ATTORNEY GRIEVANCE COMMISSION
OF MARYLAND
Annapolis, Maryland

AUDITED FINANCIAL STATEMENTS
June 30, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Commissioners
Attorney Grievance Commission of Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the Attorney Grievance Commission of Maryland, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of budget, receipts, expenditures, and net assets, and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditor's 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. Those standards require that we plan and perform the audit 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 auditor's 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 entity'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 entity'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 qualified audit opinion.

Basis for Qualified Opinion

The Commission recognized expense for certain software costs totaling $173,000 for the year ended June 30, 2020. In our opinion, in accordance with accounting principles generally accepted in the United States of America, these costs should have been recognized for the year ended June 30, 2021. See Note 10 for additional detail regarding this matter and the accounts affected.

Qualified Opinion

In our opinion, except for the effects on the financial statements of expensing the software costs as described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material aspects, the financial position of the Attorney Grievance Commission of Maryland as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

HeimLantz CPAs & Advisors, LLC
Annapolis, Maryland

September 16, 2021

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 and 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	$ 1,168,947	$ 576,604
Certificates of deposit - short-term	3,750,000	3,500,000
Client Protection Fund accounts receivable	87,242	100,020
Prepaid expenses	10,911	12,147
TOTAL CURRENT ASSETS	5,017,100	4,188,771
Property and equipment, net	37,647	52,350
NON-CURRENT ASSETS		
Certificates of deposit - long-term	500,000	750,000
Security deposits	20,020	20,020
TOTAL NON-CURRENT ASSETS	520,020	770,020
TOTAL ASSETS	$ 5,574,767	$ 5,011,141

LIABILITIES AND NET ASSETS

	2021	2020
CURRENT LIABILITIES		
Accounts payable and other current liabilities	$ 168,124	$ 202,722
Payroll liabilities	310	1,265
Pension payable	326,208	318,789
Accrued compensated absences	199,301	199,238
Current portion of deferred lease expense	5,859	5,859
TOTAL CURRENT LIABILITIES	699,802	727,873
Deferred lease expense	17,578	23,438
Retiree health insurance credit plan	1,026,525	919,581
TOTAL LIABILITIES	1,743,905	1,670,892
NET ASSETS		
Restricted fund balance	771,755	94,775
Unrestricted fund balance	3,059,107	3,245,474
TOTAL NET ASSETS	3,830,862	3,340,249
TOTAL LIABILITIES AND NET ASSETS	$ 5,574,767	$ 5,011,141

The accompanying notes are an integral part of the financial statements.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATEMENTS OF BUDGET, RECEIPTS, EXPENDITURES AND NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2021 and 2020

	2021			2020
	Actual	Budget	Variance Positive (Negative)	Actual
COMMISSION RECEIPTS				
Attorney assessments	$ 4,566,140	$ 4,507,690	$ 58,450	$ 4,497,115
Investment income	54,707	60,000	(5,293)	138,862
Court recovered costs	40,194	45,000	(4,806)	36,905
TOTAL RECEIPTS	4,661,041	4,612,690	48,351	4,672,882
COMMISSION EXPENSES				
Personnel costs	3,139,497	3,406,275	(266,778)	3,177,236
Case management costs	217,542	232,000	(14,458)	162,756
Staff support	32,481	112,700	(80,219)	66,639
Outside services	105,584	113,500	(7,916)	110,026
Information technology support	150,754	216,000	(65,246)	336,419
Office expense	306,439	368,945	(62,506)	353,869
Court mandated costs	126,513	150,000	(23,487)	120,352
TOTAL EXPENDITURES	4,078,810	4,599,420	(520,610)	4,327,299
INCREASE IN UNRESTRICTED FUND BALANCE BEFORE COURT ORDERED REFUND	582,231	13,270	568,961	345,583
Refunding of funds dedicated to the Maryland Professionalism Center	3,157	-	(3,157)	341,466
INCREASE IN NET ASSETS	$ 585,388	$ 13,270	$ 565,804	$ 687,049
NET ASSETS, BEGINNING OF YEAR	3,340,249			4,194,358
RESTRICTED FUND BALANCE, PRIOR YEAR	(94,775)			(1,541,158)
RESTRICTED FUND BALANCE, CURRENT YEAR	771,755			94,775
UNRESTRICTED FUND BALANCE	3,059,107			3,245,474
NET ASSETS, END OF YEAR	$ 3,830,862			$ 3,340,249

The accompanying notes are an integral part of the financial statements.

THE ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets:	$ 582,231	$ 345,583
Adjustments to reconcile increase in unrestricted net assets to cash provided by (used in) operating activities		
Depreciation	21,819	25,926
(Increase) decrease in:		
Client Protection Fund accounts receivable	12,778	(8,421)
Prepaid expenses	1,236	(1,643)
Increase (decrease) in:		
Accounts payable	(34,598)	96,318
Payroll liabilities	(955)	1,266
Pension payable	7,419	140,748
Accrued compensated absences	63	39,547
Retiree health insurance credit plan	106,944	60,567
Deferred lease expense	(5,860)	(5,859)
NET CASH PROVIDED BY OPERATING ACTIVITIES	691,076	694,032
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments - net	-	500,000
Purchase of property & equipment	(7,117)	(7,690)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(7,117)	492,310
CASH FLOWS FROM FINANCING ACTIVITIES		
Court ordered transfer to the Client Protection Fund	(94,775)	(1,541,158)
Refund from the Maryland Professionalism Center	3,157	341,466
NET CASH USED IN FINANCING ACTIVITIES	(91,618)	(1,199,692)
NET INCREASE (DECREASE) IN CASH	592,341	(13,350)
CASH AT BEGINNING OF YEAR	576,606	589,956
CASH AT END OF YEAR	$ 1,168,947	$ 576,606

The accompanying notes are an integral part of the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

Nature of the Commission
The Attorney Grievance Commission of Maryland, (the Commission) was authorized and created by the Court of Appeals of Maryland on February 10, 1975 to oversee the conduct of both Maryland lawyers and nonmembers of the Maryland Bar who engage in the practice of law in the State. The Commission investigates and, where indicated, prosecutes attorneys whose conduct violates the Maryland Attorneys' Rules of Professional Conduct as well as those engaged in the unauthorized practice of law.

Basis of Accounting
As an instrumentality of the Maryland Court of Appeals, the Commission maintains its accounting records on a basis consistent with generally accepted accounting principles. The Commission's funds are used to account for the proceeds of revenue sources that are restricted to expenditures for specific purposes.

Revenue and Revenue Recognition
Attorney assessments are the Commission's primary source of revenue. Assessments are received through payments made by individual attorneys to the Client Protection Fund of the Bar of Maryland (CPF) on a billing which includes assessments for CPF and the Commission. These annual assessments are required by the Maryland Judiciary for any individual admitted to practice before the Court of Appeals or issued a certificate of special authorization pursuant to Title 19, Chapter 200 of the Maryland Rules.

Since there is no requirement that an individual remain admitted to practice law in the State of Maryland, assessments are deemed to be revenue only when collected. When assessments are collected by the Client Protection Fund, but not yet remitted to the Commission, they appear as a receivable on these financial statements. Based on prior experience, management feels that all amounts will be collected; therefore, there is no allowance for doubtful accounts included in these financial statements. The assessment collected by the Commission for each attorney in practice was $110 for the year ended June 30, 2021 and $110 for the year ended June 30, 2020. The number of practicing attorneys as of June 30, 2021 and 2020 was 41,626 and 40,615, respectively.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status
The Commission is an instrumentality of the Maryland Court of Appeals and as such is not subject to income taxes. Accordingly, no provision has been made. The Commission believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Cash and Cash Equivalents
Cash and cash equivalents represent cash held in checking and money market accounts with original maturities of less than ninety days.

Investments

The Commission invests solely in brokered, negotiable, certificates of deposit. Because the certificates of deposit are purchased in increments of $250,000 or less, they are fully insured by the FDIC. Accordingly, there is virtually no risk of gain or loss if the investments are held to maturity.

Management intendeds to hold all certificates of deposit to maturity. In accordance with FASB ASC 825, *Financial Instruments – Overall,* these investments are carried at cost.

Any certificates of deposit that mature within one year of the financial statement date are classified on the statement of financial position as “certificates of deposit - short-term” and those with maturity dates greater than one year after the financial statement date are classified “certificates of deposit – long-term”.

Property and Equipment

Acquisitions of equipment and furniture and all expenditures for repairs, maintenance, and betterments costing $1,000 or greater that materially prolong the useful lives of assets are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Equipment and furniture are stated at cost, less accumulated depreciation. Depreciation and amortization are computed using the straight-line method over estimated useful lives of three to thirty-nine years. Leasehold improvements are amortized on the straight-line method over the shorter of the lease term or estimated useful life of the asset.

Compensated Absences

The entity accrues a liability for certain sick leave, and all annual leave which has been earned but not taken by the employees. Employees can earn a maximum of 25 days for annual leave per year. Annual leave can be accumulated up to 35 days. There is no requirement that annual leave be taken in the year earned. Upon termination, employees are paid for any accumulated annual leave. Employees hired prior to January 1, 1989 are reimbursed one third of accumulated sick leave, up to sixty days upon termination. Employees hired after 1988 are not reimbursed for accumulated sick leave. As of June 30, 2021, there are only two current employees hired prior to January 1, 1989.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30:

	2021	2020
Computer equipment	$ 120,324	$ 113,208
Furniture and fixtures	88,202	88,202
Leasehold improvements	17,390	17,390
Software	118,796	118,796
Total property and equipment	344,712	337,596
Less accumulated depreciation	307,065	285,246
Property and equipment, net	$ 37,647	$ 52,350

Depreciation expense for the periods ending June 30, 2021 and 2020 was $21,819 and $25,926 respectively.

NOTE 3 - PENSION PLAN

The Commission sponsors a trustee defined contribution pension plan covering substantially all employees meeting minimum age and service requirements. Contributions to the plan for the years ended June 30, 2021 and 2020 were $326,208 and $318,789 respectively. This amount is equal to 15% of the participant's compensation. For periods ending June 30, 2021 and 2020, the amount owed by the Commission to the plan was $326,208 and $318,789 respectively.

NOTE 4 – OTHER POSTEMPLOYMENT BENEFITS

On September 1, 2012 the Commission adopted an Other Postemployment Benefit Plan (OPEB) to provide health insurance reimbursement benefits to eligible retirees and their surviving spouses. The official name of the plan is "The Attorney Grievance Commission of Maryland Retiree Health Insurance Credit Plan." Eligible retirees include employees with at least ten years of service and have attained age fifty-five, or persons who have become disabled and are receiving benefits under the terms of the Social Security Act. Surviving spouses must have been covered under this plan at the time of the retiree's death and enroll in the Plan on the first day of the month following the death of the covered retiree. Plan benefits will be paid directly by the Commission to the retiree at a rate of the lesser of $4,200 annually or their actual health insurance premiums.

An actuarial valuation is performed to determine the outstanding "Net OPEB Liability" on an annual basis. This valuation is performed as of the final day of the prior year, and reflects what the Commission's liability would be if all eligible employees terminated employment at that date. See below for key actuarial and balance information for the most recent valuation.

Key Actuarial Factors

Actuarial cost method	Entry age normal cost method
Discount rate	2.45%
Actuarial valuation date	June 30, 2020

The "2020 Net OPEB Liability" was calculated as $1,065,608. See **Appendix A** for additional information regarding how this figure was calculated, as well as additional disclosures required under GASB 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pension.*

During the year ended June 30, 2021, the Commission made payments $39,083 to current retirees, thereby reducing the OPEB liability to $1,026,525, as of June 30, 2021. This balance is reflected on the statement of position as "retiree health insurance credit plan".

NOTE 5 – LEASE COMMITMENT

The Commission leases office space in Annapolis, MD. The lease calls for monthly rental payments beginning on July 1, 2016. In addition to lease payments, the Commission is responsible for their portion of common area maintenance and property tax of about $900 per month. The lease is an operating lease and the agreement expires in 2025, with an option to renew for up to five years. In the normal course of business, it is expected that available options to renew will be exercised.

In addition, at signing, the lease included a lease incentive of deferred lease expense for the first three months of the agreement. The remaining amount of deferred lease expense provided by the lessor at June 30, 2021 is $17,578. This amount is reported as "deferred lease expense" on the Statement of Financial Position and is amortized over the life of the lease.

The following is a schedule, by year, of future minimum rental payments required under the operating lease agreements:

June 30, 2022	240,236
June 30, 2023	240,236
June 30, 2024	240,236
June 30, 2025	180,177
Total	**$ 900,885**

NOTE 6 - RELATED PARTY TRANSACTIONS

Revenue

The Commission has significant transactions with the Client Protection Fund of the Bar of Maryland (CPF), an instrumentality of the State of Maryland. All attorney assessments are collected by CPF and the Commission's portion is transferred monthly by check. At year end, CPF owed the Commission attorney assessments in the amount of $1,500 and $1,540 at June 30, 2021 and 2020, respectively.

Reimbursable Expenses

The Commission provided office space, salary and benefits to three CPF employees. CPF reimburses the Commission for these expenses on a quarterly basis. During the years ending June 30, 2021 and 2020, the Client Protection Fund of the Bar of Maryland was billed $329,100 and $338,395, respectively, by the Commission for fees incurred for salaries, benefits and lease expenses. At June 30, 2021 and 2020, the Client Protection Fund of the Bar of Maryland owed these fees to the Commission in the amount of $85,742 and $98,480, respectively.

NOTE 7 – BONDS

The Commission has a $6,000,000 blanket crime protection insurance policy in effect for employee dishonesty.

NOTE 8 – CONTINGENCIES

Prior to the 2014 fiscal year, the Maryland Court of Appeals, at its discretion, was permitted to order a transfer of funds from the Commission to court related agencies. On March 13, 2014 an Administrative Order was issued by the Maryland Court of Appeals, requiring the Commission to maintain a net asset balance of 75% of the prior year's fiscal expenditures. Any excess net asset amount would be due to the Client Protection Fund, as of 30 days following the issuance of annual audited financial statements.

As this amount cannot be determined by the Commission as of the fiscal year end, and it has not been declared or approved by the Courts, it is not a current liability of the Commission, but rather a restricted portion of net assets. Per this Order, at June 30, 2021 and 2020, the Commission owed $771,755 and $94,775 to the Client Protection Fund, respectively. These amounts are reported as "Restricted Fund Balance" on the Statements of Financial Position. The $94,775 owed as of June 30, 2020 was paid to the Client Protection Fund by the Commission on September 24, 2020.

In addition, on October 17, 2019, and as directed by the Court of Appeals of Maryland, the Commission received a refund of unspent funds from the Maryland Professionalism Center in the amount of $341,466. On June 22, 2021, the Commission received a second payment in the amount of $3,157. The Commission does not anticipate additional refunds in the future.

Beginning Net Assets	$ 3,340,249
Plus Refund From Maryland Professionalism Center:	3,157
Plus Net income:	582,231
Less Balance Paid Prior Year:	(94,775)
Ending Net Assets	$ 3,830,862
Total FY2021 Expenditures	$ 4,078,810
75% of Total Expenditures	3,059,108
Excess Fund Balance, June 30, 2021	$ 771,755

NOTE 9 – MANAGEMENT'S SUBSEQUENT REVIEW

The Commission has evaluated subsequent events through September 16, 2021 the date which the financial statements were available to be issued, and no events were noted that would materially impact the financial statements.

NOTE 10 – RECOGNITION OF CERTAIN SOFTWARE COSTS

The Commission entered into an agreement to upgrade its internal software system for $173,000 in June 2020, and recognized this expense in the year that the agreement was made. The Commission paid a deposit of $50,000 at that time. Under accounting principles generally accepted in the United States (US GAAP), expenses should be recognized in the period that the corresponding benefit has been received. That is, the year the system upgrade work is performed. The Commission's treatment of this expenditure is a departure from US GAAP and a summary of the effect of departure is provide below.

As of and for the year ended June 30, 2020:

Account	As Reported	Per US GAAP	Effect of departure
Software license/updates expense	$ 196,963	$ 23,963	+ 173,000
Prepaid expense	$ 12,147	$ 62,147	- 50,000
Accounts payable	$ 202,722	$ 79,755	+ 123,000
Net assets	$ 3,340,249	$ 3,513,249	- 173,000

As of and for the year ended June 30, 2021:

Account	As Reported	Per US GAAP	Effect of departure
Software license/updates expense	$ 20,650	$ 193,650	- 173,000
Net assets	$ 3,830,862	$ 3,830,862	No change to end. bal.

NOTE 11 – RECLASSIFICATIONS

Certain amounts in the prior periods presented have been reclassified to conform to the current period financial statement presentation. These reclassifications have no effect on previously reported net income.

Appendix A

Additional Required Disclosures Under GASB 75

Change in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2019 for FYE 2020	$958,795	$0	$958,795
Changes for the Year			
Service Cost	35,343		35,343
Interest	29,333		29,333
Changes of Benefit Terms	0		0
Experience Losses/(Gains)	(4,067)		(4,067)
Trust Contribution - Employer		39,214	(39,214)
Net Investment Income		0	0
Changes in Assumptions	85,418		85,418
Benefit Payments (net of retiree contributions)	(39,214)	(39,214)	0
Administrative Expense		0	0
Net Changes	106,813	0	106,813
Balance as of June 30, 2020 for FYE 2021	**$1,065,608**	**$0**	**$1,065,608**
Funded status		0.00%	

OPEB Expense

1. Service Cost	$	35,343
2. Interest		29,333
3. Projected Earnings on OPEB Trust		0
4. OPEB Administrative Expense		0
5. Changes in Benefit Terms		0
6. Differences Between Expected and Actual Earnings		
In Current Fiscal Year Recognized in Current Year		0
From Past Years Recognized in Current Year		0
Total		0
7. Differences Between Expected and Actual Experience		
In Current Fiscal Year Recognized in Current Year		(407)
From Past Years Recognized in Current Year		(5,840)
Total		(6,247)
8. Changes in Assumptions		
In Current Fiscal Year Recognized in Current Year		8,542
From Past Years Recognized in Current Year		168
Total		8,710
9. Total OPEB Expense	**$**	**67,139**

Sensitivity of Total and Net OPEB Liability

The following table presents Attorney Grievance Commission's Total and Net OPEB liability. We also present the Total and Net OPEB liability if it is calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher.

Discount Rate	1% Decrease 1.45%	Discount Rate 2.45%	1% Increase 3.45%
Total OPEB Liability	$1,212,785	$1,065,608	$943,798
Net OPEB Liability/(Asset)	$1,212,785	$1,065,608	$943,798

The following table presents Attorney Grievance Commission's Total and Net OPEB liability. We also present the Total and Net OPEB liability if it is calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher.

Ultimate Trend	1% Decrease 3.00%	Medical Trend 4.00%	1% Increase 5.00%
Total OPEB Liability	$920,506	$1,065,608	$1,248,319
Net OPEB Liability/(Asset)	$920,506	$1,065,608	$1,248,319

Deferred Inflows/Outflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, Attorney Grievance Commission recognized an OPEB expense of $67,139. At June 30, 2021, Attorney Grievance Commission 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
Differences between expected and actual experience	$ -	$ 47,088
Changes of assumptions	120,056	31,810
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contribution subsequent to measurement date	-	
Total	**$ 120,056**	**$ 78,898**

$0 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Fiscal Year Ended June 30	Measurement Date	Earnings (Inflow)/Outflow
2022	6/30/2021	$ 2,463
2023	6/30/2022	2,463
2024	6/30/2023	2,463
2025	6/30/2024	2,463
2026	6/30/2025	2,463
Thereafter	6/30/2026 and after	28,843

Schedule of Differences between Projected and Actual Earnings on OPEB Plan Investments

In conformity with paragraph 86b of Statement 75, the effects of differences between projected and actual earnings on OPEB plan investments are recognized in collective OPEB expense using a systematic and rational method over a closed five-year period, beginning in the current reporting period. The following table illustrates the application of this requirement.

			Increase (Decrease) in OPEB Expense Arising from the Recognition of Differences between Projected and Actual Earnings on OPEB Plan Investments								
Year	**Differences between Projected and Actual Earnings on OPEB Plan Investments**	**Recognition Period (Years)**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
2017	$	5	$ -	-	-	-	-				
2018		5		$ -	-	-	-	-			
2019		5			$ -	-	-	-	-		
2020		5				$ -	-	-	-	-	
2021		5					$ -	-	-	-	-
Net increase (decrease) in OPEB expense			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Deferred Outflows of Resources and Deferred Inflows of Resources Arising from Differences between Projected and Actual Earnings on OPEB Plan Investments

				Balances at June 30, 2020	
Year	**Investment Earnings Less than Projected (a)**	**Investment Earnings Greater Than Projected (b)**	**Amounts Recognized in OPEB Expense Through June 30, 2020 (c)**	**Deferred Outflows of Resources (a) - (c)**	**Deferred Inflows of Resources (b) - (c)**
2017	$ -	$ -	$ -	$ -	$ -
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
				$ -	**$ -**

Schedule of Differences between Expected and Actual Experience

In conformity with paragraph 86a of Statement 75, the effects of differences between expected and actual experience are recognized in collective OPEB expense, beginning in the current reporting period, using a systematic and rational method over a closed period equal to the average of the remaining service lives of all employees that are provided with OPEB through the OPEB plan (active and inactive employees), determined as of the beginning of the measurement period. The following table illustrates the application of this requirement.

			Increase (Decrease) in OPEB Expense Arising from the Recognition of Differences between Expected and Actual Experience											
Year	Differences between Expected and Actual Experience	Recognition Period (Years)	Prior	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Thereafter
Prior			$ -	-	-	-	-	-	-	-	-	-	-	-	-
2016		1		$ -											
2017		1			$ -										
2018		10				$ -	-	-	-	-	-	-	-	-	-
2019	(32,870)	10					$ (3,287)	(3,287)	(3,287)	(3,287)	(3,287)	(3,287)	(3,287)	(3,287)	(6,574)
2020	(25,525)	10						$ (2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(7,654)
2021	(4,067)	10							$ (407)	(407)	(407)	(407)	(407)	(407)	(1,625)
Net increase (decrease) in OPEB expense			**$ -**	**$ -**	**$ -**	**$ -**	**$ (3,287)**	**$ (5,840)**	**$ (6,247)**	**$ (6,247)**	**$ (6,247)**	**$ (6,247)**	**$ (6,247)**	**$ (6,247)**	**$ (15,853)**

Deferred Outflows of Resources and Deferred Inflows of Resources Arising from Differences between Expected and Actual Experience

				Balances at June 30, 2020	
Year	Experience Losses (a)	Experience Gains (b)	Amounts Recognized in OPEB Expense Through June 30, 2020 (c)	Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
Prior	$ -	$ -	$ -	$ -	$ -
2016	-		-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	32,870-	9,861	-	23,009
2020	-	25,525	5,106	-	20,419
2021	-	4,067	407	-	3,660
				$ -	**$ 47,088**

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
APPENDIX A: ADDITIONAL REQUIRED DISCLOSURES UNDER GASB 75
JUNE 30, 2021

Schedule of Changes of Assumptions

In conformity with paragraph 86a of Statement 75, the effects of changes of assumptions should be recognized in OPEB expense, beginning in the current reporting period, using a systematic and rational method over a closed period equal to the average of the remaining service lives of all employees that are provided with OPEB through the OPEB plan (active and inactive employees), determined as of the beginning of the measurement period. The following table illustrates the application of this requirement.

			Increase (Decrease) in OPEB Expense Arising from the Effects of Changes of Assumptions												
Year	Changes of Assumptions	Recognition Period (Years)	Prior	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Thereafter
Prior	$ -		$ -	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	1		$ -											
2017	-	1			$ -										
2018	(48,022)	10				$ (4,802)	(4,802)	(4,802)	(4,802)	(4,802)	(4,802)	(4,802)	(4,802)	(4,802)	(4,804)
2019	(4,280)	10					$ (428)	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(856)
2020	53,976	10						$ 5,398	5,398	5,398	5,398	5,398	5,398	5,398	16,190
2021	85,418	10							$ 8,542	8,542	8,542	8,542	8,542	8,542	34,166
Net increase (decrease) in OPEB expense			**$ -**	**$ -**	**$ -**	**$ (4,802)**	**$ (5,230)**	**$ 168**	**$ 8,710**	**$ 8,710**	**$ 8,710**	**$ 8,710**	**$ 8,710**	**$ 8,710**	**$ 44,696**

Deferred Outflows of Resources and Deferred Inflows of Resources Arising from Changes of Assumptions

				Balances at June 30, 2020	
Year	Increases in the Total OPEB Liability (a)	Decreases in the Total OPEB Liability (b)	Amounts Recognized in OPEB Expense Through June 30, 2020 (c)	Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
Prior	$ -	$ -	-	$ -	$ -
2016	-	$ -	-	-	-
2017	-	-	-	-	-
2018	-	48,022	19,208	-	28,814
2019	-	4,280	1,284	-	2,996
2020	53,976	-	10,796	43,180	-
2021	85,418	-	8,542	76,876	-
				$ 120,056	**$ 31,810**

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
APPENDIX A: ADDITIONAL REQUIRED DISCLOSURES UNDER GASB 75
JUNE 30, 2021

Schedule of Changes in the Total Liability and Related Ratios

Changes in Employer's Net OPEB Liability and Related Ratios Last 10 Fiscal Years

Disclosure for fiscal year ending: Measurement Date:	2021 6/30/2020	2020 6/30/2019	2019 6/30/2018	2018 6/30/2017	2017 6/30/2016	2016 6/30/2015	2015 6/30/2014	2014 6/30/2013	2013 6/30/2012	2012 6/30/2011
Total OPEB liability										
Service Cost	$ 35,343	$ 39,485	$ 39,422	$ 42,932		Information for FYE 2017				
Interest Cost	29,333	31,845	31,258	25,234		and earlier is not available				
Changes in Benefit Terms	-	-	-	-						
Differences Between Expected and Actual Experience	(4,067)	(25,525)	(32,870)	-						
Changes of Assumptions	85,418	53,976	(4,280)	(48,022)						
Benefit Payments	(39,214)	(38,682)	(28,927)	(24,441)						
Net Change in Total OPEB Liability	106,813	61,099	4,603	(4,297)						
Total OPEB liability - Beginning of Year	958,795	897,696	893,093	897,390						
Total OPEB Liability - End of Year	1,065,608	958,795	897,696	893,093						

Plan Fiduciary Net Position
Last 10 Fiscal Years

Disclosure for fiscal year ending: Measurement Date:	2021 6/30/2020	2020 6/30/2019	2019 6/30/2018	2018 6/30/2017	2017 6/30/2016	2016 6/30/2015	2015 6/30/2014	2014 6/30/2013	2013 6/30/2012	2012 6/30/2011
Contributions - Employer	$ 39,214	$ 38,682	$ 28,927	$ 24,441		Information for FYE 2017				
Net Investment Income	-	-	-	-		and earlier is not available				
Benefit Payments (net of retiree contributions)	(39,214)	(38,682)	(28,927)	(24,441)						
Administrative Expense	-	-	-	-						
Net Change in Fiduciary Net Position	-	-	-	-						
Fiduciary Net Position - Beginning of Year	-	-	-	-						
Fiduciary Net Position - End of Year	-	-	-	-						
Net OPEB Liability	1,065,608	958,795	897,696	893,093						
Fiduciary Net Position as a % of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%						
Covered-Employee Payroll[1]										
Net OPEB Liability as a % of Payroll[1]										
Expected Average Remaining Service Years of All Participants	10	10	10	10						

-Notes to Schedule:

Benefit changes: None.

Changes of assumptions: The discount rate was changed as follows:

		2021	2020	2019	2018
	The discount rate changes year-to-year:	2.45%	3.13%	3.62%	3.58%

The medical trend was updated to the latest model released by the SOA and excludes the impact of the Cadillac Tax

The mortality assumption was updated to the latest experience study on public sector employees and retirees released by the SOA

1/ Because this OPEB plan does not depend on salary, we do not have salary information.