



HOWARD COUNTY PUBLIC SCHOOLS
PURCHASING DEPARTMENT
10910 Clarksville Pike
Ellicott City, MD 21042
(410) 313-6644

ADDENDUM NO. 1
(Total Pages - 22)

February 9, 2018
Request for Proposal No. 026.18.B1
External Auditing Services

Opening Date: February 16, 2018 Time: 3:00 P.M.

The following shall be incorporated into the captioned solicitation as though included in the original documents issued.

The Board of Education authorizes the following changes, clarifications and or attachments to the solicitation documents; however, such changes shall not relieve the firm of their responsibilities as otherwise required by the solicitation documents.

A pre-submission meeting was held on February 7, 2018 at 3:00 PM. Please see attached sign-in sheet.

The following are provided in response to questions asked during the meeting.

Please see attached Glenelg Wastewater Treatment Plant Financial Statements
Please see attached Glenelg Wastewater Treatment Plant "Agreed Upon Procedures".

Questions

1. To what level should the response cover key personnel?
Response: Firms should provide the level of personnel that will be assigned to this engagement.
2. What is HCPSS looking for in terms of the sample reports?
Response: Please select the most relevant and efficient report possible. The intent is to see a complete report.
3. How much did HCPSS spend on external auditing services last year?
Response: Last year's cost was approximately \$105,000.00. It was noted that HCPSS is looking for all-inclusive annual pricing. Firms should include an hourly rate schedule for incidental items, etc. outside of the scope of work. Firms should submit the most aggressive pricing possible.
4. Will audit services include reporting to the Board of Education?
Response: Yes.

There are no other changes.

Note: It is the firm's sole responsibility to monitor the HCPSS Purchasing website to ensure that they download any additional addendums or clarifications prior to submitting their proposal and duly acknowledge receipt of and full understanding of said addendums on the proper proposal submittal form. Failure to do so may result in non-receipt of important information prior to the closing date and may render the proposal non responsive and ineligible for award. It is highly recommended that the submitting proposer/bidder ascertain if they have received all the addendums posted prior to submitting their proposal. Failure of any proposer/bidder to obtain any such addendum or interpretation shall not relieve the proposer/bidders company from any obligation under his/her proposal as submitted.

THE HOWARD COUNTY PUBLIC SCHOOL SYSTEM

PRE-BID MEETING SIGN-IN SHEET

BID: External Audit Svcs
 DATE: Feb 7, 2018
 TIME: 3:00

Name: Steve Kutsufakis Name: _____
 Firm: Barbancare Thomas & Collier Firm: _____
 Address: 200 Springe Bld 3411 Silverdale Rd Address: _____
 Phone: Wilmington, DE 19810 Phone: _____
 Fax: 302-468-4008 (F) Fax: _____
 Email: SKutsufakis@btcpa.com Email: _____

Name: Tim Sawyer
 Firm: Barbancare Thomas & Collier
 Address: 200 Springe Bldg 3411 Silverdale Rd
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Name: Bill Seymour Name: _____
 Firm: ~~Weymour~~ sbandcompany.com Firm: _____
 Phone: 410 584 1404 Phone: _____
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Name: Rafin Ighile
 Firm: HCPSS
 Phone: 410 - 313 - 1530
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Name: Remi Omisore
 Firm: CLA
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Name: Greg Baran
 Firm: HCPSS
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Name: Nancy Johnson
 Firm: UHY LLP
 Phone: 410-423-4800
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Name: Doug Pindell
 Firm: HCPSS
 Phone: _____
 Fax: _____
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Name: Dan Kenney
 Firm: CohnReznick
 Phone: 410 895 7818
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 Email: dan.kenney@cohnreznick.com

Name: _____
 Firm: _____
 Phone: _____
 Fax: _____
 Email: _____

**GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the
Howard County Public School System)**

**INDEPENDENT ACCOUNTANT'S REPORT ON
AGREED-UPON PROCEDURES**

YEAR ENDED JUNE 30, 2017

Members of the Board of
Education of Howard County
Ellicott City, Maryland

We have performed the procedures enumerated below, which were agreed to by the management of Howard County Public School System (the HCPSS), solely to assist the HCPSS in meeting the requirements of the “Declaration of Easements, Covenants, and Restrictions” agreement (Agreement) related to the Glenelg Wastewater Treatment Plant, Section 1.3(d). This section of the Agreement requires an audit of the Glenelg High School Water and Wastewater Treatment Plant (GWWTP) and verification that updated financial projections for capital expenditures in the coming years, and usage reports utilized in determining the annual assessment as of and for the year ended June 30, 2017. Management is responsible for compliance with the aforementioned agreement. The sufficiency of these procedures is solely the responsibility of the party specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purposes.

GLENELG WASTEWATER TREATMENT PLANT

The procedures and associated findings are as follows:

- A. Obtain the calculation of estimated costs and recalculate to determine the annual assessment per homeowner was calculated in accordance with Section 1.3 of the signed Declaration of “Easements, Covenants, and Restrictions Agreement.”

No exceptions noted. The annual assessment was \$2,088 per lot for the period ending June 30, 2017, which was in accordance with the Agreement, Section 1.3(c) and the shared assessment rate increase approved by the Board of Education of Howard County at the June 26, 2014 meeting.

- B. Obtain the annual independent audit report of GWWTP and read the opinion to determine an unmodified opinion was rendered.

No exceptions noted. The audit of the Glenelg Wastewater Treatment Plant, a Special Revenue Fund of the Howard County Public School System received an unmodified opinion from CliftonLarsonAllen, LLP as of and for the year ended June 30, 2017.

- C. For the projected capital reserve balance on the attached schedule:

1. Agree the projected interest rate, projected interest earned, projected capital expenditures and projected capital reserve balance to documentation provided by Maryland Environmental Services (MES).

No exceptions noted. The projected interest rate was based on the prior year actual rate, to be conservative, and included a gradual increase in the rate for subsequent years. The projected capital expenditures used to project the capital reserve balance agreed to the GWWTP Capital Fund Expenditure Schedule provided by MES. The projected interest

Members of the Board of
Education of Howard County

earned and projected capital reserve balance were properly calculated based on the projected interest rate and projected capital expenditures.

2. Utilizing the existing reserve balance, projected interest rate and projected expenditures, recalculate the projected capital reserve balance.

No exceptions noted.

3. For the projected capital expenditures, haphazardly select 5 expenditures and agree to the supporting documentation, such as historical invoices, quoted prices or other means. Report variances to the supporting documentation greater than \$2,500.

Exceptions noted. We noted two expenditures that had combined variances totaling \$24,462 from supporting documentation.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the HCPSS's compliance with the requirements of the aforementioned Agreement for the year ended June 30, 2017. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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



CliftonLarsonAllen LLP

Baltimore, Maryland
December 28, 2017

ATTACHMENT
GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
PROJECTED CAPITAL RESERVE BALANCE
JUNE 30, 2017

Year	Projected Interest Rate	Projected Interest Earned	Projected Capital Expenditures	Projected Capital Reserve Balance
2016 (Actual)	-	\$ 2,709	\$ -	\$ 1,222,897
2017 (Actual)	-	7,000	-	1,229,897
2022	2.0%	128,009	(392,326)	965,580
2027	2.2%	110,991	(127,430)	949,141
2032	2.4%	119,497	(89,670)	978,968
2037	2.6%	134,058	(253,170)	859,855
2042	2.8%	127,312	(146,390)	840,778
2047	3.0%	133,914	(363,940)	610,752

**GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the
Howard County Public School System)**

**FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

YEARS ENDED JUNE 30, 2017 AND 2016

**GLENELG WASTEWATER TREATMENT PLANT
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INDEPENDENT AUDITORS' REPORT

Members of the
Board of Education of Howard County
Howard County, Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the Glenelg Wastewater Treatment Plan (the Plant) (a special revenue fund of the Howard County Public School System), as of and for the year ended June 30, 2017 and 2016, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Plant as of June 30, 2017 and 2016, and the results of its operations for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Glenelg Wastewater Treatment Plant (a special revenue fund of the Howard County Public School System) and do not purport to, and do not present fairly the financial position of the Howard County Public School System as of June 30, 2017 and 2016, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plant's financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual (Budgetary Basis), the Schedule of Projected Capital Reserve, The Schedule of Flow Comparison Data – Musgrove Farms and The Schedule of Flow Comparison Data – Glenelg High School are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual (Budgetary Basis) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual (Budgetary Basis) is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Schedule of Projected Capital Reserve Balance, The Schedule of Flow Comparison – Musgrove Farms and The Schedule of Flow Comparison – Glenelg High School have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Members of the
Board of Education of Howard County

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2017, on our consideration of the Plant's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Plant'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 Plant's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Baltimore, Maryland
December 20, 2017

GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
BALANCE SHEETS
JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Investments	\$ 1,249,392	\$ 1,242,392
Accounts receivable	<u>138,650</u>	<u>162,322</u>
Total Assets	<u>\$ 1,388,042</u>	<u>\$ 1,404,714</u>
 LIABILITIES		
Due to Howard County Public Schools	\$ 132,300	\$ 167,112
Accounts payable	<u>25,845</u>	<u>14,705</u>
Total liabilities	158,145	181,817
 FUND BALANCE		
Restricted	<u>1,229,897</u>	<u>1,222,897</u>
Total Liabilities and Fund Balance	<u>\$ 1,388,042</u>	<u>\$ 1,404,714</u>

See accompanying Notes to Financial Statements

GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEARS ENDED JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Assessment fees	\$ 197,431	\$ 223,086
Investment earnings	<u>7,000</u>	<u>2,709</u>
Total revenues	<u>204,431</u>	<u>225,795</u>
EXPENDITURES		
Operating expenditures	<u>197,431</u>	<u>223,086</u>
EXCESS OF REVENUES OVER EXPENDITURES	7,000	2,709
TOTAL FUND BALANCE, BEGINNING OF YEAR	<u>1,222,897</u>	<u>1,220,188</u>
TOTAL FUND BALANCE, END OF YEAR	<u>\$ 1,229,897</u>	<u>\$ 1,222,897</u>

See accompanying Notes to Financial Statements

**GLENELG WASTEWATER TREATMENT PLANT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Reporting Entity

The Glenelg Wastewater Treatment Plant (Plant) of the Howard County Public School System (Board) was established by and between the Board, Maple Springs Farm, LLC, and J. Thomas Scrivener, Inc. (Owner). The Board is the sole and exclusive owner of the shared sewage disposal facility and is the controlling authority. The Board's powers as controlling authority are authorized under Maryland State law and have been recognized by the Howard County Government.

As controlling authority, the Board owns, governs, operates, and maintains the facility in accordance with Maryland State law for the benefit of the public at Glenelg High School and for the benefit of thirty lot owners in the Owner's planned subdivision, and shown on a plat entitled, "Musgrove Farm Lots 1-30, Buildable Preservation Parcel A and Non-Buildable Preservation Parcels C & D."

Operations are overseen by Management within the Board. Debts of the Plant are debts of the Board. The financial statements presented are for limited reporting purposes and reflect the financial position and results of operations of the Plant, and are not intended to be indicative of the financial position and operations of the Board.

The financial statements present only the Glenelg Wastewater Treatment Plant (a special revenue fund of the Howard County Public School System) and do not purport to, and do not present fairly the financial position of the Howard County Public School System as of June 30, 2017 and 2016, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reporting amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measurement Focus and Basis of Accounting

The accompanying financial statements for the Plant are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Generally, revenues are recognized when they become "susceptible to accrual," that is, measurable and available to finance expenditures of the current period. Revenues susceptible to accrual include sewer assessment fees and interest earnings on investments received within 60 days of year end. Expenditures are recognized when the liability is incurred, if measurable.

Operating Budget

The operating budget is developed internally by the Board and is not a legally adopted budget.

**GLENELG WASTEWATER TREATMENT PLANT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost of Service and Capital Reserve

The Owner or its successors-in-interest to the thirty residential lot subdivision, Musgrove Farms, are liable for the costs of providing sewage service to the subdivision and/or any residential lot in the subdivision. The annual assessments charged shall be determined by the Board, as controlling authority, in accordance with applicable Maryland State law and after providing notice as required by Maryland State law and shall be in proportion to the sewage sent to the facility by the 30 individual lots (in the aggregate) and the Board.

Each lot in the subdivision is subject to annual assessments of fees and/or costs set by the Board as controlling authority of the facility, in accordance with the assessment formula, for the operation, administration, inspection, monitoring, maintenance, repair, replacement, and/or improvement of the facility and/or any part of it, and all other costs of any kind or nature incurred by the Board as the controlling authority regarding the facility. Each homeowner shall be liable for the payment of the annual assessments of fees and costs.

In accordance with Section 1.3 (c) of the Declaration of Easements, Covenants and Restrictions, the Board, as the Controlling Authority for the Shared-Use-Sewage Disposal, has the authority to increase the fixed assessment costs of \$1,800 per year five years following the assessment of the first home in the Musgrove Farms subdivision. The first home of the subdivision was purchased on August 15, 2008 and initial assessments were paid upon settlement. The five-year limitation expired on August 15, 2013. The Board approved an increase in the assessment fee for fiscal year 2017 to \$2,088 per homeowner.

Fund Balance

Fund balance represents the difference between assets and liabilities. Fund balance is reported as restricted when there are limitations placed on their use through external restrictions imposed by grantors or laws or regulations of other governments.

The Plant follows the requirements of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement requires that fund balance amounts be properly reported within the appropriate fund balance category as follows:

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. There were restricted fund balance amounts of \$1,229,897 and \$1,222,897 at June 30, 2017 and 2016, respectively.

NOTE 2 INVESTMENTS

At June 30, 2017 and 2016, the Plant's investments, totaling \$1,249,392 and \$1,242,392, respectively, were in the Maryland Local Government Investment Pool (MLGIP), which is under the administration of the State Treasurer. The MLGIP is established under the Annotated Code of Maryland and is rated AAA by Standard and Poor's, their highest rating for money market funds. MLGIP is a 2a7 like pool, which is not registered with the Securities and Exchange Commission (SEC), but generally operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 (Rule 2a7).

GLENELG WASTEWATER TREATMENT PLANT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 INVESTMENTS (CONTINUED)

Unit value is computed using the amortized cost method and maintains a \$1 per share value.

Interest Rate Risk

Fair value fluctuates with interest rates, and increasing rates could cause fair value to decline below original cost. To limit the Plant's exposure to interest rate risk, the Plant's investment policy limits the term of investment maturities to overnight deposits and investments in MLGIP. Total net investment income per the Statement of Activities consisted solely of interest income of \$7,000 and \$2,709 for the years ended June 30, 2017 and 2016, respectively.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counter party, the Plant will not be able to recover all or a portion of its investments or collateral securities that are in the possession of an outside party. The Plant's investment policy limits its investments to overnight deposits that are insured or collateralized with securities held by a custodian in the Plant's name and investments in the MLGIP. Statutes require that deposits be in Maryland banks and that uninsured deposits be fully collateralized and authorize the Plant to invest in obligations of the United States government, federal agency obligations and repurchase agreements secured by direct government or agency obligations.

NOTE 3 DUE TO/FROM BOARD

Activity between the Plant and the Board represents expenditures paid by the Board's general fund on behalf of the Plant or amounts received by the Board's general fund on behalf of the Plant. All operating cash is processed through the Board's general fund and recorded by the Plant as due to/from the Board.

NOTE 4 RISK MANAGEMENT

The Plant is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Plant is insured through the Board's participation in the Maryland Association of Boards of Education Group Insurance Pool (MABE). MABE is a public entity risk pool currently operating as a common risk management and insurance program for fourteen member counties to reduce the amount of claims expenditures incurred. The Board pays an annual premium to MABE for its general insurance coverage. The Formation Agreement of MABE provides that MABE will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of established loss limits which range from \$2,500 to \$5 million for each insured event depending on the type of loss. No insurance claims have been filed since inception.

GLENELG WASTEWATER TREATMENT PLANT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 5 COMMITMENTS AND CONTINGENCIES

The Plant is periodically subject to legal actions associated with the normal course of business. The aggregate effect of which, in management's and legal counsel's opinion, would not be material to the Plant's financial condition.

NOTE 6 FUND BALANCE

The Board, under the terms of the contractual agreement and Maryland State law, assessed each lot owner with an initial assessment of \$13,000 due at settlement on the purchase of each lot house. This initial capital reserve fund assessment was binding on each lot owner, and runs with the land.

The Board contributed \$828,000 to the capital reserve fund when MDE approved the facility for operation and the owners paid a total of \$390,000 in assessments. Accumulated investment earnings totaled \$33,396 and \$26,394 for the years ended June 30, 2017 and 2016, respectively.

The Board authorized a capital drain field improvement necessitated by state regulations which is budgeted to cost approximately \$117,000. During FY2017 and FY2016, \$0 and \$29,011 was incurred as part of the drain field improvements. The drain field improvements are capitalized in the Board's Government-wide financial statements where the Wastewater Treatment asset is held.

Fund balance at June 30, 2017 and June 30, 2016, consists of restricted fund balance of \$1,229,897 and \$1,222,897, respectively, which is reserved for capital improvements in accordance with the Supplemental Agreement to the Declaration of Easements, Covenants and Restrictions. Beginning in FY2015, the drain field improvement expenses incurred were budgeted for and funded through the Board's operating budget.

GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEARS ENDED JUNE 30, 2017 AND 2016

	2017		
	Budget	Actual	Variance
REVENUES			
Assessment fees	\$ 232,350	\$ 197,431	\$ (34,919)
Investment earnings	-	7,000	7,000
Total revenues	232,350	204,431	(27,919)
EXPENDITURES			
Operating expenditures	232,350	197,431	34,919
CHANGE IN FUND BALANCE	\$ -	7,000	\$ (62,838)
FUND BALANCE, BEGINNING OF YEAR		1,222,897	
FUND BALANCE, END OF YEAR		<u>\$ 1,229,897</u>	

	2016		
	Budget	Actual	Variance
REVENUES			
Assessment fees	\$ 214,407	\$ 223,086	\$ 8,679
Investment earnings	-	2,709	2,709
Total revenues	214,407	225,795	11,388
EXPENDITURES			
Operating expenditures	214,407	223,086	(8,679)
CHANGE IN FUND BALANCE	\$ -	2,709	\$ 20,067
FUND BALANCE, BEGINNING OF YEAR		1,220,188	
FUND BALANCE, END OF YEAR		<u>\$ 1,222,897</u>	

GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
SCHEDULE OF PROJECTED CAPITAL RESERVE BALANCE
JUNE 30, 2017 AND 2016

Year	Projected Interest Rate	Projected Interest Earned	Projected Capital Expenditures	Projected Capital Reserve Balance
2016 (Actual)	-	\$ 2,709	\$ -	\$ 1,222,897
2017 (Actual)	-	7,000	-	1,229,897
2022	-	128,009	(392,326)	965,580
2027	2.2%	110,991	(127,430)	949,141
2032	2.4%	119,497	(89,670)	978,968
2037	2.6%	134,058	(253,170)	859,855
2042	2.8%	127,312	(146,390)	840,778
2047	3.0%	133,914	(363,940)	610,752

The Capital Reserve is adequate to fund the projected capital expenditures.

GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
SCHEDULE OF FLOW COMPARISION DATA – MUSGROVE FARMS
JUNE 30, 2017

Month/Year	Total Raw Influent - GHS and Musgrove (Gallons)	Musgrove Influent	Number of Homes Online	Average Monthly Flow per Home (Gallons)	% Flow to Musgrove	Gallons per Home/Day
Jul-16	230,000	222,000	30	7,400	96.52%	238.71
Aug-16	280,000	245,100	30	8,170	87.54%	263.55
Sep-16	315,000	203,700	30	6,790	64.67%	219.03
Oct-16	300,000	202,400	30	6,747	67.47%	217.63
Nov-16	290,000	196,900	30	6,563	67.90%	218.78
Dec-16	315,000	195,100	30	6,503	61.94%	209.78
Jan-17	310,000	198,100	30	6,603	63.90%	213.01
Feb-17	260,000	211,900	30	7,063	81.50%	252.26
Mar-17	336,000	286,400	30	9,547	85.24%	307.96
Apr-17	270,000	199,400	30	6,647	73.85%	221.56
May-17	305,000	218,400	30	7,280	71.61%	234.84
Jun-17	265,000	223,700	30	7,457	84.42%	248.56
Total	3,476,000	2,603,100	30	7,231	75.54%	237.14

Musgrove Farms = 30 Residential Homes

Musgrove Farms Resident Homes are contributing approximately 237.14 gallons of wastewater for each resident per day to the treatment plant.

GLENELG WASTEWATER TREATMENT PLANT
(A Special Revenue Fund of the Howard County Public School System)
SCHEDULE OF FLOW COMPARISION DATA – GLENELG HIGH SCHOOL
JUNE 30, 2017

Month/Year	Total Raw Influent - GHS and Musgrove (Gallons)	Glenelg High School Influent	Number of Students Online	Average Monthly Flow per Student (Gallons)	% Flow to GHS	Gallons per Student/Day
Jul-16	230,000	8,000	1,206	7	3.48%	0.21
Aug-16	280,000	34,900	1,206	29	12.46%	0.93
Sep-16	315,000	111,300	1,206	92	35.33%	2.98
Oct-16	300,000	97,600	1,206	81	32.53%	2.61
Nov-16	290,000	93,100	1,206	77	32.10%	2.57
Dec-16	315,000	119,900	1,206	99	38.06%	3.21
Jan-17	310,000	111,900	1,206	93	36.10%	2.99
Feb-17	260,000	48,100	1,206	40	18.50%	1.42
Mar-17	336,000	49,600	1,206	41	14.76%	1.33
Apr-17	270,000	70,600	1,206	4	26.15%	0.13
May-17	305,000	86,600	1,206	2	28.39%	0.07
Jun-17	265,000	41,300	1,206	4	15.58%	0.14
Total	3,476,000	872,900	1,206	47	24.46%	1.55

Glenelg High School Student Population = 1,206

Glenelg High School, based upon a student population of 1,206, contributes 1.55 gallons of wastewater for each resident per day to the treatment plant.

The rate charged to the Musgrove homeowners is lower than the actual percentage of use.