

# *Cecil County* *Maryland*



## *Comprehensive Annual Financial Report* *For The Year Ended June 30, 2006*

*Prepared by the Cecil County Treasurer's Office*

Cecil County  
Maryland



Congressional Annual Report  
For The Year Ended June 30, 2006  
Maryland's 2006 Report

# CECIL COUNTY, MARYLAND

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006

### TABLE OF CONTENTS

#### INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	i
Cecil County Organization Chart	vii
Principal Officials	viii
GFOA Certificate of Achievement for Excellence in Financial Reporting	ix

#### FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Assets	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Major Funds	
General Fund	22
Housing Programs	23
Highway	24
Statement of Net Assets - Proprietary Funds	26
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	27
Statement of Cash Flows - Proprietary Funds	28

**CECIL COUNTY, MARYLAND**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

**TABLE OF CONTENTS (Continued)**

**FINANCIAL SECTION (Continued)**

	<u>Page</u>
Basic Financial Statements (Continued)	
Fund Financial Statements (Continued):	
Statement of Fiduciary Net Assets - Fiduciary Funds and Similar Component Unit	30
Statement of Changes in Fiduciary Net Assets and Similar Component Unit	31
Statement of Net Assets - Discretely Presented Nonfiduciary Component Units	32
Statement of Activities - Discretely Presented Nonfiduciary Component Units	33
Notes to the Financial Statements	
1. Summary of Significant Accounting Policies	35
2. Stewardship, Compliance, and Accountability	42
3. Cash Deposits and Investment Portfolio Disclosure	43
4. Receivables	46
5. Notes Receivable	47
6. Capital Assets	48
7. Interfund Receivables, Payables, and Transfers	51
8. Long-Term Debt	52
9. Leases	56
10. Landfill Closure and Postclosure Care Costs	57
11. Reserved and Designated Fund Balances	57
12. Risk Management	58
13. Commitments and Contingencies	59
14. Retirement Plans and Benefits	59
15. Post-Retirement Health Care Benefits	63
Combining and Individual Fund Statements and Schedules:	
Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - General Fund	66
Combining Balance Sheet - Non-Major Governmental Funds	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	70

# CECIL COUNTY, MARYLAND

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006

### TABLE OF CONTENTS

#### INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	i
Cecil County Organization Chart	vii
Principal Officials	viii
GFOA Certificate of Achievement for Excellence in Financial Reporting	ix

#### FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Assets	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Major Funds	
General Fund	22
Housing Programs	23
Highway	24
Statement of Net Assets - Proprietary Funds	26
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	27
Statement of Cash Flows - Proprietary Funds	28

# CECIL COUNTY, MARYLAND

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006

### TABLE OF CONTENTS (Continued)

#### FINANCIAL SECTION (Continued)

	<u>Page</u>
Basic Financial Statements (Continued)	
Fund Financial Statements (Continued):	
Statement of Fiduciary Net Assets - Fiduciary Funds and Similar Component Unit	30
Statement of Changes in Fiduciary Net Assets and Similar Component Unit	31
Statement of Net Assets - Discretely Presented Nonfiduciary Component Units	32
Statement of Activities - Discretely Presented Nonfiduciary Component Units	33
Notes to the Financial Statements	
1. Summary of Significant Accounting Policies	35
2. Stewardship, Compliance, and Accountability	42
3. Cash Deposits and Investment Portfolio Disclosure	43
4. Receivables	46
5. Notes Receivable	47
6. Capital Assets	48
7. Interfund Receivables, Payables, and Transfers	51
8. Long-Term Debt	52
9. Leases	56
10. Landfill Closure and Postclosure Care Costs	57
11. Reserved and Designated Fund Balances	57
12. Risk Management	58
13. Commitments and Contingencies	59
14. Retirement Plans and Benefits	59
15. Post-Retirement Health Care Benefits	63
Combining and Individual Fund Statements and Schedules:	
Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - General Fund	66
Combining Balance Sheet - Non-Major Governmental Funds	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	70

# CECIL COUNTY, MARYLAND

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006

### TABLE OF CONTENTS (Continued)

#### FINANCIAL SECTION (Continued)

	<u>Page</u>
Combining and Individual Fund Statements and Schedules (Continued):	
Combining Balance Sheet - Non-Major Governmental Funds - Special Revenue Funds	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds - Special Revenue Funds	73
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Non-Major Governmental Funds - Special Revenue Funds	
Community Adult Rehabilitation Center	74
Other Public Safety	75
Open Space	76
Agricultural Land Preservation	77
Gilpin Falls Covered Bridge	78
Aging Services	79
Economic Development Revolving Loan Fund	80
Combining Balance Sheet - Non-Major Governmental Funds - Capital Project Funds	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds - Capital Project Funds	83
Balance Sheet - Debt Service Fund	86
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Non-Major Governmental Funds - Debt Service Fund	87
Combining Statement of Net Assets - Internal Service Funds	89
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets - Non-Major Governmental Funds - Internal Service Funds	90
Combining Statement of Cash Flows - Internal Service Funds	91
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	94

# CECIL COUNTY, MARYLAND

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006

### TABLE OF CONTENTS (Continued)

#### STATISTICAL SECTION

	<u>Table</u>	<u>Page</u>
Government-wide Net Asset Information:		
Net Assets by Component	I	99
Changes in Net Assets	II	100
Governmental Fund Information:		
Fund Balances of Governmental Funds	III	102
Changes in Fund Balances of Governmental Funds	IV	103
Assessable Value and Actual Value of Taxable Property	V	104
Direct and Overlapping Property Tax Rates	VI	105
Principal Property Taxpayers	VII	106
Property Tax Levies and Collections	VIII	107
Ratios of Outstanding Debt by Type	IX	108
Ratios of General Bonded Debt Outstanding	X	109
Direct and Overlapping Governmental Activities Debt	XI	110
Legal Debt Limitation Information	XII	110
Pledged-Revenues Coverage	XIII	111
Demographic and Economic Statistics	XIV	112
Principal Employers	XV	113
Full-Time Equivalent County Government Employees by Function	XVI	114
Operating Indicators by Function	XVII	115
Capital Asset Statistics by Function	XVIII	116



