount rate used for this year's valuation is 3.69% as of June 30, 2022. The rate has been adjusted from 1.92% as of June 30, 2021.

Note 9. Post-Employment Health Care Benefits (Continued)

GASB 74 Information (continued)

Change in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2021	$ 33,100,485	$ 1,455,234	$ 31,645,251
Changes for the Year			
Service Cost	1,224,342	-	1,224,342
Interest	628,433	-	628,433
Changes of Benefit Terms	-	-	-
Experience Losses/Gains	(177,406)	-	(177,406)
Trust Contributions - Employer	-	561,833	(561,833)
Net Investment Income	-	(193,341)	193,341
Changes in Assumptions	(9,114,239)	-	(9,114,239)
Benefit Payments (net of retiree contributic	(561,833)	(561,833)	-
Administrative Expense	-	(6,810)	6,810
Net Changes	(8,000,703)	(200,151)	(7,800,552)
Balance as of June 30, 2022	$ 25,099,782	$ 1,255,083	$ 23,844,699

Plan fiduciary net position as a percentage of the total OPEB liability at June 30, 2022 is approximately 5.00%.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Board using the discount rate of 3.69%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	Discount Rate	Net OPEB Liability
1% decrease	2.69%	$ 28,482,762
Current discount rate	3.69%	$ 23,844,699
1% increase	4.69%	$ 20,203,333

Note 9. Post-Employment Health Care Benefits (Continued)

GASB 74 Information (continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the net OPEB liability of the Board, as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1% point lower or 1% point higher than the current rate:

	Healthcare Cost Trend Rate	Net OPEB Liability
1% decrease	3.00%	$ 19,550,651
Current healthcare cost trend rate	4.00%	$ 23,844,699
1% increase	5.00%	$ 29,520,967

Note 10. Financed Purchases

The Board has entered into a non-cancelable contracts that transfers ownership at the end of the contract term, thus the Board has recorded the related obligations and related assets in the appropriate funds.

Financed purchase obligations at June 30, 2022 consist of the following:

Vehicles, bank, interest at 2.31%; payable in annual installments of approximately $141,425, including interest through 2027	$	596,605
Vehicle, bank, interest at 3.75%; payable in annual installments of approximately $12,945, including interest through 2031		97,729
	$	694,334

Note 10. Financed Purchases (Continued)

Future minimum payments under these obligations, which will be funded from the General Fund, are as follows:

2023	$	154,419
2024		154,419
2025		154,419
2026		154,419
2027		82,633
2027		51,980
		752,289
Less amounts representing interest		57,955
Present value of net minimum purchased finance payments	$	694,334

Interest expense on the above financed purchases was approximately $20,700 for the year ended June 30, 2022.

The cost of items acquired under the capital lease arrangement, as included in capital assets totaled $1,327,988 and the related accumulated depreciation was $403,435 at June 30, 2022.

Note 11. Intangible Right-to-Use Assets

The Board implemented the guidance of GASB No. 87, *Leases*, at July 1, 2021 for accounting and reporting leases that had previously been reported as operating leases and recognized the value of copiers leased under long-term contracts along with a related liability (see also Note 13).

As of July 1, 2021 the Board had a variety of lease agreements in place for equipment and vehicles. Payments under these leases totaled approximately $168,000 at June 30, 2022. The lease agreements in place for the equipment began during fiscal year 2021 and will expire during fiscal years 2024 and 2025. For purposes of discounting future payments on these leases the Board used its incremental borrowing rate in place at the time of lease inception of approximately 4.00%. The lease agreements in place for the vehicles began during fiscal year 2020 with additional leases during fiscal year 2022. These leases will expire during fiscal year 2024 and 2026. For purposes of discounting future payments on these leases, the Board used its incremental borrowing rate in place at the time of lease inception of 3.75%. The leased equipment and accumulated amortization of the right-to-use assets are outlined in Note 5.

Minimum lease payments over the next five years include:

	Lease Payments to Maturity								
	Euipment Leases			Vehicle Leases			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	$157,819	$ 17,313	$175,132	$ 16,680	$ 2,238	$ 18,918	$174,499	$ 19,551	$194,050
2024	164,273	10,859	175,132	17,303	1,613	18,916	181,576	12,472	194,048
2025	73,847	4,140	77,987	12,617	964	13,581	86,464	5,104	91,568
2026	70,165	1,321	71,486	13,088	491	13,579	83,253	1,812	85,065
2027	-	-	-	-	-	-	-	-	-
Total	466,104	33,633	499,737	59,688	5,306	64,994	525,792	38,939	564,731

Interest expense on the above intangible right-to-use assets was approximately $7,500 for the year ended June 30, 2022.

Note 12. Fund Balances

As of June 30, 2022, fund balances are composed of the following:

	Major Fund			
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepaid expenses	$ 93,327	$ -	$ -	$ 93,327
Inventories	-	-	32,875	32,875
	93,327	-	32,875	126,202
Restricted:				
By Federal law for nonprofit food service fund	-	-	407,489	407,489
By Smith Estate bequest for library expenses	-	-	3,155	3,155
	-	-	410,644	410,644
Committed:				
Budget reserve	1,824,447	-	-	1,824,447
Contingency	500,000	-	-	500,000
	2,324,447	-	-	2,324,447
Assigned:				
School activities	-	-	164,925	164,925
Encumbrances	72,330	-	-	72,330
	72,330	-	164,925	237,255
Unassigned	2,157,049	-	-	2,157,049
Total fund balance	$ 4,647,153	$ -	$ 608,444	$ 5,255,597

Note 13. Commitments and Contingencies

The Board regularly enters into contracts for goods and services during the normal course of operations. The contracts often extend over fiscal years.

The Board receives a substantial amount of its support from Federal, State and local agencies in the form of grants. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Board has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the Board, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

The Board is a defendant in various lawsuits. After considering all relevant facts and the opinion of legal counsel, it is management's opinion that such litigation will not have a material adverse effect on the financial position of the Board.

Note 14. Prior Period Restatement

The Board has determined to restate its Statement of Net Position and its Statement of Activities at June 30, 2021. The determination was made to restate these financial statements in connection with the fiscal year 2022 implementation of Government Accounting Standards Board's Statement No. 87, *Leases*. This statement's objective is to better meet the information needs of financial statements users by improving accounting and financial reporting for leases. The Statement increases the usefulness of the financial statements by requiring the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases.

The following tables are a summary of the effects of this change on the statement of net position and the statement of activities at June 30, 2021.

Statement of Net Position

	As Previously Reported	GASB 87 Adjustment	As Restated
Non depreciable capital assets	$ 7,094,993	$ -	$ 7,094,993
Depreciable capital assets, net	15,675,605	624,526	16,300,131
Total	$ 22,770,598	$ 624,526	$ 23,395,124
Long-term liabilities			
Due within one year	$ (133,754)	$ (156,398)	$ (290,152)
Due in more than one year	(33,351,329)	(476,206)	(33,827,535)
Total	$ (33,485,083)	$ (632,604)	$ (34,117,687)
Net position			
Net investment in capital assets	$ 21,942,511	$ (8,078)	$ 21,934,433
Restricted	16,261	-	-
Unrestricted	(132,965,467)	-	(132,965,467)
	$ (111,006,695)	$ (8,078)	$ (111,031,034)

Statement of Activities

	As Previously Reported	GASB 87 Adjustment	As Restated
Net position	$ (1,709,545)	$ (8,078)	$ (1,717,623)

REQUIRED SUPPLEMENTARY INFORMATION

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES BUDGET AND ACTUAL - GENERAL FUND
Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Kent County	$ 18,559,629	$ 18,559,629	$ 18,559,629	$ -
State of Maryland	9,352,034	9,496,424	9,233,923	(262,501)
United States Government	71,000	71,000	-	(71,000)
Restricted federal, state and other	7,195,638	7,195,638	6,518,790	(676,848)
Other sources	264,991	298,085	271,662	(26,423)
TOTAL REVENUES	35,443,292	35,620,776	34,584,004	(1,036,772)
EXPENDITURES AND ENCUMBRANCES				
Administration	1,264,877	1,264,877	1,085,824	179,053
Mid-level administration	1,898,757	1,898,757	1,778,048	120,709
Instructional salaries	9,848,962	9,848,962	9,351,927	497,035
Instructional texts and supplies	199,154	199,154	185,735	13,419
Instructional other costs	725,992	725,992	646,963	79,029
Special education	3,230,956	3,375,346	3,009,451	365,895
Student personnel services	511,168	511,168	468,503	42,665
Student health services	428,340	428,340	392,787	35,553
Student transportation	1,833,241	1,833,241	1,833,139	102
Operation of plant	1,746,866	1,996,866	1,961,489	35,377
Maintenance of plant	655,405	700,405	698,768	1,637
Fixed charges	6,880,158	6,585,158	5,402,279	1,182,879
Capital outlay	59,991	78,085	49,281	28,804
Restricted programs	7,195,638	7,195,638	6,518,790	676,848
TOTAL EXPENDITURES AND ENCUMBRANCES	36,479,505	36,641,989	33,382,984	3,259,005
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING USES	(1,036,213)	(1,021,213)	1,201,020	2,222,233
OTHER FINANCING SOURCES (USES)				
Fund balance appropriated	1,049,356	1,049,356	1,049,356	-
TOTAL OTHER FINANCING SOURCES (USES)	1,049,356	1,049,356	1,049,356	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	$ 13,143	$ 28,143	$ 2,250,376	$ 2,222,233

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
Year Ended June 30, 2022

As of June 30,	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Measurement date:	**6/30/2013**	**6/30/2014**	**6/30/2015**	**6/30/2016**	**6/30/2017**	**6/30/2018**	**6/30/2019**	**6/30/2020**	**6/30/2021**	**6/30/2022**
Total OPEB liability										
Service cost					$ 753,715	$ 638,329	$ 655,921	$ 891,513	$ 1,133,075	$ 1,224,342
Interest					629,260	727,068	753,845	819,833	745,291	628,433
Changes of benefit terms					-	-	-	-	-	-
Differences between expected and actual experience					-	82,431	3,983,544	183,953	(1,956,360)	(177,406)
Changes of assumptions					(2,500,064)	(157,212)	548,092	3,270,908	3,091,431	(9,114,239)
Benefit payments					(620,000)	(768,569)	(568,072)	(893,676)	(733,079)	(561,833)
Net change in OPEB liability					(1,737,089)	522,047	5,373,330	4,272,531	2,280,358	(8,000,703)
Total OPEB liability - beginning					22,389,308	20,652,219	21,174,266	26,547,596	30,820,127	33,100,485
Total OPEB liability - ending (a)					$ 20,652,219	$ 21,174,266	$ 26,547,596	$ 30,820,127	$ 33,100,485	$ 25,099,782
Plan fiduciary net position										
Contributions - employer					$ 620,000	$ 768,569	$ 568,072	$ 893,676	$ 733,079	$ 561,833
Net investment income					103,414	74,466	76,954	33,610	284,054	(193,341)
Benefit payments					(620,000)	(768,569)	(568,072)	(893,676)	(733,079)	(561,833)
Administrative expenses					(7,642)	(5,938)	(6,132)	(6,497)	(6,645)	(6,810)
Net change in plan fiduciary net position					95,772	68,528	70,822	27,113	277,409	(200,151)
Plan fiduciary net position - beginning					915,590	1,011,362	1,079,890	1,150,712	1,177,825	1,455,234
Plan fiduciary net position - ending (b)					$ 1,011,362	$ 1,079,890	$ 1,150,712	$ 1,177,825	$ 1,455,234	$ 1,255,083
Board's net OPEB liability - ending (a) - (b)					$ 19,640,857	$ 20,094,376	$ 25,396,884	$ 29,642,302	$ 31,645,251	$ 23,844,699
Plan fiduciary net position as a percentage of the total OPEB liability					4.90%	5.10%	4.33%	3.82%	4.40%	5.00%
Covered employee payroll					13,848,985	17,303,337	17,862,417	16,742,974	16,547,970	16,785,809
Board's net OPEB liability as a percentage of covered employee payroll					141.82%	116.13%	142.18%	177.04%	191.23%	142.05%
Expected Average Remaining Service Years of All Participants					8	8	8	8	8	8

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

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
Year Ended June 30, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment					10.46%	6.77%	6.56%	2.36%	23.55%	-13.29%

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

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Year Ended June 30, 2022

Fiscal Year	Measurement Date	Board's Proportion (Percentage) of the NPL A	Board's Proportionate Share of the NPL B	State's Proportionate Share of the NPL C	Total (B+C)	Board's Covered Payroll D	Board's Proportionate Share as a Percentage of Covered Payroll (B / D)	Plan's Total Fiduciary Net Position E	Plan's Total Pension Liability F	Plan's Fiduciary Net Position as a Percentage of Total Pension Liability (E / F)
2013										
2014										
2015	June 30, 2014	0.0113256%	$ 2,009,929	$ 16,219,599	$ 18,229,528	$ 13,696,066	14.68%	$45,339,988,000	$63,086,719,000	71.87%
2016	June 30, 2015	0.0122061%	$ 2,536,630	$ 18,627,177	$ 21,163,807	$ 14,025,709	18.09%	$45,789,840,000	$66,571,552,000	68.78%
2017	June 30, 2016	0.0124563%	$ 2,938,934	$ 24,758,151	$ 27,697,085	$ 13,848,985	21.22%	$45,365,927,000	$68,959,954,000	65.79%
2018	June 30, 2017	0.0121455%	$ 2,626,298	$ 19,958,700	$ 22,584,998	$ 17,303,337	15.18%	$48,987,184,000	$70,610,885,000	69.38%
2019	June 30, 2018	0.0121397%	$ 2,547,095	$ 17,219,703	$ 19,766,798	$ 17,862,417	14.26%	$51,827,233,000	$72,808,833,000	71.18%
2020	June 30, 2019	0.0130984%	$ 2,701,620	$ 17,366,822	$ 20,068,442	$ 16,742,974	16.14%	$53,943,420,000	$74,569,030,000	72.34%
2021	June 30, 2020	0.0133386%	$ 3,014,694	$ 17,970,399	$ 20,985,093	$ 16,547,970	18.22%	$54,586,037,000	$77,187,397,000	70.72%
2022	June 30, 2021	0.0816974%	$ 1,080,481	$ 11,384,403	$ 12,464,884	$ 16,785,809	6.44%	$67,604,500,000	$82,606,805,000	81.84%

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

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Year Ended June 30, 2022

Fiscal Year	Measurement Date	Contractually Required Contribution A	Actual Contribution B	Contribution Deficiency (Excess) (A - B)	Board's Covered Payroll C	Actual Contribution as a Percentage of Covered Payroll (B / C)
2013						
2014						
2015	June 30, 2014	$ 257,272	$ 257,272	$ -	$ 13,696,066	1.88%
2016	June 30, 2015	$ 242,658	$ 242,658	$ -	$ 14,025,709	1.73%
2017	June 30, 2016	$ 247,202	$ 247,202	$ -	$ 13,848,985	1.78%
2018	June 30, 2017	$ 242,074	$ 242,074	$ -	$ 17,303,337	1.40%
2019	June 30, 2018	$ 268,975	$ 268,975	$ -	$ 17,862,417	1.51%
2020	June 30, 2019	$ 285,986	$ 285,986	$ -	$ 16,742,974	1.71%
2021	June 30, 2020	$ 158,701	$ 158,701	$ -	$ 16,547,970	0.96%
2022	June 30, 2021	$ 170,840	$ 170,840	$ -	$ 16,785,809	1.02%

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

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2022

Note 1. Budgetary Comparison Schedule

The Board of Education annually adopts a budget for the General Fund (Current Expense Fund). All appropriations are legally controlled at the categorical level for the General Fund.

The budget is integrated into the accounting system, and the budgetary data compares the expenditures with the amended budget. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying Schedule of Revenues, Expenditures and Encumbrances – Budget and Actual for the General Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

Adjustments necessary to convert the results of operations and fund balances at the end of the year on the GAAP basis to the budgetary basis are as follows:

	June 30, 2022 GENERAL FUND		
	Revenues and other financing sources	Expenditures and other financing uses	Fund Balance
GAAP BASIS	$ 36,521,132	$ 35,272,648	$ 4,647,153
Encumbrances at June 30, 2021	(162,890)	(187,756)	-
Encumbrances at June 30, 2022	172,221	244,551	(72,330)
Proceeds from right-to-use assets	(60,883)	(60,883)	
Payments made on-behalf of the Board by Kent County	(175,567)	(175,567)	-
Payments made on-behalf of the Board by the State of Maryland	(1,710,009)	(1,710,009)	-
BUDGETARY BASIS	$ 34,584,004	$ 33,382,984	$ 4,574,823

Note 2. Pension Plans

Changes in Benefit Terms
There were no benefit changes during the year.

Changes in Assumptions
Adjustments to the roll-forward liabilities were made to reflect the following assumption changes in the 2021 valuation:

- Inflation assumption changed from 2.60% to 2.25% for general and from 3.10% to 2.75% for wage

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2022

Note 2. Pension Plans (Continued)

Method 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 market; 20% collar
Inflation	2.25% general, 2.75% wage
Salary increases	projected range from 0.00% to 8.50% per year
Investment rate of return	6.80%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2019 valuation pursuant to the 2018experience study for the period July 1, 2014 to June 30, 2018.
Mortality	Various versions of the Pub-2010 Mortality Tables for males and females with projected generaational mortality improvements based on the MP-2018 fully generational mortality Improvements scale for males and females

Note 3. Post-Employment Health Care Benefits

Changes in Benefit Terms
There were no significant benefit changes during the year.

Changes in Assumptions

- The discount rate was changed from 3.13% at June 30, 2019 to 2.45% at June 30, 2020 to 1.92% at June 30, 2021 to 3.69% at June 30, 2022.

Method and Assumptions used in Calculations of Actuarially Determined Contributions

Valuation date	January 1, 2021
Measurement date - GASB 74	June 30, 2022
Actuarial cost method - GASB 74	Entry age normal
Asset valuation method	Market value of assets
Actuarial Assumptions:	
Discount rate - June 30, 2021	1.92%
Discount rate - June 30, 2022	3.69%
Payroll growth	3.00%
Inflation rate	2.50%
Rate of growth in real income	1.50%
Medical trend	Based on Society of Actuaries Long-Run Medical Cost Trend Model baseline assumptions. The model was released in October 2010 and updated in September 2019. The 2020 rate is 4.70% decreasing gradually to 4.00% in 2075.
Mortality	The mortality rates were calculated using the Pub-2010 Teacher Employees, Teacher Retirees and Disabled Teacher Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2019 Mortality Improvement Scale.

ADDITIONAL SUPPLEMENTARY INFORMATION

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
SCHEDULE OF REVENUES
GENERAL FUND
Year Ended June 30, 2022

KENT COUNTY FUNDS	
Annual appropriation	$ 18,559,629
On-behalf payments	175,567
Total Kent County Funds	18,735,196
STATE OF MARYLAND FUNDS	
Compensatory education	2,508,800
State share of basic current expenses	2,356,484
On-behalf payments	1,710,009
Student transportation	1,735,461
Supplemental grant	1,003,414
Handicapped children - formula	592,118
Declining enrollment	445,683
Geographic cost of ED IDX	127,736
ESL program	219,480
Supplemental Pre K	107,701
Net taxable adjustment	81,828
Maryland Blue Print	55,218
Total State of Maryland Funds	10,943,932
OTHER SOURCES	
Miscellaneous	123,687
Out of county living	21,921
E-rate reimbursement	7,889
Interest income	6
Legal expense relief	59,000
MABE grant	20,614
Sports events	11,533
WKHS	25,537
Building space rental	1,475
Total Other Sources	271,662
TOTAL REVENUES	$ 29,950,790

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

	FOOD SERVICES	SCHOOL ACTIVITIES	SMITH ESTATE	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	$ 80,033	$ 164,925	$ 3,106	$ 248,064
Accounts receivable:			-	
Other receivables	614,745	-	-	614,745
Other Board of Education funds	-	-	49	49
Inventories, at cost	32,875	-	-	32,875
TOTAL ASSETS	$ 727,653	$ 164,925	$ 3,155	$ 895,733
LIABILITIES AND FUND BALANCES				
Accounts payable:				
Vendors	$ 9,168	$ -	$ -	$ 9,168
Other Board of Education funds	258,789	-	-	258,789
Accrued payroll	19,304	-	-	19,304
Unearned revenue - USDA commodities	28	-	-	28
TOTAL LIABILITIES	287,289	-	-	287,289
COMMITMENTS AND CONTINGENCIES				
FUND BALANCES				
Nonspendable				
Inventory	32,875	-	-	32,875
Restricted				-
Fund purpose	407,489	-	3,155	410,644
Assigned to:				
School activities	-	164,925	-	164,925
TOTAL FUND BALANCES	440,364	164,925	3,155	608,444
TOTAL LIABILITIES AND FUND BALANCES	$ 727,653	$ 164,925	$ 3,155	$ 895,733

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	FOOD SERVICES	SCHOOL ACTIVITIES	SMITH ESTATE	Total Nonmajor Governmental Funds
REVENUES				
State of Maryland	$ 75,736	$ -	$ -	$ 75,736
Federal sources	1,590,210	-	-	1,590,210
Other sources:				
Sales of food	57,037	-	-	57,037
School activity revenues	-	147,492	-	147,492
Other	-	-	1	1
TOTAL REVENUES	1,722,983	147,492	1	1,870,476
EXPENDITURES				
Food services	1,339,841	-	-	1,339,841
School activity expenditures	-	155,347	-	155,347
TOTAL EXPENDITURES	1,339,841	155,347	-	1,495,188
Net change in fund balances	383,142	(7,855)	1	375,288
Fund balances, beginning	57,222	172,780	3,154	233,156
Fund balances, ending	$ 440,364	$ 164,925	$ 3,155	$ 608,444

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
SCHEDULE OF REVENUES AND EXPENDITURES
FOOD SERVICE FUND
Year Ended June 30, 2022

REVENUES	
Cafeteria sales	$ 57,037
Federal assistance	1,590,210
State assistance	75,736
TOTAL REVENUES	1,722,983
EXPENDITURES	
Salaries and wages	530,287
Contracted services	39,593
Supplies and materials	720,069
Other charges	49,892
TOTAL EXPENDITURES	1,339,841
EXCESS OF EXPENDITURES OVER REVENUES	$ 383,142

BOARD OF EDUCATION OF KENT COUNTY, MARYLAND
STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE - SCHOOL ACTIVITIES FUND
SCHOOL ACTIVITIES FUND
For the Year Ended June 30, 2022

	Balance July 1, 2021	Receipts	Disbursements	Balance June 30, 2022
Galena Elementary School	$ 7,263	$ 22,503	$ 17,425	$ 12,341
H.H. Garnett Elementary School	1,776	7,854	7,341	2,289
Rock Hall Elementary School	8,377	7,780	10,678	5,479
Kent County Middle School	23,219	12,060	14,512	20,767
Kent County High School	132,145	97,295	105,391	124,049
Total	$ 172,780	$ 147,492	$ 155,347	$ 164,925

Dr. Karen Couch, Superintendent, and Alleesa Stewart, Supervisor of Finance, Kent County Public Schools
1/31/2023
County Commissioners Meeting

Item Summary:
Unrestricted Funds Budget Amendment #1, Fiscal Year 2023

ATTACHMENTS:

Description

Unrestricted Budget Amendment #1 FY23 Memo

Unrestricted Budget Amendment #1 FY23

Kent County Public Schools

Growing a Community of Leaders

TO: Members, County Commissioners of Kent County

FROM: Dr. Karen M. Couch – Superintendent
Alleesa Stewart, MBA – Supervisor of Finance

RE: Unrestricted Funds Budget Amendment #1 – Fiscal Year 2023

DATE: January 31, 2023

PURPOSE

To request County Commissioners Approval of Budget Amendment #1 for Fiscal Year 2023 of Unrestricted Funds.

SUMMARY

Please see the budget amendments needed so far for Fiscal Year 2023.

- Special Education – Increase Revenue and Expense by $20,000.
  - Amendment is needed to adjust budget for Students with Disabilities-Nonpublic Placements for actual amount awarded from the State in the amount of $120,000. KCPS initially budgeted $100,000 for the award.

- Instruction – Increase Expense by $264,644; Other Instructional Costs – Decrease Expense by $132,322; Special Education – Decrease Expense by $132,322.
  - Amendment is needed to account for the salaries associated with the In-House KAP Program at the Kent County High School.

- Capital Outlay – Increase Revenue and Expense by $52,965.
  - Amendment is needed to include carryover amount for Aging Schools in the Fiscal Year 2023 budget in the amount of $52,965. This brings Aging Schools to a total of $91,257.

ACTION

Administration requests County Commissioners Approval of the Unrestricted Funds Budget Amendment #1 for Fiscal Year 2023.

Kent County Public Schools
Fiscal Year 2023
Budget Amendment #1

Unrestricted Budget Amendment Spreadsheet - Fiscal Year 2023								
	Original Budget	**Amendment #1**	**Amendment**	**Amendment**	**Amendment**	**Amendment**	**Amendment**	**Total**
Unrestricted Revenue								
Local Appropriation	$18,559,629							$18,559,629
Non-Recurring Costs	$0							$0
Other	$258,292	$52,965.00						$311,257
State Share Current Exp	$10,239,729	$20,000.00						$10,259,729
Federal	$0							$0
Fund Balance	$1,824,447							$1,824,447
Totals	**$30,882,097**	**$72,965.00**	**$0**	**$0**	**$0**	**$0**		**$30,955,062**
Unrestricted Expenditures								
Administration	$1,371,636							$1,371,636
Mid-Level	$1,947,361							$1,947,361
Instructional Salary	$10,090,471	$264,644.00						$10,355,115
Instructional Supply	$201,354							$201,354
Instructional Other	$791,292	($132,322.00)						$658,970

Kent County Public Schools
Fiscal Year 2023
Budget Amendment #1

Special Education	$3,528,970	($112,322.00)						$3,416,648
Pupil Personnel	$594,153							$594,153
Health Service	$522,287							$522,287
Transportation	$1,917,771							$1,917,771
Operations	$1,820,114							$1,820,114
Maintenance	$666,304							$666,304
Fixed Charges	$7,202,945							$7,202,945
Food Service Transfer	$0							$0
Capital Outlay	$53,292	$52,965.00						$106,257
Total	**$30,707,950**	**$72,965.00**	**$0**	**$0**	**$0**	**$0**		**$30,780,915**

Herb Dennis, Warden, Kent County Detention Center
1/31/2023
County Commissioners Meeting

Item Summary:
FY2023 Capital Budget Funds Requested

Steve Wallace, Captain, Kent County Detention Center, and Penny Young-Carrasquillo, Grants Manager
1/31/2023
County Commissioners Meeting

Item Summary:
Opioid Use Disorder Treatment Initiative

ATTACHMENTS:
Description

Roads Division
1/31/2023
County Commissioners Meeting

Item Summary:
FY2023 Surface Treatment Contract

ATTACHMENTS:

Description

01.31.23 Roads Division Surface Treatment Contract No. 4400003612 by and Between County Commissioners of Kent County and American Paving Fabrics, Inc. gov.org_20230131_133647

CONTRACT

THIS CONTRACT, made this 31st day of January 2023, by and between the County Commissioners of Kent County, a body corporate and politic of the State of Maryland, hereinafter referred to as the OWNER, and American Paving Fabrics, Inc., hereinafter referred to as the CONTRACTOR;

WITNESSETH, That for and in consideration of the mutual covenants and promises between the parties hereto, it is fully agreed that:

1. The CONTRACTOR will furnish all of the labor, materials, equipment and transportation necessary to provide/install Chip Seal Patching and Paving Services to Kent County Roads Division, in accordance with the Howard County, Maryland Contract Number 4400003612.

2. LIABILITY INSURANCE. CONTRACTOR shall furnish to Owner, before beginning any work hereunder, a Certificate of Insurance certifying that the Contractor carries comprehensive, general liability insurance coverage through a policy which protects the County, and names the County as an Additional Insured in aggregate liability coverage of not less than Two Million ($2,000,000.00) Dollars.

3. WORKER'S COMPENSATION INSURANCE. CONTRACTOR shall furnish to the County Commissioners, before beginning construction, a Certificate of Workmen's Compensation Insurance covering all employees of said Contract in amounts statutorily required.

4. COMPLETION OF WORK. The CONTRACTOR shall commence the work covered by this contract within fifteen (15) calendar days after the date of receipt of the Notice to Proceed. Contract prices shall be effective through June 30, 2023. This contract shall not have a renewal option.

5. CONTRACT SUM. The OWNER shall pay the CONTRACTOR for the performance of said work, subject to additions or deletions provided herein an estimated Two hundred twenty-two thousand forty-four dollars ($342,000) in conformity with Contract No.: 4400003612.

6. The contract documents include the following:
   a. American Paving Fabrics, Inc. Letter
   b. Howard County, Maryland Contract No. 4400003612

7. The OWNER will pay to the CONTRACTOR in the manner and at such times as set forth in the general conditions and in such amounts as required by the Contract Documents.

8. This Contract shall be governed by the Laws of the State of Maryland, without regard

to its conflicts of law principles. Jurisdiction and venue shall lies in State or federal located within the State of Maryland.

9. This Contract shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Contract in duplicate, on the date first above written.

WITNESS/ATTEST	THE COUNTY COMMISSIONERS OF KENT COUNTY, MARYLAND
Tonya L. Thomas	By: Ronnie Fithian President of the Kent County Commissioners
	AMERICAN PAVING FABRICS, INC.
	By: ______________________
	President Title
	52-1810889 Employer Identification Number

AMERICAN Paving Fabrics Inc.

Paving Fabric & Surface Treatment Specialist

01/19/2023

Mr. Daniel Bitter, Division Chief

Kent County Road Divisions

709 Morgnec Road, STE 103

Chestertown, MD 21620

Reference: Piggyback Howard County

Mr. Bitter,

American Paving Fabrics, Inc. approves Kent County to piggyback our existing contract with Howard County Contract #4400003612. We agree to our current contract price of $2.25 square yard. This service includes CRS2L emulsion, the application of #7 or #8 stone (depending on the County's request), traffic control and sweeping of the roads prior to the tar & chip application.

Should you require anything additional, please let me know.

Thank you,

Kevin McGrath

President

Howard County, Maryland

OFFICE OF PROCUREMENT AND CONTRACT ADMINISTRATION

6751 Columbia Gateway Drive, Suite 226
Columbia, MD 21046
(410) 313-6370
Tax Exemption No. 30001219

Service Contract	
Contract Number:	4400003612
Vendor Number:	1100280
Date:	07/02/2018
Contract Term:	09/11/2018 to 09/10/2023
Header Target:	$5,525,000.00
Ceiling Value:	$5,525,631.25 Over 5 Years
Buyer:	Michael V. Decker, CPPB
Telephone:	410-313-6375
Fax Number:	410-313-6388
Email:	mdecker@howardcountymd.gov

AMERICAN PAVING FABRICS INC
6910 O'CONNOR ROAD
HANOVER MD 21076
USA

Payment Terms: Net Due Within 30 Days

Contract text:
Invitation for Bid No. 2018-58 and Agreement PA 122-2018, Chip Seal Patching and Paving Services

Contract Change No. 4, 08/24/2022. This contract change is for the purpose of exercising the fifth of 5 one-year renewal options for the period of 09/11/2022 to 09/10/2023. All other terms and conditions remain unchanged.

Performance and Payment Bond No. 106932230 $1,000,000.00.

All invoices shall reflect the Contract Number, release Purchase Order Number, and the contract Line Item Numbers.

The vendor must maintain, in full force and current, the insurance coverage required under the terms and conditions of this contract while this contract is in effect, including any renewal terms.

This contract contains an EBO subcontracting goal. Based on the EBO Schedule of Participation submitted to the County, the subcontracting goal on this contract is 15%. You are required to make a genuine good faith effort to meet the subcontracting goal. In accordance with EBO Program Manual Sec. VI(g), the County reserves the right to undertake periodic reviews of your records to determine compliance.

The Ceiling Value is representative of multiple contract terms and does not represent the value of one year's services.

Vendor Contact: Kevin McGrath, 410-379-2209, kevin@americanpavingfabrics.com
Agency Contact: Dennis Ward, Bureau of Highways, 410-313-7450, dward@howardcountymd.gov

Item	NIGP Code	Description	Unit	Price

Item	NIGP Code	Description	Unit	Price
7	91395	Paving & Resurfacing Comp w/20ft bar asp		
		Price(Contract/Bid)	1 HR	162.75 USD

Material Text:
Paving and resurfacing services, street and pathway, Computerized w/20 FT of bar Asphalt Distributor w/operator

Item	NIGP Code	Description	Unit	Price
8	91395	Paving & Resurfacing, Other Inc Costs		
		Price(Contract/Bid)	1 EA	1.00 USD

Material Text:
Paving and resurfacing, chip seal, patching and paving, other incidental costs.

TERMS AND CONDITIONS APPLICABLE TO CONTRACTS

1. This is notice that the Contract referenced above has been awarded to you based on the bid or proposal you submitted. All terms, conditions and specifications of the solicitation, when the result of a solicitation, will apply to all orders.
2. Any County agency authorized to purchase from this Contract must issue a release Purchase Order and reference the Contract number and line number for each of the goods and/or services on the Contract.
3. This is not an order to ship goods or begin services. A release Purchase Order must be issued before you are authorized to ship goods or begin services.
4. Changes in goods to be furnished or services to be performed are not permitted unless approved by the Office of Procurement and Contract Administration prior to goods being shipped or services being performed. Prior approval of the Office of Procurement and Contract Administration is also required before goods or services can be added or deleted.
5. The Contractor must supply actual goods and services ordered at the Contract price.
6. Contractors must maintain, in full force and current, the insurance coverage required under the terms and conditions of this Contract while this Contract is in effect, including any renewals thereof.
7. The County is exempt from State and Federal Excise Taxes. Maryland Sales and Use Tax Exemption Certificate No. 30001219.
8. Invoices for release Purchase Orders against this Contract must include:

a. Contractor's name;
b. Address;
c. Federal tax identification number;
d. Contract number (the first two digits are 44XXXXXXXX) and Contract Line number (shown under each item description as 44XXXXXXXX/X – the last digit is the Contract Line number);
e. Purchase Order number (the first digit is 2XXXXXXXXX);
f. Unit price and extended price (the unit price must match a Contract Line on the Contract); and
g. Description of goods provided and/or services performed as show on this Contract.

9. Termination

a. Termination for Convenience: The County may terminate this Contract, in whole or in part, whenever the County determines that such termination is in the best interest of the County, without showing cause, upon giving at least 30 days written notice to the Contractor. The

AMERICAN Paving Fabrics Inc.

Paving Fabric & Surface Treatment Specialist

01/19/2023

Mr. Daniel Bitter, Division Chief

Kent County Road Divisions

709 Morgnec Road, STE 103

Chestertown, MD 21620

Reference: Piggyback Howard County

Mr. Bitter,

American Paving Fabrics, Inc. approves Kent County to piggyback our existing contract with Howard County Contract #4400003612. We agree to our current contract price of $2.25 square yard. This service includes CRS2L emulsion, the application of #7 or #8 stone (depending on the County's request), traffic control and sweeping of the roads prior to the tar & chip application.

Should you require anything additional, please let me know.

Thank you,

Kevin McGrath

President

6910 O'Conner Road ★ Hanover, Md 21076 ★ Office (410) 379-2209 ★ Fax (410) 796-0272

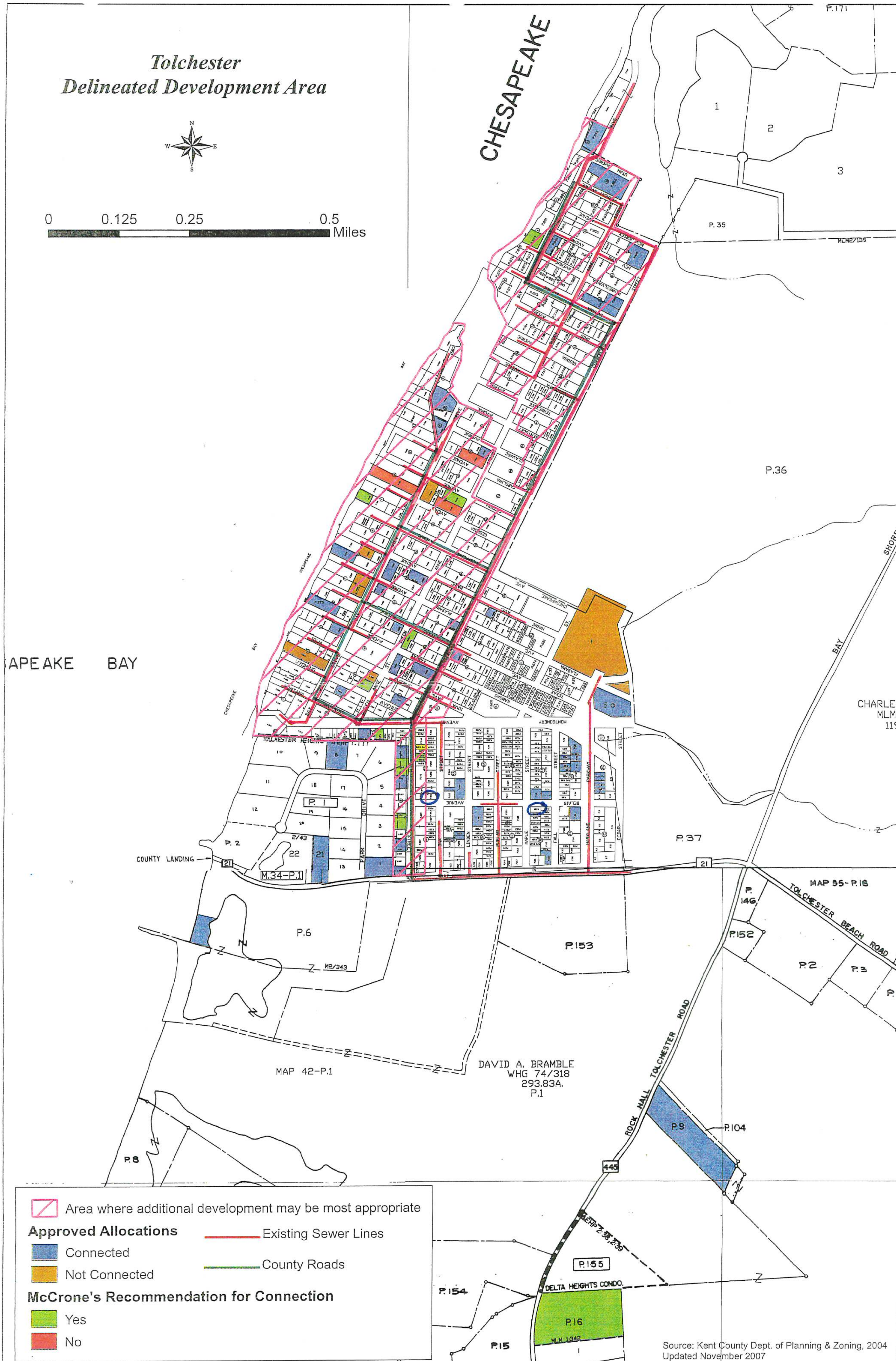
Water and Wastewater Division
1/31/2023
County Commissioners Meeting

Item Summary:
Tolchester Service Area, Sewer Allocation Requests

ATTACHMENTS:

Description

Tolchester Delineated Development Area Map


Tolchester
Delineated Development Area
N
S
E
W
0
0.125
0.25
0.5
Miles
CHESAPEAKE
APEAKE BAY
CHESAPEAKE
BAY
P.36
P.35
P.37
P.171
1
2
3
SHORE
BAY
CHARLES
MLM
119
COUNTY LANDING
21
M.34-P.1
P.1
P.2
P.6
P.153
MAP 35-P.18
TOLCHESTER BEACH ROAD
P.146
P.152
P.2
P.3
MAP 42-P.1
DAVID A. BRAMBLE
WHG 74/318
293.83A.
P.1
ROCK HALL TOLCHESTER ROAD
445
P.9
P.104
P.8
P.155
DELTA HEIGHTS CONDO.
P.154
P.16
P.15
P.3
Area where additional development may be most appropriate
Approved Allocations
Connected
Not Connected
Existing Sewer Lines
County Roads
McCrone's Recommendation for Connection
Yes
No
Source: Kent County Dept. of Planning & Zoning, 2004
Updated November 2007

Park and Recreation
1/31/2023
County Commissioners Meeting

Item Summary:
2023 Seasonal Salaries

ATTACHMENTS:

Description

Anthony W. Bertino, Jr., President, Worchester County Government
1/31/2023
County Commissioners Meeting

Item Summary:
Request for Support, Increase County Room Tax

ATTACHMENTS:

Description

Anthony W. Bertino, Jr., President, Worchester County Government, Seeking Support for Enabling Legislation to Increase County Room Tax

MARYLAND'S Coast WORCESTER COUNTY

Worcester County Government
One West Market Street | Room 1103 | Snow Hill MD 21863-1195
(410) 632-1194 | (410) 632-3131 (fax) | admin@co.worcester.md.us | www.co.worcester.

January 17, 2023

President J. Travis Breeding
Caroline County Commissioners
County Courthouse
109 Market Street, Room 123
Denton, MD 21629
info@carolinemd.org

President Ronald Fithian
Kent County Commissioners
400 High Street
Chestertown, MD 21620
kentcounty@kentgov.org

President Jim Moran
Queen Anne's County Commissioners
107 North Liberty Street
Centerville, MD 21617
qaccommissionersandadministrator@qac.org

RE: Seeking Support for Enabling Legislation to Increase County Room Tax

Dear Presidents Breeding, Fithian, and Moran:

The Worcester County Commissioners are seeking your support for enabling legislation granting the Eastern Shore Code Home Rule Counties the authority to increase the hotel room tax from five percent to a maximum of six percent. As background, in January 2022 we endorsed a request from the Ocean City Mayor and Council for this legislation, which would allow the town to cover future tourism-related expenses.

As you know, hotel room tax revenues provide a dedicated source to fund tourism and tourism-related activities, and the return for each dollar invested in tourism marketing generates $31 in visitor spending, making the authority to increase hotel room tax by up to an additional one percent mutually beneficial to each of our Eastern Shore Code Home Rule Counties, as we promote tourism-related activities that attract residents and visitors alike to live, play, and explore our Eastern Shore communities.

Thank you in advance for your consideration and support of our request. We are available to meet with you at a mutually beneficial time if you have any questions or concerns.

Sincerely,

Anthony W. Bertino, Jr.
President

CC: Senator Mary Beth Carozza
Delegate Wayne Hartman
Delegate Charles Otto

James F. Ports, Jr, Secretary Maryland Department of Transportation
1/31/2023
County Commissioners Meeting

Item Summary:
Strategic Highway Safety Plan

ATTACHMENTS:

Description

01.31.2023 Maryland Department of Transportation (MDOT) Secretary, Requesting Support in Seeking Solutions to Make Maryland Roadways Safer

January 17, 2023

The Honorable Ron Fithian
President
Kent County Government Center
400 High Street
Chestertown MD 21620

Dear President Fithian:

As the Maryland Department of Transportation (MDOT) Secretary, I am writing to ask for your support in seeking solutions to make Maryland roadways safer for all travelers. As we move into a new year, motor vehicle crashes remain one of the most preventable causes of death and serious injury in the nation. Death or injury as a result of carelessness is never an acceptable consequence of using our transportation network, and it is our shared responsibility to implement countermeasures at the local, State and federal level to reduce crash severity.

The State of Maryland developed a comprehensive Strategic Highway Safety Plan (SHSP) that addresses six emphasis areas proven to be the primary factors that contribute to crashes and fatalities. You can access the SHSP at the MDOT Motor Vehicle Administration's (MDOT MVA) Highway Safety Office (MHSO) website at zerodeathsmd.gov, click "Highway Safety Office" from the top navigation, then select "Strategic Highway Safety Plan." The success of this plan requires the full support and involvement of our partners and stakeholders at the local level.

I am calling on all county and city officials to take a leadership role in creating your own localized SHSP using our plan as a template and addressing the concerns and problems unique to your jurisdiction. As you can see from the enclosed map, officials from many neighboring jurisdictions are in the process of developing and implementing local plans. These plans are available for review on zerodeathsmd.gov under the "Resources" tab and "Community Outreach" section. I am also offering MHSO resources to assist you in developing your own SHSP.

Development of a local highway safety plan may also qualify you for project funding on locally owned roads through the Local Highway Safety Improvement Program (HSIP). The MDOT State Highway Administration's Office of Traffic and Safety (OOTS) reviews all candidate projects, confirms their eligibility for HSIP funds, and selects the best projects submitted for the receipt of HSIP fund. Counties must have an approved Local Road Safety Plan (LRSP/SHSP) in order to submit project proposals.

The vast majority of crashes are no accident. People choose to not buckle up, drive while impaired, text and drive, speed, and cross roadways at unsafe locations. They choose to put themselves and others in danger with reckless decisions resulting in crashes that devastate communities and families. Economic burdens from crashes are felt at every level, including city and county budgets.

RECEIVED
JAN 20 2023
By JLT

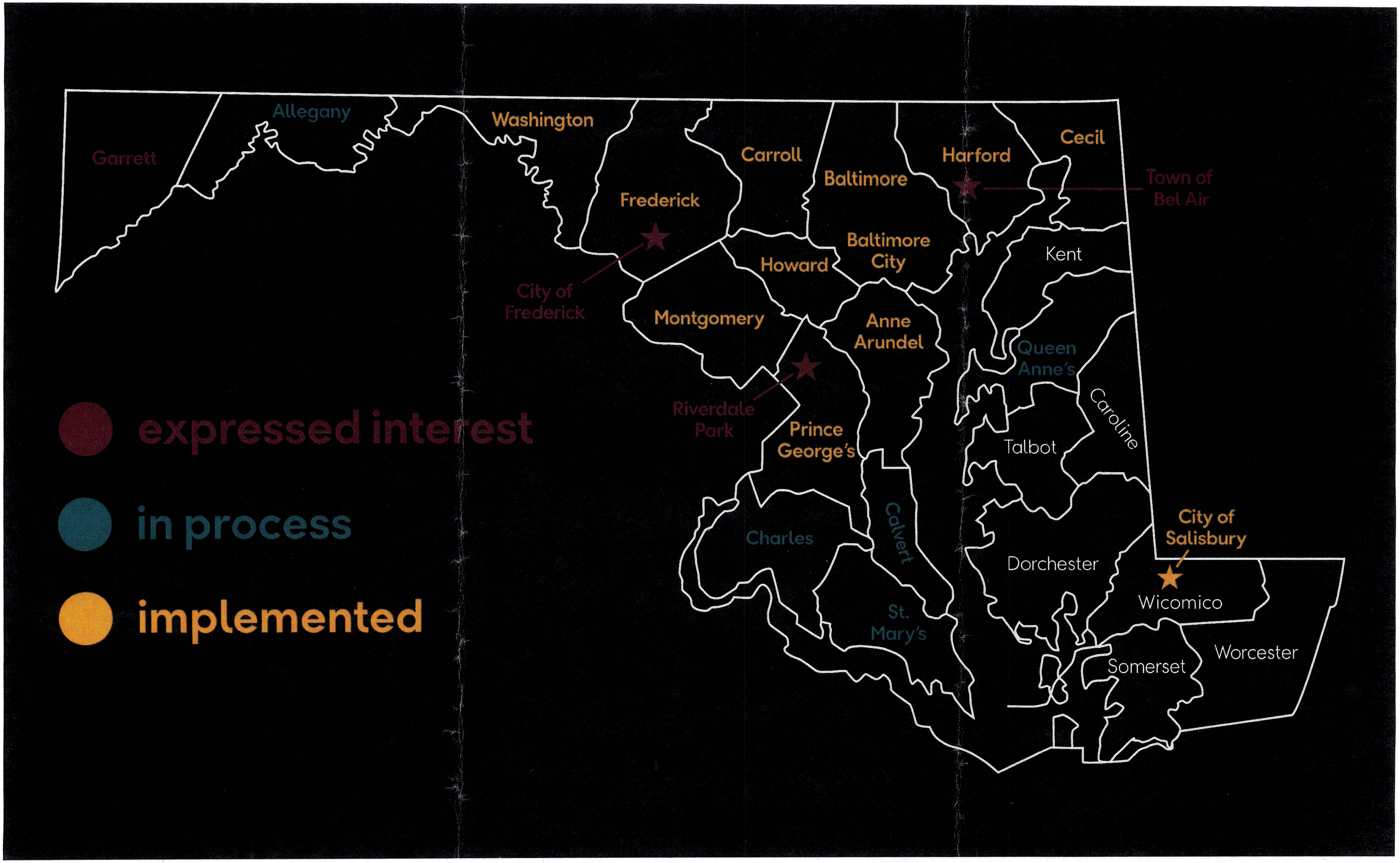
I invite you to join the MDOT in our mission to achieve zero deaths in Maryland and help make a difference in the lives of all who travel in the State. I look forward to working with you and pledge my full support as you move through this important SHSP plan. For more information about the process, please contact Ms. Christine Nizer, MDOT MVA Administrator and Governor's Highway Safety Representative at 410-787-7830 or cnizer@mdot.maryland.gov or Dr. Tim Kerns, MHSO Director, at 410-787-4014 or tkerns@mdot.maryland.gov. Ms. Nizer or Dr. Kerns will be happy to assist you.

Sincerely,

James F. Ports, Jr.
Secretary

Attachment

cc: Dr. Tim Kerns, Director, MHSO, MDOT MVA
Ms. Christine Nizer, Administrator, MDOT MVA
Tim Smith, P.E., Administrator, MDOT State Highway Administration



Garrett
Allegany
Washington
Frederick
Carroll
Baltimore
Harford
Cecil
Town of
Bel Air
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Frederick
Howard
Baltimore
City
Kent
Montgomery
Anne
Arundel
Queen
Anne's
Caroline
Riverdale
Park
Prince
George's
Talbot
Charles
Calvert
Dorchester
City of
Salisbury
Wicomico
St.
Mary's
Somerset
Worcester
expressed interest
in process
implemented

Shelley Heller, County Administrator
1/31/2023
County Commissioners Meeting

Item Summary:
Request For A Meeting With Kent County Representatives

ATTACHMENTS:

Description

1.31.23 The Honorable Adrienne A. Jones,Speaker of the House, Request Letter

1.31.23 The Honorable Bill Ferguson, President of the Senate, Request Letter

The County Commissioners of Kent County
Ronald H. Fithian, President | Albert H. Nickerson, Member | John F. Price, Member
Shelley L. Heller, County Administrator | Thomas N. Yeager, County Attorney

January 27, 2023

The Honorable Adrienne A. Jones
Speaker of the House
H-101 State House
100 State Circle
Annapolis, MD 21401

RE: Request for a meeting with Kent County representatives

Dear Speaker Jones:

On behalf of the County Commissioners of Kent County, Maryland, this letter aids as a respectful request for a meeting to discuss the fiscal impact of Kirwan on Kent County. Attendees will be a small committee from Kent County, likely to include the Commissioners. I offer my assistance regarding this request and can be reached at 410-778-3805 or sheller@kentgov.org.

Very truly yours,

Shelley L. Heller
County Administrator

cc: The County Commissioners of Kent County, Maryland
The Honorable Jay A. Jacobs
The Honorable Steven J. Arentz
The Honorable Jefferson L. Ghrist
The Honorable Stephen S. Hershey

January 27, 2023

The Honorable Bill Ferguson
President of the Senate
H-107 State House
100 State Circle
Annapolis, MD 21401

RE: Request for a meeting with Kent County representatives

Dear President Ferguson:

On behalf of the County Commissioners of Kent County, Maryland, this letter aids as a respectful request for a meeting to discuss the fiscal impact of Kirwan on Kent County. Attendees will be a small committee from Kent County, likely to include the Commissioners. I offer my assistance regarding this request and can be reached at 410-778-3805 or sheller@kentgov.org.

Very truly yours,

Shelley L. Heller
County Administrator

cc: The County Commissioners of Kent County, Maryland
The Honorable Stephen S. Hershey
The Honorable Jay A. Jacobs
The Honorable Steven J. Arentz
The Honorable Jefferson L. Ghrist

Bill Mackey, Director, Planning, Housing, and Zoning
1/31/2023
County Commissioners Meeting

Item Summary:
Agricultural Advisory Commission Member Appointments

ATTACHMENTS:

Description

Bill Mackey, Director, Planning, Housing, and Zoning
1/31/2023
County Commissioners Meeting

Item Summary:
Bay Bridge Monitoring Committee

ATTACHMENTS:

Description

Bill Mackey, Director, Planning, Housing, and Zoning
1/31/2023
County Commissioners Meeting

Item Summary:
Zoning Appeals Board Member Appointment

ATTACHMENTS:

Description

Procedures For Public Comment
1/31/2023
County Commissioners Meeting

ATTACHMENTS:

Description

01.31.23 Public Comment Sign in Sheet

Procedures for Public Comment 2022

Press and Public Comments

Time is allotted at the beginning and end of each meeting for the Commissioners to receive comments from the public. Anyone interested in speaking must sign up on the provided The Public Comment sign-up sheet is located on the table inside the meeting room.

The President of the Board will call the names of the listed individuals when it is time to speak. When making comments, individuals are asked to speak slowly, clearly, and concisely. Precede all comments with your name and address and speak only on the subject under discussion.

Comments in writing are welcomed and should be given to the staff after your presentation. Any person making personal, impertinent, or slanderous remarks, or whose speech or actions become disruptive, will be asked to leave the meeting.

Interested parties may address the Commissioners in writing at any time about any matter pertaining to County business. Written statements can be hand-delivered or mailed to:

The County Commissioners of Kent County, Maryland
400 High Street
Chestertown, MD 21620

Contingency and Use of Fund Balance Report
1/31/2023
County Commissioners Meeting

ATTACHMENTS:

Description

1-24-2023 Commissioner Report Contingency

FY23 CONTINGENCY & USE OF FUND BALANCE
AS OF COMMISSIONERS MEETING MINUTES DATED
January 24, 2023

CONTINGENCY

DATE APPROVED	DEPARTMENT	AMOUNT APPROVED	DESCRIPTION
6/14/22	Upper Shore Aging	$ 15,000	To secure a grant funded prgram
6/14/22	Circuit Court/Building and Grounds	25,000	Arch Design-lobby expansion design phase
8/9/22	Circuit Court/Building and Grounds	11,291	Asbestors Abatement - Court House - asbestors insulation around exposed heat pipes
9/6/22	Kent Ag Center, Inc.	7,385	Kent Ag Center-Pavilion Roof
9/6/22	Kent Ag Center, Inc.	9,600	Kent Ag Center-pavilion electrical work
9/6/22	LPPI Parks	20,000	Worton Park multipurpose field lighting project
9/6/22	Kent Ag Center, Inc.	1,000	Kent Ag Center-asbestos assessment report of two buildings at Kent Ag Center
9/27/22	Kent Ag Center, Inc.	1,625	Kent Ag Center-asbestos assessment report of two buildings at Kent Ag Center
12/13/22	Office of Finance	28,275	Central Square Payments-Web Enablement, Click2Gov Tax & CIS, Accounts Receivable
TOTAL		**$ 119,176**	
BEGINNING CONTINGENCY BUDGET		**$ 400,000**	
ENDING CONTINGENCY BALANCE		**$ 280,824**	

USE OF FUND BALANCE

DATE APPROVED	DEPARTMENT	AMOUNT APPROVED	DESCRIPTION
9/20/22	Detention Center	$ 16,794	Opioid Use Disorder (OUD) Treatment Initiative. additional costs of employee benefits.
12/13/22	Office of Finance	$ 19,172	Central Square Payments, Web Enablement Fusion, Click2Gov Tax & CIS, Accounts Receivable
TOTAL		**$ 35,966**	

USE OF FUND BALANCE

Note: If expenses are not reduced or offset by the same amount of fund balance used, this will result in a decrease in fund balance below our 7.5% target.

American Rescue Plan Act (ARPA) Funds Spend Plan
1/31/2023
County Commissioners Meeting

ATTACHMENTS:

Description

1-24-2023 ARPA Fund Commissioner Report

AMERICAN RESCUE PLAN ACT FUND
AS OF COMMISSIONER MEETING MINUTES DATED
1/24/2023

Project	Department	Project Estimate	Date Approved	Amount Approved	Date Completed
Feed the Elderly Year 1	Local Management Board	112,800	08/31/21	112,800	
Feed the Elderly Year 2 and 3	Local Management Board	204,115	03/08/22	204,115	
Clariflocculator Replacement Project	Water & Wastewater Fund	275,000	08/31/21	275,000	6/28/2022
Clariflocculator Replacement Project Change Order #1		2,817	01/11/22	2,817	6/28/2022
Clariflocculator Replacement Project Change Order #2		90,642	01/11/22	90,642	11/23/2022
AV System	Information Technology	67,429	10/26/21	67,429	
IT Software	Information Technology	27,095	10/26/21	27,095	
Neighborhood & Infrastructure Grants	Information Technology	262,227	12/14/21	262,227	
A/V Equipment in EOC	Emergency Operation Center	14,087	02/01/22	14,087	
SCADA Pump Station Monitoring	Water & Wastewater Fund	110,065	02/08/22	110,065	
Millington/RT301 Wastewater Treatment Feasibility Study	Water & Wastewater Fund	57,500	02/08/22	57,500	
Millington/RT301 Wastewater Conveyance System Capacity Study		9,500	09/27/22	9,500	
Tolchester Wastewater-Design Services Influent Screen	Water & Wastewater Fund	52,910	02/08/22	52,910	
Tolchester Wastewater - Bid Services and Const. Management		35,735	09/27/22	35,735	
Tolchester Wastewater Influent Screen Construction		*652,897*			
Worton WWTP Influent Lagoon Engineer Design & Bid Services	Water & Wastewater Fund	32,981	03/22/22	32,981	
Worton WWTP Influent Lagoon Engineer Const. Management		*15,000*			
Worton WWTP Lagoon Sludge Removal Contract		1,400,500	12/13/22	1,400,500	
Kennedyville Pump Station #2 Relocation Design	Water & Wastewater Fund	52,338	09/27/22	52,338	
Kennedyville Pump Station #2 Relocation Const. Management		*Deferred*			
Kennedyville Pump Station #2 Construction		*Deferred*			
Worton/Kennedyville GIS Water and Sewer Facilities Mapping	Water & Wastewater Fund	75,770	09/27/22	75,770	
Worton Vehicle Storage Building & site prep/lighting/heat	Water & Wastewater Fund	40,000	10/25/22	40,000	
Worton WWTP Solids Press Replacement Design	Water & Wastewater Fund	*40,000.00*			
Worton WWTP Solids Press Replacement Construction Management		*20,000.00*			
Worton WWTP Solids Press Replacement		*250,000.00*			
Total Amount of Funds Committed		$ 3,901,408		$ 2,923,511	
Amount of ARPA Funds		3,766,777		3,766,777	
Balance of ARPA Funds Remaining		$ (134,631)		$ 843,266	

Thomas N. Yeager, County Attorney
1/31/2023
County Commissioners Meeting

Item Summary:
Legal and Potential Litigation
The meeting was closed under the Annotated Code of Maryland, General Provisions Article § 3-305 (b) (7) To consult with counsel to obtain legal advice; and (8) to consult with staff, consultants, or other individuals about pending or potential litigation.

Pat Merritt, Acting Director, Human Resources
1/31/2023
County Commissioners Meeting

Item Summary:
Personnel
The meeting was closed under the Annotated Code of Maryland, General Provisions Article § 3-305(b) (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals.

ATTACHMENTS:

Description

Pat Merritt, Acting Director, Human Resources
1/31/2023
County Commissioners Meeting

Item Summary:
Personnel
The meeting was closed under the Annotated Code of Maryland, General Provisions Article § 3-305(b) (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals.

ATTACHMENTS:
Description