



Allegany County, Maryland

# Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009





**ALLEGANY COUNTY, MARYLAND**  
**COMPREHENSIVE ANNUAL**  
**FINANCIAL REPORT**

**FOR THE FISCAL YEAR**  
**JULY 1, 2008 - JUNE 30, 2009**

Prepared by:  
The Allegany County Finance Office  
Jerry L. Frantz, CPA, Director





# ALLEGANY COUNTY, MARYLAND COMPREHENSIVE ANNUAL FINANCIAL REPORT

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# INTRODUCTORY SECTION

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# ALLEGANY COUNTY, MARYLAND

## *Finance Office*

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### BOARD OF COMMISSIONERS

James J. Stakem, *President*

Robert M. Hutcheson

Dale R. Lewis

Jerry L. Frantz, CPA, *Director of Finance*

November 20, 2009

To the Board of County Commissioners and the  
Citizens of Allegany County, Maryland

The Comprehensive Annual Financial Report (CAFR) of Allegany County, Maryland for the fiscal year ending June 30, 2009, including the report of our independent Certified Public Accountants is presented herewith. This report has been prepared by the Allegany County Finance Department in accordance with Article 19 of the Annotated Code of the State of Maryland and with Part I, Chapter 26, Article 26-3 of the Allegany County code. This report is presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of Allegany County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Allegany County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Turnbull, Hoover & Kahl, PA., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Allegany County for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used, and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

### **Profile of Allegany County**

Allegany County, located on the Potomac River in western Maryland, was established in 1789. It is bordered by Pennsylvania to the north and West Virginia to the south, and comprises an area of 428 square miles. Cumberland, the County seat, covering eight square miles, is at an elevation of 641 feet. Cumberland is situated approximately 100 miles southeast of Pittsburgh and 130 miles northwest of Baltimore and Washington, D.C. There are seven incorporated municipalities in the County: Barton, Cumberland, Frostburg, Lonaconing, Luke, Midland and Westernport.

The County is predominately rural in character. The 1990 census showed a population of 74,946; according to the 2000 Census, the population is 74,930 for the County. The County seat and principal city is Cumberland, with a 2000 population of 21,518.

Both the executive and legislative functions of the County are vested in the elected, three member Board of County Commissioners. Commissioners are elected on a county-wide basis and serve four-year terms. The Board elects one Commissioner to serve as its President. The Board is required to meet monthly.

In 1974, the County adopted the Code Home Rule form of government provided in Article XI-F of the Maryland Constitution and Article 25B of the Annotated Code of Maryland. Under this form of government, the Board has the authority to enact, amend, and repeal public local laws relating to the incorporation, organization, and government of the county, including, laws authorizing the issuance and sale of bonds to finance capital projects for the County. Each member of the board has one vote and, except for emergency bills, a simple majority of the Board is sufficient to enact any bill into law.

In 1996, the Commissioners adopted legislation making the County Administrator of Allegany County responsible to the Board and charged with the administration of all County affairs. The Administrator will carry out the policies of the Board, direct and supervise the administration of all departments and agencies, and perform all duties enumerated in the Allegany County Code Chapter 2, Article 1.

County financial matters are administered through the Department of Finance of the County by the Director of Finance. The Director of Finance is charged with the administration of the financial affairs of the County, which generally include the receiving of County taxes, fees and other revenues and funds of every kind due to the County; the custody and safekeeping of all funds or securities belonging to or by law deposited with, distributed to, or handled by the County; the disbursement of County funds; the keeping and supervision of all accounts; and such other functions as may be prescribed by the Board.

## **BUDGET**

The formulation of the County's Budget is a joint responsibility between the Director of Finance, who also serves as Budget Officer, and the County Administrator. In addition to formulating the Budget, the Budget Officer is responsible for the submission to the Board of periodic reports on their efficiency and economy, and such other duties and functions as may be assigned by the Board.

The County Budget is comprised of the Operating Budget, which has current year appropriations for all funds, and the Capital Budget.

### **Operating Budget**

The Operating Budget, which must be balanced, is prepared by the County Administrator and the Director of Finance on a modified accrual basis and submitted for approval of the Board of County Commissioners. It is based upon estimated revenues and expenditures for operations for the ensuing fiscal year that is submitted to the Director of Finance by the department head of each office, Court, department, institution, board, commission, corporation or other agency of the County government. The current Operating Budget must contain the following information: (1) a schedule of all revenues estimated to be received by the County during the ensuing fiscal year, classified to show the receipts by funds and sources of income; (2) a schedule of the debt service requirements for the ensuing fiscal year; (3) schedule of the receipts and expenditures for the last two completed fiscal years, the estimated receipts and expenditures of the current ending fiscal year and the expenditures recommended by the Board of County Commissioners for the ensuing fiscal year for each function, activity, and sub activity; and (5) any other material which the Board of County Commissioners may deem advisable.

Variance reports of actual revenues and expenditures versus budgeted revenues and expenditures are prepared by the Director of Finance on a monthly basis. Additionally, individual offices, departments, boards, commissions, and other agencies of the County review on a monthly basis all events affecting their budgetary estimates and can request the Board for supplemental appropriations to increase their budgetary allowances. The Board in turn has the power to grant such increases.

## **Capital Budget**

The Capital Budget is prepared by the Capital Projects Engineer after approval by the Review Committee and then submitted for approval to the Board of County Commissioners. The Review Committee consists of the County Administrator, the Director of Community Services, the Director of Public Works, the Director of Finance, the Director of Economic Development and the County Engineer. It is based on the need for having certain capital projects undertaken and the availability of financial resources. Each project is identified with estimated costs and estimated sources of funding. All funding requests are then applied to a debt affordability model to ascertain if the proposed debt is within the County's self-imposed debt guidelines.

## **Adoption of Budget**

Before the end of April in each year, the preliminary County Budget is publicly reviewed by the County Commissioners at an announced time and date. Opportunities are then available at the next several public meetings for citizens to express their views. After the public hearings, the Board of County Commissioners may revise the preliminary budget. Line item details of all individual departmental and agency requests and proposed appropriations are available. The Board is further authorized to revise the schedule of anticipated receipts and estimated rates for general and special taxes. The Budget must be approved and signed by a majority of the Commissioners by June 30th.

## **Factors Affecting Financial Condition**

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

**Local economy:** Allegany County currently enjoys a favorable economic environment and local indicators point to continued stability. The unemployment rate has increased slightly from 5.8% at June 30, 2008 to 8.9% at June 30, 2009. The region has diverse manufacturing and industrial base of paper manufacturing, rail transportation and the manufacturing of window coverings. A varied service provider base gives the area relative stability of the unemployment rate. Major service providers include health services, government, education, and call centers.

The state and federal government have a major economic presence with the operation of correctional facilities. The state also operates a 4-year higher education institution that serves the region offering a variety of undergraduate and graduate programs.

Allegany County has a total labor force of 36,054. The total labor force remains relatively unchanged which mirrors the population census of the county. Recent population projections have the county maintaining its current population which reverses decades of population loss.

**Long-term financial planning:** The County adopts a five year Capital Improvement Program each year as required by state law. During fiscal year 2009 the County borrowed \$4.6 million to fund \$600,000 of stream restorations, remodel the Allegany College library for \$1,160,000 and fund a geothermal project for \$327,000, upgrade the computer aided 911 dispatch system for

\$538,200, make improvements to the public safety building for \$700,000 and repair the courthouse roof for \$250,00 among others. The new Mt. Ridge High School located in Frostburg, Maryland was completed in the current year at a total cost of slightly over \$11 million. An upgrade to the Georges Creek Waste Water Treatment facility was started in fiscal year 2008, and will continue into fiscal year 2010, with an estimated total cost of \$28.5 million. Allegany County will be required to finance \$9 million of the cost of construction with debt which will be repaid from user charges on customers in the George's Creek sanitary district.

**Major initiatives:** During 2007 Allegany County successfully negotiated a 10 year lease with the General Services Administration (GSA) for the Federal Emergency Management Agency (FEMA) use of the former Pittsburgh Plate Glass plant. It is one of three national distribution centers. The formerly vacant 534,000 square foot building will permit a quick FEMA response to disasters as well as providing an economic boost to the region.

Additionally, Allegany County partnered with Frostburg State University, the State of Maryland, and a private development group to construct the first technology-based building at the Allegany Business Center at Frostburg State University. The project, using University resources, is the key for technology related economic development in the County.

The construction of the Western Maryland Health Systems' new \$268 million hospital is complete and will be open for operations on November 21, 2009.

### **Risk Management**

Allegany County retains insurance advisors who monitor health, workers compensation, life, and property insurance coverage. Periodical inspections of County buildings and property by the insurance carriers ensure the proper levels of liability and building and contents coverage. The County's exposure to risk is limited to immaterial deductible amounts. The County employs a risk and safety manager to recommend and enforce safety policies and to monitor workers compensation cases.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Allegany County for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This was the seventeenth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.



I wish to acknowledge the support and interest of the Board of County Commissioners and the County Administrator in the recording and reporting of financial matters. It is of the utmost importance that the accounting functions have this support. I also want to express my appreciation to Wm. Jay George, CPA, Assistant Director of Finance and the entire staff of the Finance Office for their cooperation, dedication, and professionalism in the preparation of this report. In conclusion, I want to acknowledge the efforts of the many County employees that support the accounting function.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "J. L. Frantz", with a stylized flourish at the end.

Jerry L. Frantz, CPA  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Allegany County  
Maryland

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "K. L. R.", is positioned above the title "President".

President

A handwritten signature in black ink, reading "Jeffrey R. Emer", is positioned above the title "Executive Director".

Executive Director

Allegany County, Maryland  
Summary of Certain Officials  
June 30, 2009

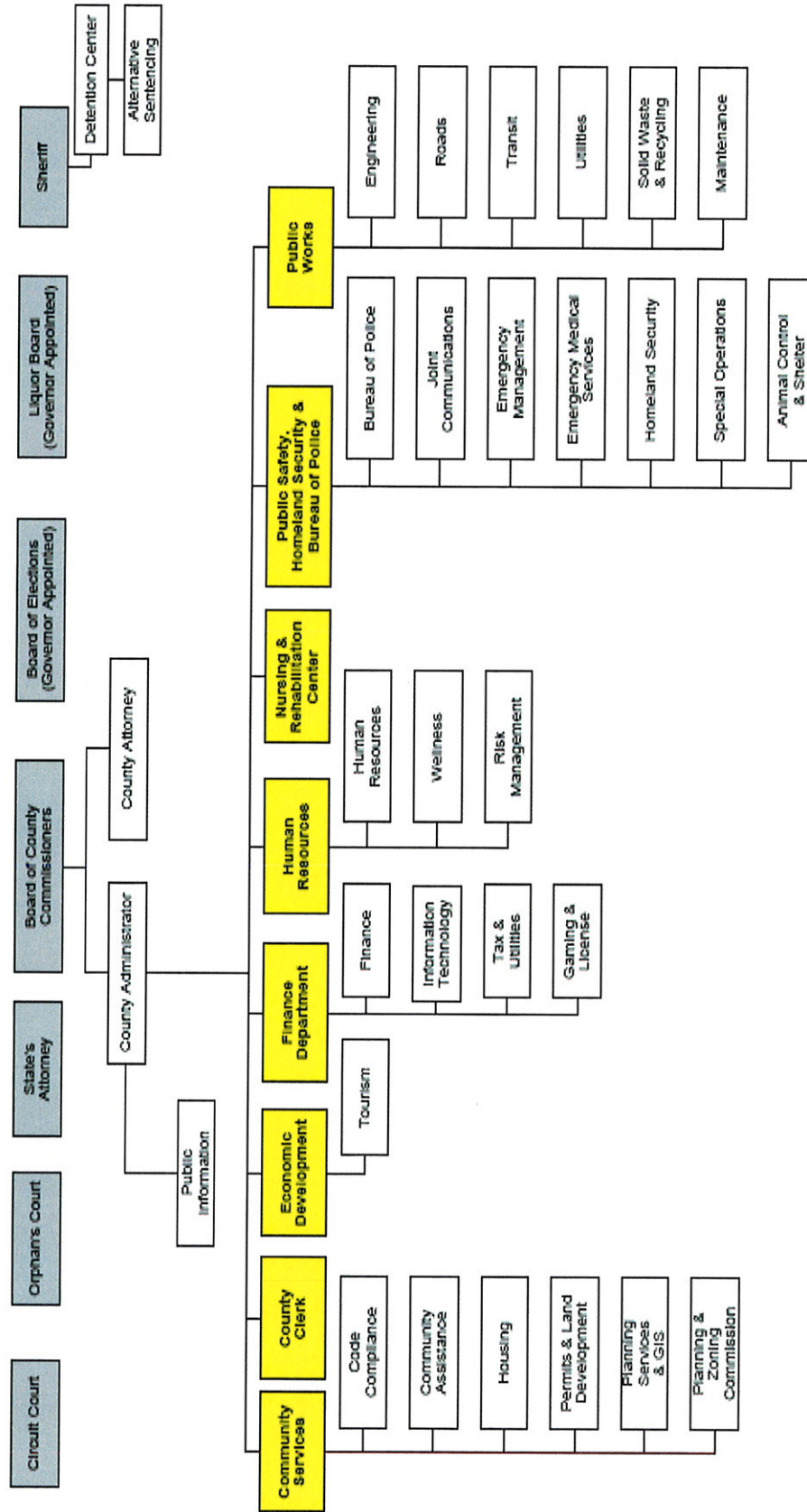
Board of Commissioners

James J. Stakem, President  
Robert M. Hutcheson, Commissioner  
Dale R. Lewis, Commissioner

Acting County Administrator	David A. Eberly
Clerk of the Board	Carol A. Gaffney
Director of Finance	Jerry L. Frantz, CPA
Director of Public Works	W. Stephen Young, P.E.
Director of Community Services	David A. Eberly
Director of Economic Development	Matthew W. Diaz
Director of Interagency Data Processing	Nilufer H. Grove
Director of Human Resources & Personnel Services	Brian P. Westfall
Sheriff	David A. Goad
State's Attorney	Michael O. Twigg, Esquire
County Attorney	William M. Rudd, Esquire
Election Administrator	Catherine O. Davis
Health Officer	Sue V. Raver, M.D., M.P.H.



# *Allegany County, Maryland* *Organization Chart 2009*



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# **FINANCIAL SECTION**

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David W. Turnbull, CPA  
Richard J. Hoover, CPA  
Bernard B. Kahl, CPA



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Board of Allegany County Commissioners  
County Office Complex  
701 Kelly Road  
Cumberland, Maryland

#### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland (the County), as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Allegany County Board of Education and the LaVale Sanitary Commission, which collectively represent 72 percent, 71 percent, and 79 percent, respectively, of the assets, net assets, and revenues of the component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Allegany County Board of Education and the LaVale Sanitary Commission, is based on the report of the other auditors.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

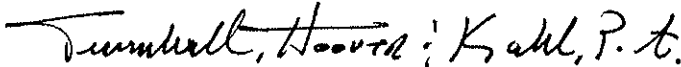
In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective

financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland, as of June 30, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2009, on our consideration of Allegany County, Maryland'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages B-1 through B-11, the schedule of pension and other post-employment benefit contributions on page D-3, and the budgetary comparison information on pages D-4 through D-14 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

 Tammie L. Hoover; Kahl, P. A.

Cumberland, Maryland  
November 20, 2009

## Management's Discussion and Analysis

As management of Allegany County, we offer readers of Allegany County's financial statements this narrative overview and analysis of the financial activities of Allegany County for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at page ix of this report.

### Financial Highlights

- The assets of Allegany County exceeded its liabilities at the close of the most recent fiscal year by \$153.7 million (*net assets*). Of this amount, \$155.1 million is invested in capital assets net of related debt and \$4.6 million is restricted for specific purposes (restricted net assets). The County's total unrestricted net assets are a deficit of \$6.1 million. This total unrestricted net asset amount includes deficit balances of \$2.4 million from governmental activities, and unrestricted net assets from business-type activities of \$3.7 million.
- The government's total net assets decreased by \$13.2 million or 9.4%. The governmental net assets increased \$4.5 million (or 6.0%). Business-type net assets increased by \$8.6 million (or 13.4%) during the year.
- As of the close of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of \$28.4 million, an increase of \$140,000 in comparison with the prior year. The modest increase is largely due to debt proceeds of \$4.6 million being received in fiscal year 2009 and a similar amount of debt proceeds being spent in the Capital Improvement Bond Fund and for PPG building renovations in the revolving building fund. Approximately 5.0% of this total amount, \$1.4 million, is available for spending at the government's discretion (*unreserved fund balance*) and another \$22.4 million is unreserved and designated for specific projects, programs and uses.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$1.2 million, or 1.8% of total general fund expenditures.
- Allegany County's governmental activity outstanding debt decreased by \$65,000 (or .2%) during the current fiscal year reflecting debt principal payments of \$4.7 million and new debt of \$4.7 million. The County's business-type debt increased by \$3.6 million (or 19.8%) due to borrowing for improvements to George's Creek wastewater treatment plant. Debt of approximately \$856,000 was retired.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Allegany County's basic financial statements. Allegany County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Allegany County's finances, in a manner similar to private-sector business.

The *statement of net assets* presents information of all of Allegany County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Allegany County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are 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 (e.g., uncollected taxes and earned, but unused, vacation leave).



Both of the government-wide financial statements distinguish functions of Allegany County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The government activities of Allegany County include general government, public safety, public works, social services, economic development, and payments to component units (the public school system, community college and library). The business-type activities of Allegany County include the Water Fund, Sewer Fund, Loan Fund, Allconet II, and Nursing Home operations.

The government-wide financial statements include not only Allegany County itself (known as the *primary government*), but also a legally separate public school system, community college, library system and a sewer district. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself

The government-wide financial statements can be found on pages C5-C7 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Allegany County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Allegany County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating governments' near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Allegany County maintains fifteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the highway fund, the revolving building fund, and the capital projects fund, all of which are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages C9-C18 of this report.

**Proprietary funds.** Allegany County has one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Allegany County uses enterprise funds to account for its water fund, sewer fund, nursing home fund and loan fund

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for all of the enterprise funds, of which the water, sewer and nursing home funds are considered to be major funds of Allegany County

The basic proprietary fund financial statements can be found on pages C15-C17 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Allegany County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages C18 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages C19-C56 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Allegany County's progress in funding its obligation to provide pension benefits to certain groups of its employees

Also reported as *required supplementary information* are budgetary comparison schedules for the General Fund, the Highway Fund and the Revolving Building which are reported as major funds. Required supplementary information can be found on pages D3-D14 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages E4-E54 of this report.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Allegany County, assets exceeded liabilities by \$153.7 million at the close of the most recent fiscal year.

By far the largest portion of Allegany County's net assets (\$155.1 million) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. Allegany County uses these capital assets to provide services to citizens consequently; these assets are *not* available for future spending. Although Allegany County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

ALLEGANY COUNTY'S NET ASSETS						
	Governmental Activities		Business-type Activities		Total	
	FY 2009	FY 2008	FY 2009	FY 2008	FY 2009	FY 2008
<b>Assets:</b>						
Current and other assets	\$ 36,916,492	\$ 35,135,319	\$ 6,317,703	\$ 6,397,428	\$ 43,234,195	\$ 41,532,747
Capital assets	91,258,725	87,665,207	98,381,135	82,461,931	189,639,860	170,127,138
Total assets	<u>128,175,217</u>	<u>122,800,526</u>	<u>104,698,838</u>	<u>88,859,359</u>	<u>232,874,055</u>	<u>211,659,885</u>
<b>Liabilities:</b>						
Current and other liabilities	12,359,570	11,276,698	7,074,826	2,948,461	19,434,396	14,225,159
Long-term liabilities outstanding	35,172,031	35,413,655	24,599,982	21,511,079	59,772,013	56,924,734
Total liabilities	<u>47,531,601</u>	<u>46,690,353</u>	<u>31,674,808</u>	<u>24,459,540</u>	<u>79,206,409</u>	<u>71,149,893</u>
<b>Net assets:</b>						
Investment in capital assets						
net of related debt	78,593,428	76,516,700	76,553,963	64,244,563	155,147,391	140,761,263
Restricted	4,418,898	5,939,861	184,204	175,654	4,603,102	6,115,515
Unrestricted	(2,368,710)	(6,346,388)	(3,714,137)	(20,398)	(6,082,847)	(6,366,786)
Total net assets	<u>\$ 80,643,616</u>	<u>\$ 76,110,173</u>	<u>\$ 73,024,030</u>	<u>\$ 64,399,819</u>	<u>\$ 153,667,646</u>	<u>\$ 140,509,992</u>

An additional portion of Allegany County's net assets (3.0%) represents resources that are subject to external restrictions on how they may be used. The County has an *unrestricted net assets* deficit balance of \$6.1 million. The *unrestricted net assets* balance for the governmental activities was a deficit of \$2.4 million and the business-type activities deficit balance was \$3.7 million.

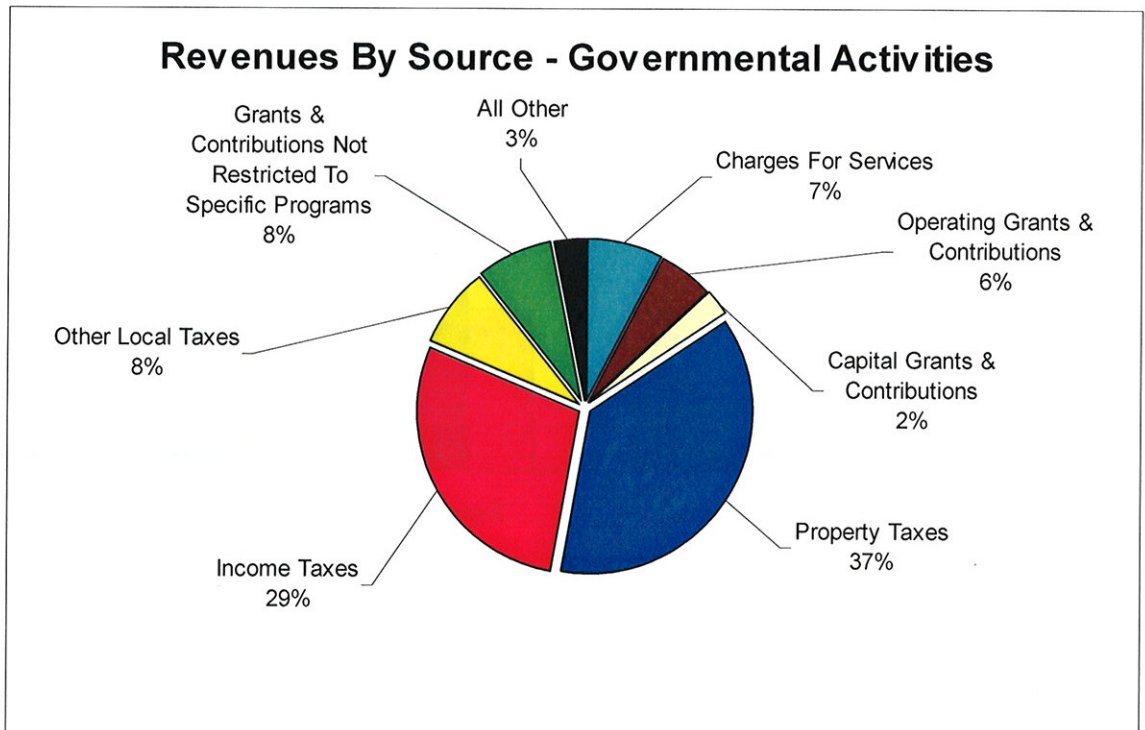
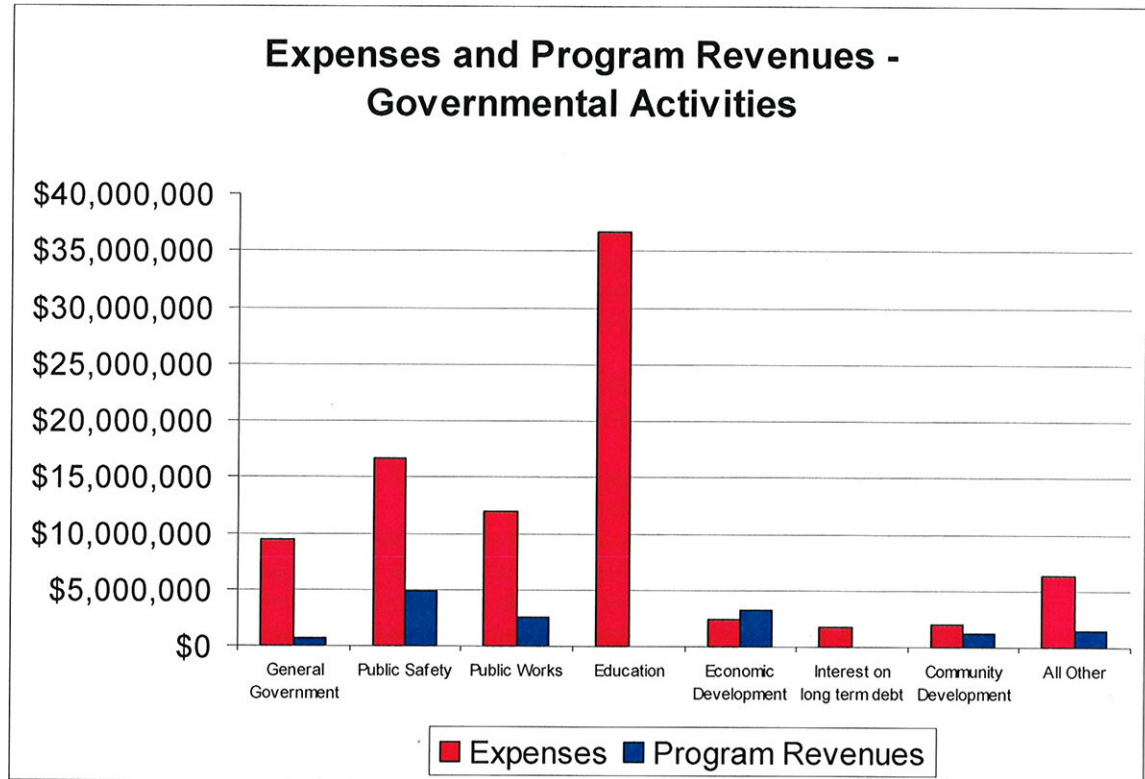
During the current fiscal year, the government's net assets increased by \$13.2 million. Revenues increased by approximately \$6.9 million to \$122.5 million while expenses decreased by \$8.3 million from the prior year to \$109.3 million.

ALLEGANY COUNTY'S CHANGES IN NET ASSETS						
	Governmental Activities		Business-type Activities		Total	
	FY 2009	FY 2008	FY 2009	FY 2008	FY 2009	FY 2008
Revenues:						
Program revenues:						
Charges for services	\$ 6,864,210	\$ 6,159,623	\$ 18,607,137	\$ 17,545,198	\$ 25,471,347	\$ 23,704,821
Operating grants and contributions	5,111,876	5,130,297	-	-	5,111,876	5,130,297
Capital grants and contributions	2,193,383	6,009,919	10,872,588	3,290,107	13,065,971	9,300,026
General revenues:						
Property taxes	34,266,623	32,492,011	891,363	819,542	35,157,986	33,311,553
Income taxes	26,338,493	24,990,613	-	-	26,338,493	24,990,613
Other local taxes	7,160,132	8,752,593	-	-	7,160,132	8,752,593
Franchise taxes	342,819	332,774	-	-	342,819	332,774
Grants and contributions not restricted to specific programs	6,966,889	7,173,715	-	-	6,966,889	7,173,715
Unrestricted fees	-	-	-	-	-	0
Unrestricted investment earnings	1,303,210	1,923,408	179,171	202,249	1,482,381	2,125,657
Gain on sale/retirement of capital assets	-	-	-	(685,462)	0	(685,462)
Miscellaneous	1,259,689	1,288,442	110,495	116,816	1,370,184	1,405,258
Total revenues	<u>91,807,324</u>	<u>94,253,395</u>	<u>30,660,754</u>	<u>21,288,450</u>	<u>122,468,078</u>	<u>115,541,845</u>
Expenses:						
General government	9,072,487	8,871,329	-	-	9,072,487	8,871,329
Payment to data processing	350,334	328,464	-	-	350,334	328,464
Public safety	16,626,793	15,612,059	-	-	16,626,793	15,612,059
Public works	12,000,493	12,280,040	-	-	12,000,493	12,280,040
Health	1,902,151	2,083,410	-	-	1,902,151	2,083,410
Social services	1,932,208	2,312,169	-	-	1,932,208	2,312,169
Education	317,766	1,274,899	-	-	317,766	1,274,899
Payment to public school system	28,883,694	36,171,292	-	-	28,883,694	36,171,292
Payment to community college	7,425,000	7,175,000	-	-	7,425,000	7,175,000
Recreation, culture & libraries	1,041,683	1,050,609	-	-	1,041,683	1,050,609
Payment to public library system	905,000	905,000	-	-	905,000	905,000
Conservation of natural resources	506,897	327,747	-	-	506,897	327,747
Community development & housing	2,002,596	1,774,905	-	-	2,002,596	1,774,905
Economic development	2,407,460	4,113,586	-	-	2,407,460	4,113,586
Miscellaneous	0	250,146	-	-	0	250,146
Interest on long-term debt	1,810,688	1,810,725	-	-	1,810,688	1,810,725
Water	-	-	3,272,629	2,977,733	3,272,629	2,977,733
Sewer	-	-	7,220,779	7,249,045	7,220,779	7,249,045
Nursing Home	-	-	11,034,410	10,425,903	11,034,410	10,425,903
Other proprietary funds	-	-	597,356	578,996	597,356	578,996
Total expenses	<u>87,185,250</u>	<u>96,341,380</u>	<u>22,125,174</u>	<u>21,231,677</u>	<u>109,310,424</u>	<u>117,573,057</u>
Increase in net assets before transfers	4,622,074	(2,087,985)	8,535,580	56,773	13,157,654	(2,031,212)
Transfers	(88,631)	(315,004)	88,631	315,004	-	-
Increase (decrease) in net assets	4,533,443	(2,402,989)	8,624,211	371,777	13,157,654	(2,031,212)
Net assets, beginning	76,110,173	78,513,162	64,399,819	64,028,042	140,509,992	142,541,204
Net assets, ending	<u>\$ 80,643,616</u>	<u>\$ 76,110,173</u>	<u>\$ 73,024,030</u>	<u>\$ 64,399,819</u>	<u>\$ 153,667,646</u>	<u>\$ 140,509,992</u>

**Governmental activities.** Governmental activities increased Allegany County's net assets by \$4.5 million. Total revenues decreased \$2.4 million (or 2.6%) and expenses decreased \$9.2 (or 9.5%). Key elements of the changes in governmental net assets are as follows:

- Property taxes in the governmental funds increased by \$1.8 million (5.5%). The increase was the result of property assessments increasing by \$239 million.
- Income tax revenue increased \$1.3 million or 5.4%. The County increased the income tax rate from 2.93% to 3.05% of Maryland taxable income effective January 1, 2008. The increase was mitigated due to the State increasing the individual personal exemptions. Income tax revenue is expected to be flat in the next several years due to the ongoing recession.
- The small increases in tax revenue were offset by a \$3.8 million decrease in capital grants and contributions. During fiscal year 2008 the County had received capital grants from the State for the purchase or construction of shell buildings; those types of grants were not available in fiscal year 2009.

- Recordation and transfer taxes amounted to \$1.7 million for fiscal year 2009 which represents a decrease from the prior year of 32.5%. The decrease is a result of the current economic conditions.
- In addition, investment earnings dropped 32%; a reduction of \$620,000 from the prior year.

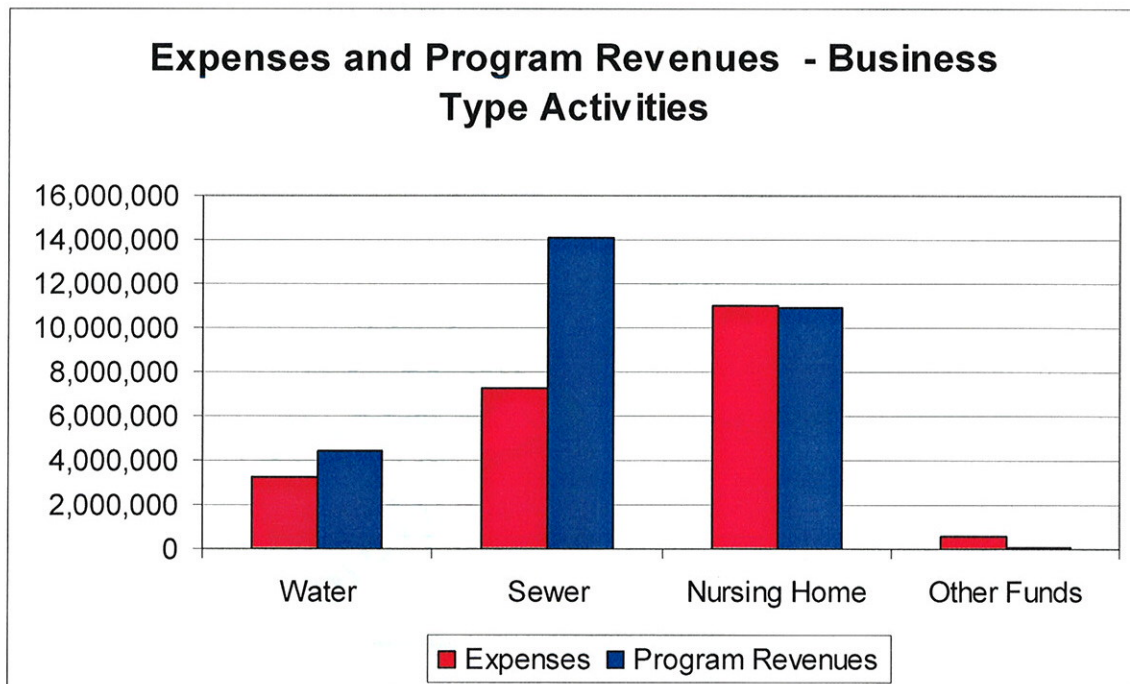


The decrease in governmental expenses of \$9.2 million (or 9.5%) was the result of the following:

- Payments to the public school system dropped \$7.3 million due to the completion of the Mountain Ridge High School in the prior year resulting in the County's funding commitment being eliminated.
- Economic development expenditures decreased \$1.7 million (41.5%) due to pass-through grants for the business technology park at Frostburg State University completing in fiscal year 2008. Similar types of expenses did not occur in the 2009 fiscal year.
- Educational expenses decreased \$957,000 (75.1%) as a result the County's commitment for the Allegany College's library building ending in the prior fiscal year. Payments were made directly to the vendor by the County for the building improvements. The building is an asset of the College and can not be capitalized on the County's books.
- Expenses for public safety increased \$1 million dollars (or 6.5%) largely due flood mitigation projects and various other public safety functions (fire, emergency medical services, 911 call center, etc.) except for police activities which fell slightly.

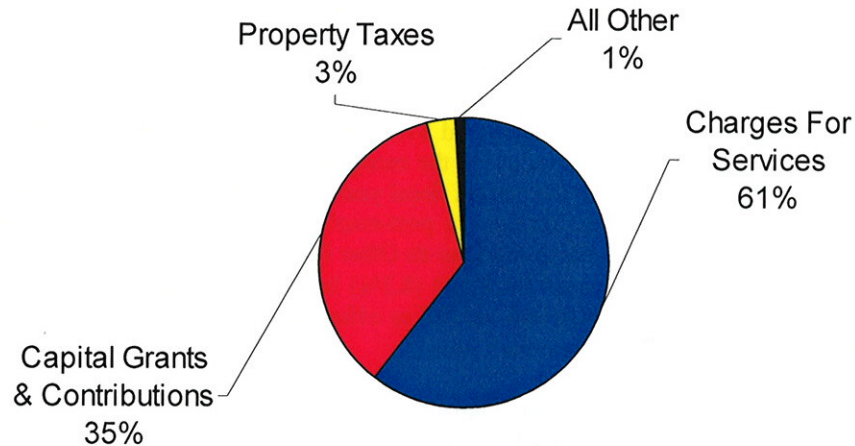
**Business-type activities.** The net assets of the County's business-type activities increased by \$8.6 million after transfers. Key elements of the increase were:

- Charges for services for business-type activities increased by \$1.1 million (6.1%) due to increases in user fees for sanitary and water customers.
- Capital contributions increased dramatically from the previous fiscal year to \$10.9 million in fiscal year 2009. An increase of \$7.6 million. Construction on the George's Creek Wastewater Treatment Plant upgrade started in the prior fiscal year with a total estimated cost in excess of \$29 million dollars. Significant grant revenues for the project are also anticipated in the next fiscal year.
- Expenses of the water districts increase \$295,000 (9.9%) as a result of higher costs for water which is purchased from other sources and resold to County customers.





## Revenues By Source - Business Type Activities



### Financial Analysis of the Government's Funds

As noted earlier, Allegany County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Allegany County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Allegany County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of \$28.4 million, an increase of \$140,000 in comparison with the prior year. Approximately 83.7 percent of this total amount (\$23.8 million) constitutes *unreserved fund balance*, of which the majority is available for spending at the government's discretion. Some amounts reported as *unreserved/designated fund balance*, are not available due to the single purpose of the fund being restricted and the requirement the fund balance be reported as unreserved. The remainder of fund balance, a total of \$4.6 million, is *reserved* to indicate that it is not available for new spending because it has already been committed for non-current assets or legally restricted for a specified use.

The general fund is the chief operating fund of Allegany County. At the end of the current fiscal year, *unreserved/undesignated fund balance* of the general fund was \$1.2 million, out of a total fund balance of \$15.8 million. As a measure of the general fund's liquidity, it may be useful to compare both *unreserved/undesignated fund balance* and total fund balance to total fund expenditures. *Unreserved/undesignated fund balance* represents 1.8 percent of total general fund expenditures, while total fund balance represents 23.0 percent of that same amount.

Key factors in the \$140,000 increase in the governmental fund balances are:

The fund balance of Allegany County's general fund remained relatively unchanged, decreasing slightly by \$20,000; which was the result of:

- Revenues increased \$1.4 million (or 1.9%) and expenditures increased \$2.0 million (or 3%).
- Property taxes grew 8.7%, an increase of \$2.8 million from the prior year. Effects of the housing collapse have had little impact to date due to the three year assessment cycle but the trend will reverse as the properties assessed three years ago were being reassessed.
- Income taxes increased \$570,000 (or 2.3%) as the effects of the economic downturn are realized.
- Offsetting the increases in property and income taxes was a decrease in intergovernmental revenues of \$532,000 (or 5.7%). The decrease was largely due to a reduction in state operating grants of \$391,000.
- General government expenditures increased \$1.1 million, or 15.5%. Almost all of the increase was due to new accounting standards requiring the recognition of a portion of the future and past liability for post-employment benefits in the current fiscal year. In past years the expenditures were recognized as they were paid. The change resulted in post-employment benefit costs increasing \$871,000 as a result of the County making a contribution to an Other Post-Employment Benefit Trust Fund.
- Transfers to other funds increased \$728,000 (8.3%) largely due to an increase in the transfer to the highway fund of \$546,000 which was needed to offset the impact of the State of Maryland reducing the highway user tax distribution to the County.

The Highway Fund, a major fund, fund balance decreased \$196,000 due to the State of Maryland continuing to reduce the amount of shared highway user's taxes being distributed to the County.

The Revolving Building Fund, another major fund, reported a decrease in fund balance of \$1.7 million. Revenues fell \$1.8 million (33.8%) and expenditures dropped \$4.7 million (56.7%). Both reductions were the result of several projects being completed in the prior year which had used debt proceeds to pay for the expenditures. Sales of capital assets had generated \$2.3 million in funds in the prior year which dropped to \$73,000 in the current year.

The Capital Projects Fund, another major fund, fund balance increase \$185,000. As a result of the economy, the activity in all of the County's capital project funds has declined significantly. This fund, in particular, has not seen any new projects added and any activity has been to complete existing projects.

The non-major governmental funds fund balance increased by \$1.9 million due to the County issuing bonds in the amount of \$4.6 million. A large portion, \$1.2 million, of the bond proceeds remain unspent at the end of the fiscal year

**Proprietary funds.** Allegany County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net assets at year end and the change in net assets during the current year are highlighted below:

	Water Districts	Sanitary Districts	Nursing Home	Other Enterprise Funds	Totals
Net assets:					
Invested in capital assets, net of related debt	\$ 18,624,684	\$ 54,501,333	\$ 1,662,593	\$ 1,765,353	\$ 76,553,963
Restricted for debt service		184,204	-	-	184,204
Unrestricted	(169,626)	(1,934,630)	(2,868,049)	1,258,168	(3,714,137)
Total net assets	<u>\$ 18,455,058</u>	<u>\$ 52,750,907</u>	<u>\$ (1,205,456)</u>	<u>\$ 3,023,521</u>	<u>\$ 73,024,030</u>
Change in net assets during the year, increase (decrease)	<u>\$ 1,272,772</u>	<u>\$ 8,069,294</u>	<u>\$ (133,884)</u>	<u>\$ (583,971)</u>	<u>\$ 8,624,211</u>

Other factors concerning the finances of these four funds have already been addressed in the discussion of Allegany County's business-type activities.

## **General Fund Budgetary Highlights**

During the year, the original budget increased \$913,000 (includes other sources and uses) to a revised total of \$78.7 million, which was the final amended budget. Significant changes between the original budget and the final amended budget are summarized as follows:

- The public safety budget was increased by \$468,000 to comply with a District Court settlement approved by the County Commissioners and the Sheriff on August 28, 2008.
- The budget was also increased by \$244,000 to reflect the approval of a soil conservations grant which was approved after the budget cycle was completed. The grant was to provide funding for the removal of numerous dams on various streams which prevented the migration of fish.

Revenues exceeded budgetary estimates by \$766,500 and actual expenditures were less than budgetary estimates by \$1.5 million. Operating transfers to other funds exceeded the budget estimates by \$837,600 due to unanticipated transfers to capital project funds to finance the local share of various construction projects requiring local matches.

- The General Fund's income tax revenue exceeded budget by \$2.7 million (or 10.3%) primarily due to the tax rate increasing from 2.93% to 3.05% of Maryland taxable income effective January 1, 2008. The increase was mitigated somewhat by the State of Maryland increasing the personal exemption from \$2,400 to \$3,200 per individual.
- The favorable variance from income taxes was offset by an unfavorable variance of \$1 million for other local taxes. Taxes associated with the sales of real estate (recordation taxes, \$608,000 unfavorable and transfer taxes, \$250,000 unfavorable) did not meet expectations due to the depressed housing market.
- Various other general fund revenues variances were slightly unfavorable from budgeted amounts.
- General government expenditures had a favorable variance of \$1.5 million. The larger favorable variances were: financial administration - \$396,000 and corrections - \$335,000. As mention earlier post retirement benefits had an unfavorable of \$864,000 due to new accounting standards requiring the recognition of a portion of the future and past liability for post-employment benefits in the current fiscal year. Almost all operating departments finishing well within budget

## **Capital Asset and Debt Administration**

**Capital assets.** Allegany County's investment in capital assets for its governmental and business type activities as of June 30, 2009 was \$189.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, furniture and fixtures, equipment, vehicles, heavy equipment and other miscellaneous assets. The total increase in Allegany County's investment in capital assets for the current fiscal year was 11.5 percent (a 4.1 percent increase for governmental activities and a 19.3 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- Construction continued on the Georges Creek waste water treatment plant in Westernport; costs incurred during the fiscal year were \$15.2 million, and this project is projected to have a total cost of nearly \$29 million at its completion.
- Design and construction continued on the Bowman's Addition water project with a total cost incurred of nearly \$2.5 million during the year, projected total cost is expected to be \$5.6 million.
- Construction continued on the Pea Vine Run Road bridge and was completed with a total project cost \$556,000, of which \$371,000 was incurred in fiscal year 2009.
- Construction continued on the Barton Business Park Access Road and was completed with a total project cost \$1.7 million, \$601,000 was incurred in fiscal year 2009.
- Work continued on the remodeling of the old PPG building at Mexico Farms with \$2.2 million spent during the year, total costs to date are \$7.5 million.

ALLEGANY COUNTY'S CAPITAL ASSETS  
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 20,918,704	\$ 20,594,558	\$ 79,602	\$ 79,602	\$ 20,998,306	\$ 20,674,160
Work in Progress	8,945,111	7,908,401	25,997,142	7,304,253	34,942,253	15,212,654
Buildings	34,932,441	35,596,242	1,602,103	1,693,257	36,534,544	37,289,499
Infrastructure	19,172,094	17,511,878	65,499,361	67,642,008	84,671,455	85,153,886
Furniture & fixtures	181,307	209,265	431,702	498,386	613,009	707,651
Equipment	3,543,905	2,473,465	2,291,150	2,784,682	5,835,055	5,258,147
Vehicles	2,377,758	2,080,598	366,879	373,583	2,744,637	2,454,181
Heavy equipment	735,842	823,531	283,860	128,919	1,019,762	952,450
Other fixed assets	451,563	467,268	1,829,336	1,957,241	2,280,899	2,424,509
Total	<u>\$ 91,258,725</u>	<u>\$ 87,665,206</u>	<u>\$ 98,381,135</u>	<u>\$ 82,461,931</u>	<u>\$ 189,639,860</u>	<u>\$ 170,127,137</u>

Additional information on Allegany County's capital assets can be found in the notes to the financial statements, note 7 on pages C-41 through C-42 of this report.

**Long-term debt.** At the end of the current fiscal year, Allegany County had total debt outstanding of \$62.3 million. Governmental activities debt consists of \$25.8 million in general obligation bonds and \$14.7 million of debt incurred with creditors for which the full faith and credit of the County has also been pledged. The \$21.8 million of debt for the business-type activities (revenue bonds) is either paid from revenues restricted for that purpose or by user fees.

ALLEGANY COUNTY'S OUTSTANDING DEBT  
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation	\$ 25,787,011	\$ 24,949,597	\$ 421,585	\$ 449,448	\$ 26,208,596	\$ 25,399,045
Notes	9,815,243	10,253,745	-	-	9,815,243	10,253,745
Capital leases	259,423	288,444	-	-	259,423	288,444
State loans	4,630,302	5,065,139	13,269,239	9,489,761	17,899,541	14,554,900
Federal loans	-	-	7,703,110	7,813,451	7,703,110	7,813,451
County loans	-	-	433,238	464,706	433,238	464,706
Total	<u>\$ 40,491,979</u>	<u>\$ 40,556,925</u>	<u>\$ 21,827,172</u>	<u>\$ 18,217,366</u>	<u>\$ 62,319,151</u>	<u>\$ 58,774,291</u>

Allegany County issued \$4.7 million of governmental debt and retired \$4.7 million during the current fiscal year and debt outstanding remained relatively unchanged. Debt issued during the year for governmental activities was \$4.6 million of general obligation debt which included \$1,160,000 for Allegany College's library and for various public safety projects. A capital lease was issued for \$63,700 to acquire new Bureau of Police vehicles.

Revenue debt in the amount of \$4.5 million was incurred to upgrade the George's Creek wastewater treatment plant to meet discharge requirements of the Maryland Department of the Environment. Business type debt retired during the year was \$856,000.

Allegany County has an "A-" rating from Standard & Poor's and a "Baa1" rating from Moody's for general obligation debt.

Additional information on Allegany County's long-term debt can be found in note 10 on pages C-47 through C-50 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for June 2009 for Allegany County was 8.9 percent, which was an increase from a 5.5 percent rate for June 2008.
- Property assessments increased 9.1% from the previous fiscal year.

All of these factors were considered in preparing Allegany County's budget for the 2010 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund decreased slightly to \$11.86 million. Allegany County has appropriated \$2.0 million of this amount for spending in the 2010 fiscal year budget. The use of the unexpended and available fund balance reduced the amount of tax, service charges and fee increases necessary to have a balanced budget for the 2010 fiscal year.

The sewer and water district minimum service charges were increased in a range from 2% - 4% for the 2010 budget year. The minimal increases should be sufficient to cover any increases in the costs of materials and supplies for operations of the water and sewer systems.

### **Requests for Information**

This financial report is designed to provide a general overview of Allegany County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Allegany County Finance Director, 701 Kelly Road, Suite 205, Cumberland, Maryland 21502 or e-mail at [finance@allconet.org](mailto:finance@allconet.org).

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# **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT WIDE  
FINANCIAL  
STATEMENTS**

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**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Board of Education	Allegany College of Maryland	Allegany County Library	LaVale Sanitary Commission
<b>ASSETS:</b>							
Current Assets:							
Cash	\$ 13,938,934	\$ 597,178	\$ 14,536,112	\$ 16,225,530	\$ 7,122,545	\$ 69,699	\$ 2,414,980
Investments	7,528,021	741,328	8,269,349	20,003,167	202,155	1,004,896	-
Property taxes receivable	3,202,649	-	3,202,649	-	-	-	-
Receivables:							
Accounts	-	3,127,862	3,127,862	2,221,362	752,193	2,604	598,326
Other	10,047,497	3,367,894	13,415,391	236,140	1,330,635	-	149,255
Internal balances	1,876,143	(1,876,143)	-	-	-	-	-
Inventory	70,787	87,658	158,445	216,023	291,065	-	238,024
Prepaid expenses	61,481	-	61,481	-	195,540	21,383	19,652
Deferred charges	91,662	-	91,662	-	-	-	-
Miscellaneous	56,646	-	56,646	-	-	-	-
Restricted Assets:							
Cash	42,672	87,722	130,394	-	395,044	-	23,065
Investments	-	-	-	-	6,588,538	-	-
Taxes	-	101,173	101,173	-	-	-	-
Receivables	-	83,031	83,031	-	-	-	-
Total current assets	<u>36,916,492</u>	<u>6,317,703</u>	<u>43,234,195</u>	<u>38,902,222</u>	<u>16,877,715</u>	<u>1,098,582</u>	<u>3,443,302</u>
Non-current Assets:							
Land	20,918,704	79,602	20,998,306	4,002,794	697,465	-	176,385
Work In Progress	8,945,111	25,997,142	34,942,253	1,384,321	-	-	59,312
Other non-depreciable assets	-	-	-	121,938	66,893	-	-
Capital assets subject to depreciation/amortization	118,353,231	119,949,421	238,302,652	161,089,521	55,432,224	8,343,246	21,571,076
Accumulated depreciation	<u>(56,958,321)</u>	<u>(47,645,030)</u>	<u>(104,603,351)</u>	<u>(74,144,523)</u>	<u>(20,612,541)</u>	<u>(4,822,922)</u>	<u>(9,268,660)</u>
Total non-current assets	<u>91,258,725</u>	<u>98,381,135</u>	<u>189,639,860</u>	<u>92,454,051</u>	<u>35,584,041</u>	<u>3,520,324</u>	<u>12,538,113</u>
Total Assets	<u>128,175,217</u>	<u>104,698,838</u>	<u>232,874,055</u>	<u>131,356,273</u>	<u>52,461,756</u>	<u>4,618,906</u>	<u>15,981,415</u>
<b>LIABILITIES:</b>							
Current Liabilities:							
Accounts payable	1,508,818	4,918,344	6,427,162	6,115,540	725,317	19,860	198,120
Accrued wages payable	497,180	199,942	697,122	1,471,080	647,435	11,853	-
Accrued fringe benefits payable	203,585	39,100	242,685	-	-	-	-
Accrued interest	349,237	105,890	455,127	-	-	-	24,884
Current portion of long-term debt:							
Bonds and loans	4,617,158	975,147	5,592,305	-	88,965	-	75,858
Capital leases	94,377	-	94,377	-	362,472	-	-
Compensated absences	1,065,378	589,022	1,654,400	123,404	59,753	-	-
Due to Agency Fund	160,725	-	160,725	-	-	-	-
Unearned revenue	99,991	-	99,991	2,376,471	602,742	-	-
Accrued health claims	433,454	114,712	548,166	8,915,047	382,244	-	-
Miscellaneous liabilities	3,289,210	132,669	3,421,879	1,856,056	550,901	10,508	23,065
Total current liabilities	<u>12,319,113</u>	<u>7,074,826</u>	<u>19,393,939</u>	<u>20,857,598</u>	<u>3,419,829</u>	<u>42,221</u>	<u>321,927</u>
Non-current liabilities:							
Cash advance due general fund	(3,916,618)	3,916,618	-	-	-	-	-
Bonds and loans	35,615,398	20,418,787	56,034,185	-	3,044,047	-	3,886,385
Capital leases	165,046	-	165,046	-	1,435,630	-	-
Termination benefits	-	-	-	-	597,890	-	-
Compensated absences	3,348,662	264,577	3,613,239	2,414,598	-	73,264	-
Total non-current liabilities	<u>35,212,488</u>	<u>24,599,982</u>	<u>59,812,470</u>	<u>2,414,598</u>	<u>5,077,567</u>	<u>73,264</u>	<u>3,886,385</u>
Total Liabilities	<u>47,531,601</u>	<u>31,674,808</u>	<u>79,206,409</u>	<u>23,272,196</u>	<u>8,497,396</u>	<u>115,485</u>	<u>4,208,312</u>
<b>NET ASSETS</b>							
Invested in capital assets net of related debt	78,593,428	76,553,963	155,147,391	92,332,113	30,652,925	3,520,324	8,575,870
Restricted for:							
Public safety	610,723	-	610,723	-	-	-	-
Highways	719,553	-	719,553	-	-	-	-
Education	1,033,955	-	1,033,955	-	-	-	-
Community development & housing	156,970	-	156,970	-	-	-	-
Economic development	719,647	-	719,647	-	-	-	-
Capital projects	1,178,050	-	1,178,050	7,381,544	-	-	-
Other purposes	-	184,204	184,204	231,735	7,955,051	487,540	-
Unrestricted	<u>(2,368,710)</u>	<u>(3,714,137)</u>	<u>(6,082,847)</u>	<u>8,138,685</u>	<u>5,356,384</u>	<u>495,557</u>	<u>3,197,233</u>
Total Net Assets	<u>\$ 80,643,616</u>	<u>\$ 73,024,030</u>	<u>\$ 153,667,646</u>	<u>\$108,084,077</u>	<u>\$ 43,964,360</u>	<u>\$ 4,503,421</u>	<u>\$11,773,103</u>

The notes to the financial statements are an integral part of this statement.

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Functions/Programs	Expenses		Expenses		Program Revenues	
	Before Indirect Expense Allocation	Indirect Expense Allocation	After Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government::</b>						
Governmental activities:						
General government:	\$ 9,805,874	\$ (733,387)	\$ 9,072,487	\$ 374,906	\$ 334,716	\$ -
Payment to data processing	350,334	-	350,334	-	-	-
Public safety	16,626,793	-	16,626,793	2,193,379	1,671,478	920,390
Public works	11,962,767	37,726	12,000,493	874,542	713,504	1,026,094
Health	1,902,151	-	1,902,151	-	20,388	-
Social services	1,905,731	26,477	1,932,208	47,772	818,344	-
Education:	317,766	-	317,766	-	-	-
Payment to public school system	28,883,694	-	28,883,694	-	-	-
Payment to community college	7,425,000	-	7,425,000	-	-	-
Recreation, culture & libraries:	1,041,683	-	1,041,683	288,593	273,606	-
Payment to public library system	905,000	-	905,000	-	-	-
Conservation of natural resources	506,897	-	506,897	27,648	27,490	-
Community development and housing	2,002,596	-	2,002,596	80,639	1,193,082	-
Economic development	2,407,460	-	2,407,460	2,976,731	59,268	246,899
Interest on long term debt	1,810,688	-	1,810,688	-	-	-
Total governmental activities	<u>87,854,434</u>	<u>(669,184)</u>	<u>87,185,250</u>	<u>6,864,210</u>	<u>5,111,876</u>	<u>2,193,383</u>
Business-type activities:						
Water	3,164,882	107,747	3,272,629	2,809,168	-	1,647,136
Sewer	6,927,050	293,729	7,220,779	4,835,519	-	9,225,452
Nursing Home	10,766,702	267,708	11,034,410	10,900,432	-	-
Other funds	597,356	-	597,356	62,018	-	-
Total business-type activities	<u>21,455,990</u>	<u>669,184</u>	<u>22,125,174</u>	<u>18,607,137</u>	<u>-</u>	<u>10,872,588</u>
Total primary government	<u>\$ 109,310,424</u>	<u>\$ -</u>	<u>\$ 109,310,424</u>	<u>\$ 25,471,347</u>	<u>\$ 5,111,876</u>	<u>\$ 13,065,971</u>
<b>Component units:</b>						
Board of Education			\$ 128,517,081	\$ 1,993,401	\$ 13,578,119	\$ 863,688
Allegany College of Md.			33,942,636	11,734,746	14,833,339	918,184
County Library			2,097,300	69,153	46,836	45,611
LaVale Sanitary Commission			4,580,820	3,166,925	-	-
Total component units			<u>\$ 169,137,837</u>	<u>\$ 16,964,225</u>	<u>\$ 28,458,294</u>	<u>\$ 1,827,483</u>

General revenues:  
Property taxes  
Income taxes  
Other local taxes  
Appropriation from Allegany County  
Franchise tax  
Grants & contributions not restricted  
to specific programs  
Unrestricted investment earnings  
Gain on sale/retirement of capital assets  
Miscellaneous  
Transfers  
Total general revenues, transfers and special items  
Change in net assets  
Net assets - beginning, as restated  
Net assets - ending

The notes to the financial statements are an integral part of this statement.



**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Units			
Governmental Activities	Business-Type Activities	Total	Board of Education	Allegany College of MD	County Library	LaVale Sanitary Commission
\$ (8,362,865)	\$ -	\$ (8,362,865)	\$ -	\$ -	\$ -	\$ -
(350,334)	-	(350,334)	-	-	-	-
(11,841,546)	-	(11,841,546)	-	-	-	-
(9,386,353)	-	(9,386,353)	-	-	-	-
(1,881,763)	-	(1,881,763)	-	-	-	-
(1,066,092)	-	(1,066,092)	-	-	-	-
(317,766)	-	(317,766)	-	-	-	-
(28,883,694)	-	(28,883,694)	-	-	-	-
(7,425,000)	-	(7,425,000)	-	-	-	-
(479,484)	-	(479,484)	-	-	-	-
(905,000)	-	(905,000)	-	-	-	-
(451,759)	-	(451,759)	-	-	-	-
(728,875)	-	(728,875)	-	-	-	-
875,438	-	875,438	-	-	-	-
(1,810,688)	-	(1,810,688)	-	-	-	-
(73,015,781)	-	(73,015,781)	-	-	-	-
-	1,183,675	1,183,675	-	-	-	-
-	6,840,192	6,840,192	-	-	-	-
-	(133,978)	(133,978)	-	-	-	-
-	(535,338)	(535,338)	-	-	-	-
-	7,354,551	7,354,551	-	-	-	-
(73,015,781)	7,354,551	(65,661,230)	-	-	-	-
-	-	-	(112,081,873)	-	-	-
-	-	-	-	(6,456,367)	-	-
-	-	-	-	-	(1,935,700)	-
-	-	-	-	-	-	(1,413,895)
-	-	-	(112,081,873)	(6,456,367)	(1,935,700)	(1,413,895)
34,266,623	891,363	35,157,986	-	-	-	505,318
26,338,493	-	26,338,493	-	-	-	460,147
7,160,132	-	7,160,132	-	-	-	-
-	-	-	29,234,028	7,425,000	905,000	-
342,819	-	342,819	-	-	-	-
6,966,889	-	6,966,889	85,658,124	-	769,544	-
1,303,210	179,171	1,482,381	421,820	(1,974,517)	33,429	51,295
-	-	-	-	(3,255)	(54,959)	-
1,259,689	110,495	1,370,184	1,324,542	128,315	223,949	1,239
(88,631)	88,631	-	-	-	-	-
77,549,224	1,269,660	78,818,884	116,638,514	5,575,543	1,876,963	1,017,999
4,533,443	8,624,211	13,157,654	4,556,641	(880,824)	(58,737)	(395,896)
76,110,173	64,399,819	140,509,992	103,527,436	44,845,184	4,562,158	12,168,999
\$ 80,643,616	\$ 73,024,030	\$ 153,667,646	\$ 108,084,077	\$ 43,964,360	\$ 4,503,421	\$ 11,773,103

The notes to the financial statements are an integral part of this statement.

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**FUND  
FINANCIAL  
STATEMENTS**

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**ALLEGANY COUNTY, MARYLAND**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2009**

<b>ASSETS:</b>	General Fund	Highway Fund	Revolving Building Fund	Capital Improvements Projects Fund	Other Governmental Funds	Total
Cash	\$ 13,938,159	\$ -	\$ -	\$ -	\$ 775	\$ 13,938,934
Cash -restricted	-	-	-	-	42,672	42,672
Investments	2,675,000	-	257,160	-	4,595,861	7,528,021
Property tax receivable	3,372,649	-	-	-	-	3,372,649
Receivables	-	-	-	-	-	-
Notes and loans	-	-	-	-	514,074	514,074
Other receivables	4,679,551	646,824	188,344	466,369	806,989	6,788,077
Due from other funds	-	-	4,563,769	-	3,583,245	8,147,014
Advances to other funds	3,916,618	-	-	-	-	3,916,618
Inventory	-	-	-	-	70,787	70,787
Prepays	-	-	-	-	61,481	61,481
Miscellaneous assets	56,645	-	-	-	-	56,645
<b>Total Assets</b>	<b>\$ 28,638,622</b>	<b>\$ 646,824</b>	<b>\$ 5,009,273</b>	<b>\$ 466,369</b>	<b>\$ 9,675,884</b>	<b>\$ 44,436,972</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 756,705	\$ 64,081	\$ 165,936	\$ 176,573	\$ 345,523	\$ 1,508,818
Accrued payroll	387,778	80,132	663	-	28,607	497,180
Accrued payroll fringe	144,360	46,773	533	-	11,919	203,585
Due to other funds	5,103,273	399,192	-	256,008	673,123	6,431,596
Amounts held in escrow	2,672,717	126,500	-	-	170,341	2,969,558
Deferred revenue	3,048,820	-	-	-	613,065	3,661,885
Accrued health claims	433,454	-	-	-	-	433,454
Miscellaneous liabilities	312,242	-	2,500	-	4,910	319,652
<b>Total Liabilities</b>	<b>12,859,349</b>	<b>716,678</b>	<b>169,632</b>	<b>432,581</b>	<b>1,847,488</b>	<b>16,025,728</b>
<b>Fund Balances:</b>						
<b>Reserved:</b>						
For non-current assets	3,916,618	-	-	-	145,766	4,062,384
For prepaid items	-	-	-	-	8,875	8,875
For inventories	-	-	-	-	70,787	70,787
For special revenue programs	-	-	-	-	477,647	477,647
For capital projects	-	-	-	-	-	-
<b>Unreserved/Designated:</b>						
<b>For next fiscal year:</b>						
General fund	2,000,000	-	-	-	-	2,000,000
Special revenue funds	-	-	2,202,409	-	50,000	2,252,409
Debt Service Fund	-	-	-	-	329,982	329,982
Capital project funds	-	-	-	-	1,079,700	1,079,700
For contingencies	7,500,000	-	-	-	-	7,500,000
<b>For specific programs, reported in:</b>						
General fund	1,123,675	-	-	-	-	1,123,675
Special revenue funds	-	-	2,637,232	-	2,318,969	4,956,201
Debt service fund	-	-	-	-	283,947	283,947
Capital Project funds	-	-	-	33,788	2,816,999	2,850,787
<b>Undesignated:</b>						
General fund	1,238,980	-	-	-	-	1,238,980
Special revenue funds	-	(69,854)	-	-	92,254	22,400
Capital Project funds	-	-	-	-	153,470	153,470
<b>Total Fund Balances</b>	<b>15,779,273</b>	<b>(69,854)</b>	<b>4,839,641</b>	<b>33,788</b>	<b>7,828,396</b>	<b>28,411,244</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 28,638,622</b>	<b>\$ 646,824</b>	<b>\$ 5,009,273</b>	<b>\$ 466,369</b>	<b>\$ 9,675,884</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	91,258,726
Other long-term assets are not available to pay current -period expenditures and are deferred in the funds.	2,667,013
Long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.	(44,906,019)
Other long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	3,212,652

Net assets of governmental activities \$ 80,643,616

The notes to the financial statements are an integral part of this statement.

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	General Fund	Highway Fund	Revolving Building Fund	Capital Improvements Projects Fund	Other Governmental Funds	Total
<b>REVENUES:</b>						
Taxes:						
Property taxes	\$ 35,262,339	\$ -	\$ -	\$ -	\$ -	\$ 35,262,339
Income taxes	25,429,319	-	-	-	-	25,429,319
Other local taxes	2,963,476	4,023,284	-	-	565,583	7,552,343
Licenses and permits	611,328	-	-	-	-	611,328
Intergovernmental:						
Federal	914,128	-	271,887	753,904	2,106,448	4,046,367
State	8,153,170	491,339	329,499	-	987,949	9,961,957
Other	324,408	-	-	-	30,300	354,708
Service charges	2,426,051	-	-	73,803	375,937	2,875,791
Fines and forfeitures	31,237	-	-	-	67,226	98,463
Interest	315,652	-	28,864	6,056	90,255	440,827
Miscellaneous	416,878	980	2,823,172	-	228,960	3,469,990
Total Revenues	<u>76,847,986</u>	<u>4,515,603</u>	<u>3,453,422</u>	<u>833,763</u>	<u>4,452,658</u>	<u>90,103,432</u>
<b>EXPENDITURES:</b>						
Current:						
General government	8,379,181	-	-	-	128,783	8,507,964
Public safety	14,074,904	-	-	-	1,102,715	15,177,619
Public works	2,427,576	7,569,450	-	-	1,601,756	11,598,782
Health and Hospitals	477,204	-	-	-	-	477,204
Social Services	1,825,634	-	-	-	-	1,825,634
Education	28,261	-	-	-	-	28,261
Recreation, culture and libraries	818,848	-	-	-	-	818,848
Conservation of natural resources	505,126	-	-	-	-	505,126
Community Development and Housing	131,479	-	-	-	1,855,614	1,987,093
Economic development	1,446,164	-	3,602,041	-	-	5,048,205
Miscellaneous	24,405	-	-	-	3,350	27,755
Appropriation to other governments	1,245,011	-	-	-	-	1,245,011
Payments to component units	37,130,334	-	-	-	-	37,130,334
Debt Service:						
Principal	-	-	-	-	4,728,665	4,728,665
Interest	-	-	-	-	1,830,204	1,830,204
Capital Outlay:						
General government	-	-	-	-	413,596	413,596
Public safety	-	-	-	698,737	840,413	1,539,150
Public works	-	-	-	401,571	540,051	941,622
Education	-	-	-	-	289,505	289,505
Recreation, culture and libraries	-	-	-	-	73,068	73,068
Economic development	-	-	-	38	-	38
Miscellaneous	-	-	-	-	13,581	13,581
Payments to component units	-	-	-	314,001	119,693	433,694
Total Expenditures	<u>68,514,127</u>	<u>7,569,450</u>	<u>3,602,041</u>	<u>1,414,347</u>	<u>13,540,994</u>	<u>94,640,959</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,333,859</u>	<u>(3,053,847)</u>	<u>(148,619)</u>	<u>(580,584)</u>	<u>(9,088,336)</u>	<u>(4,537,527)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	1,120,832	2,857,652	-	773,987	8,932,339	13,684,810
Transfers out	(9,504,796)	-	(1,616,585)	(8,360)	(2,643,700)	(13,773,441)
Debt issued	-	-	-	-	4,600,000	4,600,000
Capital leases	-	-	-	-	63,719	63,719
Sale of capital assets	29,676	-	73,162	-	-	102,838
Total Other Financing Sources and uses	<u>(8,354,288)</u>	<u>2,857,652</u>	<u>(1,543,423)</u>	<u>765,627</u>	<u>10,952,358</u>	<u>4,677,926</u>
Net change in fund balances	(20,429)	(196,195)	(1,692,042)	185,043	1,864,022	140,399
Fund balance, beginning	15,799,702	126,341	6,531,683	(151,255)	5,964,374	28,270,845
Fund balance, ending	<u>\$ 15,779,273</u>	<u>\$ (69,854)</u>	<u>\$ 4,839,641</u>	<u>\$ 33,788</u>	<u>\$ 7,828,396</u>	<u>\$ 28,411,244</u>

The notes to the financial statements are an integral part of this statement.



**ALLEGANY COUNTY, MARYLAND**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Amounts reported for governmental activities in the statement of activities (page C-6)  
are different because:

Net change in fund balances - total governmental funds (page C-12)	\$ 140,399
--	------------

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.

Capital outlay	\$ 6,440,643	
Depreciation	(3,632,570)	2,808,073

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	785,446
--	---------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	699,069
--	---------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt proceeds	\$ (4,600,000)	
Lease proceeds	(63,719)	
Effect of bond issuance costs	38,306	
Payment of principal	4,728,665	103,252

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 the governmental funds.	(2,796)
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Change in net assets of governmental activities (pages C6-C7)	\$ 4,533,443
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The notes to the financial statements are an integral part of this statement.

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**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUNDS**  
**June 30, 2009**

	Allegany County Water Districts	Allegany County Sanitary Districts	Allegany County Nursing Home	Other Enterprise Funds	Total
<b>ASSETS</b>					
Current Assets:					
Cash:					
Cash	\$ -	\$ 585,277	\$ 11,901	\$ -	\$ 597,178
Cash - restricted	-	87,722	-	-	87,722
Investments	199,345	541,983	-	-	741,328
Receivables:					
Accounts (net)	672,927	1,003,243	1,323,601	128,091	3,127,862
Taxes - restricted	-	101,173	-	-	101,173
Accounts (net) - restricted	-	83,031	-	-	83,031
Other	362	3,228,343	91,361	47,828	3,367,894
Due from other funds	-	5,473,196	-	694,412	6,167,608
Prepaid expenses	-	-	-	-	-
Inventory	-	65,225	22,433	-	87,658
Total current assets	872,634	11,169,193	1,449,296	870,331	14,361,454
Non-current Assets:					
Advances to other funds	-	-	-	433,238	433,238
Land	12,320	67,282	-	-	79,602
Construction in Progress	2,587,125	23,410,017	-	-	25,997,142
Capital assets subject to depreciation	28,982,232	81,256,015	6,130,285	3,580,889	119,949,421
Accumulated depreciation	(8,162,798)	(33,620,589)	(4,046,107)	(1,815,536)	(47,645,030)
Total noncurrent assets	23,418,879	71,112,725	2,084,178	2,198,591	98,814,373
Total Assets	24,291,513	82,281,918	3,533,474	3,068,922	113,175,827
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	283,581	4,264,942	369,485	336	4,918,344
Accrued payroll	-	36,977	162,965	-	199,942
Accrued payroll fringe	-	14,387	24,713	-	39,100
Accrued interest	21,733	80,519	3,638	-	105,890
Current portion of long-term debt					
Revenue debt:					
Bonds and loans	72,906	872,921	29,320	-	975,147
Advances from other funds	32,099	366	-	-	32,465
Compensated absences	-	40,457	548,565	-	589,022
Due to other funds	336,946	7,661,740	-	45,065	8,043,751
Accrued health claims	-	23,351	91,361	-	114,712
Miscellaneous liabilities	-	132,669	-	-	132,669
Total current liabilities	747,265	13,128,329	1,230,047	45,401	15,151,042
Noncurrent Liabilities:					
Cash advance due to General Fund	400,000	400,000	3,116,618	-	3,916,618
Long term debt:					
Revenue debt:					
Bonds and loans	4,306,870	15,719,652	392,265	-	20,418,787
Advance from other funds	382,320	18,453	-	-	400,773
Compensated absences	-	264,577	-	-	264,577
Total noncurrent liabilities	5,089,190	16,402,682	3,508,883	-	25,000,755
Total Liabilities	5,836,455	29,531,011	4,738,930	45,401	40,151,797
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	18,624,684	54,501,333	1,662,593	1,765,353	76,553,963
Restricted for debt service	-	184,204	-	-	184,204
Unrestricted	(169,626)	(1,934,630)	(2,868,049)	1,258,168	(3,714,137)
Total Net Assets	\$ 18,455,058	\$ 52,750,907	\$ (1,205,456)	\$ 3,023,521	\$ 73,024,030

The notes to the financial statements are an integral part of this statement.

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Allegany County Water Districts	Allegany County Sanitary Districts	Allegany County Nursing Home	Other Enterprise Funds	Total
<b>OPERATING REVENUES:</b>					
Service charges	\$ 2,808,223	\$ 4,802,190	\$ -	\$ 21,481	\$ 7,631,894
Patient fees	-	-	10,839,903	-	10,839,903
Miscellaneous	945	33,329	60,529	40,537	135,340
Total Operating Revenues	2,809,168	4,835,519	10,900,432	62,018	18,607,137
<b>OPERATING EXPENSES:</b>					
Salaries	241,614	862,340	4,699,289	-	5,803,243
Employee benefits	124,632	454,186	2,562,772	-	3,141,590
Office expenses	6,946	99,785	172,422	4,998	284,151
Utilities	1,634,804	568,085	258,731	5,446	2,467,066
Repairs & maintenance	203,650	311,453	99,355	18,485	632,943
Contractual services	-	32,247	17,841	-	50,088
Treatment costs	-	1,850,620	-	-	1,850,620
Professional services	18,757	39,330	1,204,875	6,107	1,269,069
Materials and supplies	56,932	456,751	1,072,402	-	1,586,085
Insurance	316	109,000	145,068	14,680	269,064
Indirect cost	107,746	293,732	267,708	-	669,186
Miscellaneous	192	12,371	296,411	315	309,289
Depreciation	665,764	1,847,120	215,061	547,325	3,275,270
Total operating expenses	3,061,353	6,937,020	11,011,935	597,356	21,607,664
Operating Income (Loss)	(252,185)	(2,101,501)	(111,503)	(535,338)	(3,000,527)
<b>NON-OPERATING REVENUE (EXPENSES):</b>					
Real and personal property taxes	-	890,494	-	-	890,494
Interest & penalties on taxes	-	25,709	-	-	25,709
Discounts on taxes	-	(4,508)	-	-	(4,508)
Enterprise/industrial exemptions	-	20	-	-	20
Collection fees	-	(20,352)	-	-	(20,352)
Front footage assessments	-	102,532	-	-	102,532
Interest income	57,629	118,966	94	2,482	179,171
Interest income, debt service	-	7,963	-	-	7,963
Interest expense	(211,276)	(283,759)	(22,475)	-	(517,510)
Loss on sale of capital assets	-	-	-	-	-
Total non-operating revenue (expenses)	(153,647)	837,065	(22,381)	2,482	663,519
Income (Loss) before contributions and transfers	(405,832)	(1,264,436)	(133,884)	(532,856)	(2,337,008)
Capital contributions:					
Federal grants	1,128,525	50,000	-	-	1,178,525
State grants	518,611	9,160,716	-	-	9,679,327
Other	-	14,736	-	-	14,736
Transfers:					
Transfers in	31,468	108,278	-	-	139,746
Transfers out	-	-	-	(51,115)	(51,115)
Change in net assets	1,272,772	8,069,294	(133,884)	(583,971)	8,624,211
Total net assets - beginning	17,182,286	44,681,613	(1,071,572)	3,607,492	64,399,819
Total net assets - ending	\$ 18,455,058	\$ 52,750,907	\$ (1,205,456)	\$ 3,023,521	\$ 73,024,030

The notes to the financial statements are an integral part of this statement.

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Allegany County Water Districts	Allegany County Sanitary Districts	Allegany County Nursing Home	Other Enterprise Funds	Total
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 2,727,117	\$ 4,755,592	\$ 10,752,153	\$ 76,587	\$ 18,311,449
Cash payments for goods and services	(1,872,360)	(4,025,820)	(3,475,733)	(55,007)	(9,428,920)
Cash payments to employees for services	(366,248)	(1,369,980)	(7,063,939)	-	(8,800,167)
Other operating revenues	945	30,712	60,528	-	92,185
Net cash provided (used) by operating activities	489,454	(609,496)	273,009	21,580	174,547
<b>Cash flows from noncapital financing activities:</b>					
Advances from other funds	4,041,976	55,779,100	10,928,637	104,474	70,854,187
Advances to other funds	(3,291,951)	(55,853,705)	(11,119,328)	(68,421)	(70,333,405)
Transfers from other funds	31,468	108,278	-	-	139,746
Transfers to other funds	-	-	-	(51,115)	(51,115)
Net cash provided (used) by noncapital financing activities	781,493	33,673	(190,691)	(15,062)	609,413
<b>Cash flows from capital and related financing activities:</b>					
Proceeds from new debt	-	4,466,216	-	-	4,466,216
Acquisition and construction of capital assets	(2,658,327)	(13,222,358)	(22,488)	(9,000)	(15,912,173)
Principal paid on capital debt	(100,967)	(727,580)	(27,863)	-	(856,410)
Interest paid on capital debt	(211,647)	(270,818)	(22,765)	-	(505,230)
Proceeds from sale of assets	-	-	1,405	-	1,405
Grant revenues	1,647,137	9,101,976	-	-	10,749,113
Debt fees	-	993,305	-	-	993,305
Net cash used for capital and related financing activities	(1,323,804)	340,741	(71,711)	(9,000)	(1,063,774)
<b>Cash flows from investing activities:</b>					
Purchase of investments	(395,960)	(2,562,112)	-	-	(2,958,072)
Sale of investments	390,748	2,553,969	-	-	2,944,717
Interest on investments	58,069	120,976	94	2,482	181,621
Net cash used in investing activities	52,857	112,833	94	2,482	168,266
Net increase (decrease) in cash	-	(122,249)	10,701	-	(111,548)
Cash at beginning of the year	-	795,248	1,200	-	796,448
Cash at end of year	\$ -	\$ 672,999	\$ 11,901	\$ -	\$ 684,900
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					
Operating income (loss)	\$ (252,185)	\$ (2,101,501)	\$ (111,503)	\$ (535,338)	\$ (3,000,527)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	665,764	1,847,120	215,061	547,325	3,275,270
Provision for uncollectible accounts	(3,616)	31,382	297,433	-	325,199
Change in assets & liabilities:					
(Increase) decrease in receivables	(77,487)	(80,595)	(385,183)	14,570	(528,695)
(Increase) decrease in inventory	-	43,212	4,769	-	47,981
(Increase) decrease in prepaids	-	-	24,146	-	24,146
Increase (decrease) in acc'ts payable	156,978	(295,660)	31,164	(4,977)	(112,495)
Increase (decrease) in accrued payroll	-	(53,454)	197,122	-	143,668
Total adjustments	741,639	1,492,005	384,512	556,918	3,175,074
Net cash provided (used) by operating activities	\$ 489,454	\$ (609,496)	\$ 273,009	\$ 21,580	\$ 174,547

The notes to the financial statements are an integral part of this statement.

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**AGENCY FUND**  
**JUNE 30, 2009**

<b>ASSETS:</b>		Agency Fund
Taxes levied for State:		
Taxes receivable - State		\$ 345,380
Bay restoration fee		262,299
Other receivables		(7)
Taxes levied for Special Areas:		
Lonaconing, Town of	\$ 12,353	
Midland, Town of	3,859	
Westernport, Town of	45,526	
Cumberland differential	1,933	
Bel Air Special Tax Area	2,138	
Bowling Green Fire Co.	3,227	
Bedford Road Fire Co.	5,612	
Bowling Green Special Tax Area	2,786	
Cresaptown Ambulance	10,384	
Cresaptown Civic Imp. Assoc.	2,267	
Cresaptown Fire Co.	12,183	
Corriganville Light & Imp.	1,982	
Ellerslie Special Tax Area	873	
LaVale Volunteer Fire Dept.	9,879	
LaVale Rescue Squad	5,014	
LaVale Sanitary District	36,001	
McCoole Special Tax Area	719	
Moscow Light	670	
Mt. Savage Special Tax Area	1,084	
Potomac Park Special Tax Area	1,626	
Rawlings Fire Co.	3,411	
Sub-total special areas		163,527
Due from other funds		160,725
Total Assets		<u>\$ 931,924</u>
<b>LIABILITIES:</b>		
Accounts payable		\$ 160,718
A/P Special Areas		163,527
Taxes payable - State		345,380
A/P Bay restoration fee		262,299
Total Liabilities		<u>\$ 931,924</u>

The notes to the financial statements are an integral part of this statement.



**Notes  
to the  
Financial Statements  
June 30, 2009**

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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies

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*A. Introduction*

Allegany County, Maryland (the County) was established in 1789. The County in 1974 adopted the Code Home Rule form of government provided in Article XI-F of the Maryland Constitution and Article 25B of the Annotated Code of Maryland. Under this form of government, the Board has the authority to enact, amend and repeal public local laws relating to the incorporation, organization and government of the county, including laws authorizing the issuance and sale of bonds to finance capital projects for the County. Each member of the Board has one vote and, except for emergency bills, a simple majority of the Board is sufficient to enact any bill into law.

In 1996, the Commissioners adopted legislation making the County Administrator the Chief Administrative Officer of Allegany County responsible to the Board and charged with the administration of all County affairs. The Administrator will carry out the policies of the Board, direct and supervise the administration of all departments and agencies and perform all duties enumerated in the Allegany County Code Chapter 2, Article 1.

The executive offices of the County are located at the County Office Complex, 701 Kelly Road, Cumberland, Maryland 21502. The County Commissioners' office telephone number is 301-777-5911. The County's website can be viewed at [www.allconet.org](http://www.allconet.org).

The financial statements of Allegany County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant County principles, policies and procedures are summarized in the following Notes to the Financial Statements.

*B. Reporting Entity*

The reporting entity includes Allegany County's departments and agencies (the primary government) and its component units, entities for which the government is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that is legally separate from Allegany County.

As a result of its evaluation, the County has concluded that the following are component units of Allegany County and should be included in the reporting entity:

Blended Component Units – no external governmental units are blended in the combined financial statements.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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B. *Reporting Entity – continued*

Discretely Presented Component Units – the component unit columns of the government wide financial statements include the financial data of the County's component units. They are reported in a separate column to emphasize that they are legally separate from the County.

1. The Board of Education – operates the public school system. The Board of Education may not issue debt without the County's approval and the County provides a significant portion of the Board's funding. The members of the board are elected by the voters of Allegany County.
2. The Allegany County Library – operates the County's Library system. The Library System may not issue debt without the County's approval. The County provides a major portion of the Library's funding and appoints the members of the board.
3. The LaVale Sanitary Commission – provides water and waste treatment facilities for LaVale and surrounding areas. Allegany County has pledged its full faith and credit for the debt of the LaVale Sanitary Commission. The governing board is appointed by the County Commissioners. The County provides no operating subsidies to the LaVale Sanitary Commission.
4. Allegany College of Maryland – offers two years of higher education to area residents. The College is fiscally dependent on Allegany County which provides a significant portion of the funding for its operations and the College can not issue debt without the approval of the Allegany County Board of Commissioners. The College has elected to report its financial information in accordance with GASB 34 special-purpose government type using the business-type activity model.

Complete financial statements of the individual component units can be obtained from their respective administrative offices:

**Administrative Offices:**

Allegany County Board of Education  
108 Washington Street  
Cumberland, Maryland 21502

LaVale Sanitary Commission  
1 Roselawn Avenue  
LaVale, Maryland 21502

Allegany County Library System  
31 Washington Street  
Cumberland, Maryland 21502

Allegany College  
12401 Willowbrook Road  
Cumberland, Maryland 21502

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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C. *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes or other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

D. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay the liabilities of the current period. For this purpose, the County considers property tax revenues to be available if they are collected within 60 days of the year-end and a 90-day availability period is used for all other general fund revenues. Other major revenue sources subject to accrual are income taxes, federal and state grants and service charges. All other governmental funds use a 90 day availability period for revenue recognition except for transit operations which uses a 120 day accrual period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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D. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued*

The following is a description of the governmental fund types of the County:

1. General fund – the general operating fund of the County. It is used to account for all financial resources except those necessary to be accounted for in another fund
2. Special revenue funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.
3. Capital projects funds – are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

The County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Highway Fund accounts for the activities used to enhance and maintain the County's highway system. Though not required to be reported as a major fund, due to its relative size and significance the County has elected to do so.

The Revolving Building Fund is used to report the activity associated with the construction, operation and maintenance of County buildings used to enhance its economic development activities.

The Capital Improvements Project Fund accounts for most of the activity used to acquire or construct capital assets for the County or on the behalf of other organizations.

The government reports the following major proprietary funds:

The Water Districts Fund accounts for the activities of fourteen individual water districts in various unincorporated areas of the County.

The Sewer Fund reports the activities of sixteen individual sewer districts in various unincorporated areas of the County.

The Nursing Home Fund accounts for the operations of the County Nursing Home with resources being provided by user's charges paid either by the patient or Medicaid/Medicare on behalf of the patient.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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D. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued*

Additionally, the government reports the following fund type:

The Agency Fund accounts for taxes billed and collected for the State of Maryland, four municipalities and seventeen special taxing districts.

Public-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option of* following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. Allegany County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer functions, the nursing home and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer funds are service charges, and the nursing home's principal operating revenue is service fees paid by the patient or the State of Maryland/Federal Government on behalf of the patient. The water and sewer funds also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.



**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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E. *Assets, liabilities, and net assets or equity*

1. Deposits and investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Article 95, Section 22 of the Annotated Code of Maryland authorizes the County to invest surplus funds in bonds or in other obligations of which the full faith and credit of the United States of America are pledged, obligations of federal government agencies issued in accordance with an Act of Congress, repurchase agreements that are secured by any bond or other obligation for the payment of which the full faith and credit of the United States are pledged, any bank or banks in the State of Maryland, any savings and loan association, any building and loan association, in interest-bearing time deposit; and/or savings accounts, or in the Local Government Investment Pool.

Investments for the County, as well as for its component units, are reported at fair value.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables of the enterprise funds are shown net of an allowance for uncollectibles. The allowance accounts for trade accounts receivable for the water and sewer funds are comprised of 50% of the balance six to nine months of age and 100% of account balances in excess of nine months. The allowance accounts of the nursing home and loan fund are based on the analysis of individual accounts the expected ability to collect those accounts. The allowance for property taxes receivable is one-half of one percent of the annual levy and is based on historical trends.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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E. Assets, liabilities, and net assets or equity – continued

2. Receivables and payables - continued

As of July 1, 1996, State law mandates owner-occupied residential property owners may elect to pay real property taxes under a semiannual or annual payment schedule. The first installment for a semiannual payment or the annual payment is due by September 30, and the second installment of a semiannual schedule is due December 31, of the tax year without interest. Any unpaid installments after January 1 are charged interest of 1.5% monthly. Property owners electing to pay real property taxes semiannually may not have delinquent taxes on the property.

The assessment of all real and personal property for purposes of property taxation by the County is the sole responsibility of the State Department of Assessments and Taxation. Real property is valued at market value and is assessed at 100% of that value. The real estate assessment of 100% is the result of The Maryland Truth in Taxation Act, Chapter 80 of the Laws of Maryland of 2000 effective October 1, 2000. Prior to the law change, the assessment was 40% of the market value. Real property tax rates were adjusted to make the law revenue neutral. Tangible personal property is assessed at cost, less 10% depreciation for each year held, to a minimum of 25% of cost. The County granted tax differential rates to municipalities located within the County in accordance with Article 32A of the Annotated Code of Maryland which reduced the tax rates for owners of municipal property. The various tax rates for Allegany County for fiscal year 2009 are as follows:

	<u>Real</u>	<u>Personal Property</u>
Unincorporated	.9829	2.4573
Barton	.9552	2.3880
Cumberland	.9074	2.2685
Frostburg	.9107	2.2768
Lonaconing	.9336	2.3340
Luke	.9304	2.3260
Midland	.9552	2.3880
Westernport	.9336	2.3340

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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E. *Assets, liabilities, and net assets or equity - continued*

4. Restricted assets

Certain revenues of the County's sewer funds are set aside for their repayment of loans used to fund construction of sewer systems. They are classified as restricted assets on the balance sheet because they are limited by State law and debt covenants to the repayment of debt or construction.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,000 (\$50,000 for infrastructure assets) and an estimated useful life of two years or more. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30-40
Sewer/Water Systems	30-50
Other infrastructure	30-40
Furniture & Fixtures	7-10
Vehicles	5-7
Equipment	5-10
Heavy equipment	7-10
Other capital assets	7-50

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

E. *Assets, liabilities, and net assets or equity - continued*

6. Compensated absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

A liability is accrued for certain future vacation, sick, and other leave benefits, provided the following conditions are met:

- a. The employer's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
- b. The obligation relates to rights that vest.
- c. Payment of the compensation is probable and not contingent on a specific event outside the control of the County or the employee.
- d. The amount can be reasonably estimated.

County employees earn vacation time depending upon their length of service and are eligible to use this time in the year in which it is earned. Vacation time may be carried from one year to the next, but may not exceed 200% of the annual accrual at any point in time. Vacation time earned when the 200% ceiling has been reached is accrued as sick time and remains as such. All vacation time outstanding and earned upon leaving County service is paid to the employee at the current salary level.

County employees earn fifteen sick leave days per year with no accumulation ceiling. It is the policy of the County to pay for up to 120 days, if earned, of sick leave accumulated, upon the retirement of most employees. Any reduction in the liability for compensated absences is charged to the fund and function where the employee's time was charged which historically has been the general fund, highway fund or the transit fund for the governmental funds and the Sanitary Districts and the Nursing Home for the enterprise funds.

At June 30, 2009, compensated absence liabilities for Allegany County are summarized as follows:

	Current Portion	Long-term Portion	Total Liability
Total Governmental Fund Types	\$ 1,065,378	\$ 3,348,662	\$ 4,414,040
Sanitary Districts	40,457	264,577	305,034
Nursing Home	548,565	-	548,565
	<u>\$ 1,654,400</u>	<u>\$ 3,613,239</u>	<u>\$ 5,267,639</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 1. Summary of Significant Accounting Policies - continued

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7. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. For debt acquired after July 1, 2003, bond premiums and discounts, as well as issuance costs, will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable will be reported net of the applicable bond premium or discount. All debt acquired after July 1, 2003 has been private placement debt and as a result has not resulted in any premium or discount. Bond issuance costs will be reported as deferred charges and amortized over the term of the related debt.

8. Fund Classifications

Government-wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “investment in capital assets, net of related debt”.

Fund Statements

Government fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 2. Reconciliation of Government-wide and Fund Financial Statements**

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- A. Explanation of certain differences between the governmental fund balance sheet and the Government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.” The details of this \$44,906,019 are as follows:

Bonds payable	\$25,787,011
Notes payable	9,815,243
State loans	4,630,302
Capital leases	259,423
Compensated absences	<u>4,414,040</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u><u>\$44,906,019</u></u>

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “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 and reported as depreciation expense.” The details of this \$2,808,073 difference are as follows:

Capital outlay	\$6,440,643
Depreciation expense	<u>(3,632,570)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	<u><u>\$2,808,073</u></u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 2. Reconciliation of Government-wide and Fund Financial Statements - continued**

Another element of that reconciliation states the "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets." The details of this \$785,446 differences are as follows:

In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	785,446
Net adjustment to decrease <i>net changes in fund balances—total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i> .	\$785,446

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

The details of this \$103,252 difference are as follows:

Debt issued or incurred:	
Debt proceeds	(\$4,600,000)
Leases	(63,719)
Bond issue costs, net of amortization	38,306
Principal repayments:	
General obligation debt	4,635,925
Lease payments	92,740
Net adjustments to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$103,252</u>

Another element of that reconciliation states that "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." The details of this \$(2,796) difference are as follows:

Compensated absences	(\$22,312)
Accrued interest adjustment, net	<u>19,516</u>
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	<u>(\$2,796)</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 3. Stewardship, Compliance, and Accountability

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*A. Budgetary Information*

Annual budgets are adopted for all General, Special Revenue, Debt Service and Capital Project Funds. All governmental fund budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Encumbrances and appropriations generally lapse at year-end and are treated as expenditures in the year the liability is incurred. Budgets are adopted for the Enterprise Funds, though not required, on a revenue and expenditure basis to permit monitoring of the financial activity. Budgets to actual comparisons are presented in this report for all the primary government's major governmental fund types. Budget-to-actual comparisons for the non-major governmental funds, though not required, are presented as supplementary information. Budget-to-actual comparisons are not required for component units and the enterprise funds and are not presented.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to January 15, the County Administrator submits recommended budget guidelines to the Board of Commissioners for their approval.
2. After receiving approval of the budget guidelines, the County Administrator and the Director of Finance meet with the various departments and agencies to explain and distribute the guidelines.
3. The County Administrator and the Director of Finance compile all budget requests; after making departmental and agency review of the requests, a recommended budget is presented to the Board of County Commissioners for review and approval.
4. A public hearing is held to obtain public input and opinion of a preliminary budget.
5. Under Local Code Home Rule, the property tax rate must be set by June 30, and by that time, the budget is publicly adopted by the County Commissioners.
6. During the year supplemental appropriations shall be made by public approval of the Board of Commissioners. Supplemental appropriations in the governmental funds for fiscal year 2009 were increased by \$890,346; the majority of the increase was due to increases in funding for public safety of \$447,000 and conservation of natural resources for \$244,000 in the General Fund. The public safety increase was funded by using unexpended fund balance and the increase in conservation of natural resources was funded entirely by a Federal soil conservation grant.
7. During the year, budget amendments within a department are approved by the Director of Finance. Budget amendments between departments and/or funds require Commissioner public approval.
8. Legally, total expenditures for all individual governmental funds may not exceed the total budget for a particular fund except for emergencies, state-mandated programs, or by approval of a majority of the Board of Commissioners.



**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 3. Stewardship, Compliance, and Accountability - continued

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*A. Budgetary Information - continued*

9. Appropriations lapse at the end of the fiscal year for all funds, except the Capital Project Funds, and certain federal grants that do not have a year-end date of June 30.
10. Budget monitoring is the responsibility of the Finance Department and the appropriate department head.

The County has elected not to employ the use of encumbrance accounting for financial reporting purposes. The County utilizes an encumbrance-based accounting system for internal reporting. However, these encumbrances lapse at year-end. Accordingly, the County does not prepare budgetary basis statements of revenues, expenditures and changes in fund balance.

*B. Excess of Expenditures Over Appropriations*

For the year ended June 30, 2009, expenditures exceeded appropriations for the following funds (the legal level of budgetary control):

Fund	Excess
Highway Fund	\$6,383
Community Development Block Grant Fund	343,414
Drug Task Force Fund	48,051

- The expenditures over budget in the Highway Fund were funded by unexpended fund balance.
- The expenditures over budget in the Community Development Block Grant Fund were funded by unbudgeted block grants approved after the start of the fiscal year.
- The Drug Task Force excess expenditures over budget were funded by unexpended fund balance.

*C. Deficit Fund Equity*

At June 30, 2009 the following governmental fund had a deficit fund balance.

Fund	Deficit
Highway Fund	\$69,854

The deficit will be funded by future grant proceeds received after the accrual period for governmental funds.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 4. Deposits and Investments**

*Allegany County Primary Government:*

As of June 30, 2009, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturity in Months			
		Less Than 1	1-6	6-12	Greater than 12
Certificates of Deposit	\$ 8,269,349	\$ 866,306	\$ 5,626,718	\$ 1,776,325	\$ -

**Interest Rate Risk.** As a means of limiting its exposure to fair value losses arising from interest rates, the County's investment policy prohibits investments that mature more than 2 years from the date of purchase. However, the County may collateralize its repurchase agreements using longer dated investments. Reserve funds may be invested in securities exceeding 2 years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

**Credit Risk -** The County investment policy and State law requires collateralization of 102% of market value of investments. ARTICLE 95, Section 22 of the Annotated Code of Maryland authorizes the County to invest surplus funds in bonds or in other obligations of which the full faith and credit of the United States of America are pledged, obligations of federal government agencies issued in accordance with an Act of Congress, repurchase agreements that are secured by any bond or other obligation for the payment of which the full faith and credit of the United States are pledged, any bank or banks in the State of Maryland, any savings and loan association, any building and loan association, in interest-bearing time deposit; and/or savings accounts, or in the Local Government Investment Pool. Allegany County is in compliance with its investment policy and State law having all deposits and investments collateralized at 102% of market value with bonds or other obligations secured by the full faith and credit of the United States.

**Concentration of Credit Risk -** The County investment policy limits investments of the portfolio to 5% of Bankers Acceptances, 5% to money market mutual funds, and 5% to commercial paper. The County investment policy complies with Maryland state law limits.

**Custodial Credit Risk.** Deposits and investments are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are:

- a. Uncollateralized
- b. Collateralized with securities held by the pledging financial institution, or
- c. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name

The County carries its investments at fair value. Investments consist entirely of nonparticipating contracts (nonnegotiable certificates of deposit) with maturities of less than one year.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 4. Deposits and Investments - continued

*Allegany County Discretely Presented Component Units:*

Allegany County Board of Education

Cash deposits – At year-end, the carrying amount of the Board's, not including it's component units, deposits was \$12,690,675 and the bank balances were \$14,119,543. Of the bank balances, \$13,935,634 was covered by depository insurance; \$183,909 was covered by collateral held at various banks in the Board's name.

Investments - As of June 30, 2009, the Board of Education had the following investments and maturities:

Investment Type	Investment Maturity (in months)				
	Total	Less than 1	1-6	6-12	More than 12
Certificates of Deposit	\$ 24,848,436	\$ 31,854	\$ 20,554,719	\$ 4,241,863	\$ 20,000
	<u>\$ 24,848,436</u>	<u>\$ 31,854</u>	<u>\$ 20,554,719</u>	<u>\$ 4,241,863</u>	<u>\$ 20,000</u>

Allegany County Library System

Cash – Risks and Policies

As of June 30, 2009, the carrying amount of the Library's deposits was \$69,124.

Custodial credit risk for deposits is the risk that in the event of a bank failure the Library's deposits may not be returned of the Library will not recover collateral securities in the possession of an outside party. The Library's policy requires deposits with financial institutions to be fully secured by collateral. The Library's cash balances at financial institutions at June 30, 2009 are fully collateralized with securities held by the Library's agent in the Library's name.

Investments – Risks and Policies

As of June 30, 2009, the Library had the following investments and maturities:

Investment Type	Investment Maturity				Credit Rating
	Total	Less than 90 Days	90 Days to One Year	Over One Year	
U.S. Treasury Bonds	\$ 18,612	\$ -	\$ 18,612	\$ -	N/A
Other Federal Government Obligations	346,808	-	-	346,808	N/A
Investment in MD Local Government Fund Pool	639,476	639,476	-	-	N/A
	<u>\$ 1,004,896</u>	<u>\$ 639,476</u>	<u>\$ 18,612</u>	<u>\$ 346,808</u>	

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 4. Deposits and Investments - continued

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*Allegany County Discretely Presented Component Units:*

Allegany County Library System (Continued)

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library investment policy specifies with the exception of U.S. Treasury securities and authorized pools, no more than 5% of Bankers acceptance, 5% of money market mutual funds and 5% to commercial paper.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Library policy provides that to the extent practicable, investments are matched with anticipated cash flows. Unless matched to a specific cash flow, the Library will not directly invest in securities maturing more than one year from the date of purchase. Reserve funds may be invested in securities exceeding one year if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. With the exception of U.S. Government securities and authorized pools, the Library may not invest in no more than 5% of Bankers Acceptance, 5% of money market mutual funds, and 5% of commercial paper. The Library's investment policy complies with Maryland State Law limits.

**Custodial Credit Risk** is the risk that, in the event of a failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Library policy provides that investment collateral is to be held by a third party custodian with whom the Library has a current custodial agreement in the Library's name. All of the Library's investments are collateralized with securities held by the Library's agent in the Library's name. The Library is in compliance with its investments policy and State law having all deposits and investments collateralized at 102% of market value with bonds and other obligations secured by the full faith and credit of the United States.

LaVale Sanitary Commission

Cash deposits – At year-end, the carrying amount of the LaVale Sanitary Commission's cash deposits was \$2,438,045. The entire bank balance was either covered by federal depository insurance or by pledged government securities. The commission held no investments at year end.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 4. Deposits and Investments - continued**

*Allegany County Discretely Presented Component Units - continued:*

Allegany College

Cash deposits – At year-end, the carrying amount of the Allegany College's, not including its component units, cash deposits was \$408,462. The bank balance was fully collateralized with securities held by the college's agent in the College's name.

Investment Type	Total	Less Than 90 Days	90 Days To One Year
Certificates of deposit	\$ 202,155	\$ -	\$ 202,155
Repurchase agreements of			
U.S. Government obligations	412,037	412,037	-
Maryland Local Government			
Investment Pool	5,867,969	5,867,969	-
	<u>\$ 6,482,161</u>	<u>\$ 6,280,006</u>	<u>\$ 202,155</u>

**Note 5. Property Taxes Receivable**

Property taxes are levied each July 1 and due on or before September 30 of that year. Unpaid property taxes attach as an enforceable lien on the property as of October 1. Property tax assessments are performed by the State of Maryland on which the County bills and collects its property taxes.

Property tax receivable at June 30, 2009 was \$3,372,649 (before an allowance of \$170,000) of which \$2,197,376 were current year's taxes receivable and the balance of \$1,175,273 was prior years' unpaid taxes.

**Note 6. Other Receivables**

Receivables, other than property taxes receivable and loans to the County's enterprise funds, as reported in the Statement of Net Assets as of the year end for the County's individual governmental major funds, non-major funds and in the aggregate, consist of the following:

Governmental Activities:	General Fund	Highway Fund	RBF Fund	Capital Projects Fund	Non-major Governmental Funds	Total
Receivables:						
Interest	\$ 5,711	\$ -	\$ 44	\$ -	\$ 9,389	\$ 15,144
Income taxes	3,657,831	-	-	-	-	3,657,831
Other taxes	268,798	646,579	-	-	16,033	931,410
Current:						
Accrued revenues	2,302,010	245	188,300	466,369	781,567	3,738,491
Loans, notes	-	-	4,111	-	-	4,111
Leases, capital	-	-	203,049	-	-	203,049
Long-term:						
Accrued revenues	223,696	-	-	-	26,754	250,450
Loans, notes	-	-	24,727	-	514,074	538,801
Leases, capital	-	-	708,210	-	-	708,210
Total receivables	<u>\$ 6,458,046</u>	<u>\$ 646,824</u>	<u>\$ 1,128,441</u>	<u>\$ 466,369</u>	<u>\$ 1,347,817</u>	<u>\$ 10,047,497</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 6. Other Receivables - continued

Receivables as reported in the Statement of Net Assets at year end for the County's individual enterprise major funds, non-major funds and in the aggregate, consist of the following:

Business-type Activities:	Water Districts	Sewer Districts	Nursing Home	Non-Major Enterprise Funds	Total
Receivables:					
Interest	\$ 362	\$ 1,721	\$ -	\$ -	\$ 2,083
Accounts, other	-	3,226,622	91,361	47,828	3,365,811
Accounts, trade	742,871	1,225,560	2,073,601	-	4,042,032
Less allowance	(69,944)	(222,317)	(750,000)	-	(1,042,261)
Net accounts, trade	672,927	1,003,243	1,323,601	-	2,999,771
Accounts, restricted	-	193,299	-	-	193,299
Less allowance	-	(9,095)	-	-	(9,095)
Net accounts, restricted	-	184,204	-	-	184,204
Loans	-	-	-	478,091	478,091
Less allowance	-	-	-	(350,000)	(350,000)
Net loans	-	-	-	128,091	128,091
Total receivables	\$ 673,289	\$ 4,415,790	\$ 1,414,962	\$ 175,919	\$ 6,679,960

*Leases – Operating and Capital:*

The County, as part of its economic development efforts, has constructed numerous shell buildings which are sold (capital leases) or rented (operating leases) to various employers. The amount of capital lease payments and future minimum non-cancelable operating lease payments due each of the next five years and beyond is as follows:

Fiscal Year	Capital Leases			Operating Leases
	Principal	Interest	Total	Minimum Payments
2010	\$ 203,049	\$ 55,384	\$ 258,433	\$ 2,709,168
2011	146,853	42,837	189,690	2,733,032
2012	112,791	34,700	147,491	2,725,269
2013	120,705	26,787	147,492	2,566,172
2014	129,173	18,318	147,491	2,513,166
2015-	198,687	10,287	208,974	7,808,174
Totals	\$ 911,258	\$ 188,313	\$ 1,099,571	\$ 21,054,981

The net book value of buildings with operating leases at June 30, 2009 is \$7,136,339.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 6. Other Receivables - continued

*Unearned Revenues:*

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Delinquent property taxes receivable, General Fund	\$ 3,047,820
Long term housing loans receivable	514,074
Grants/revenues received prior to meeting eligibility requirements:	
General Fund	1,000
Community Development Block Grant Fund	4,264
Community Development & Housing Fund	94,727
	<u>\$ 3,661,885</u>

*Loans receivable:*

The following table summarizes the loan receivable balances in the County Loan Fund at June 30, 2009:

Entity	Source of funds	Balance June 30, 2009
County Loan Fund loans:		
Western Maryland Scenic Railroad	Gen Fund/PIB of 1988	\$ 250,000
YMCA	General Fund	100,000
Paving project	General Fund	34,978
Upper Potomac Industrial Park flood wall loans	General Fund	27,468
County loans		17,093
Allowance for doubtful accounts		(350,000)
Sub-total		<u>\$ 79,539</u>
Allconet II Fund loans:		
TWR loan	General Fund	48,552
Total		<u>\$ 128,091</u>

The County has established a Loan Fund to account for the long-term receivables due from other entities and the proprietary funds. Except for the payments received from fire companies, which is a revolving pool, the cash receipts are transferred to the General Fund, as they become available.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 7. Capital Assets**

Capital asset activity for the year ended June 30, 2009 for the primary government was as follows:

<b>Primary Government:</b>	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$20,594,558	\$ 324,146	\$ -	\$ -	\$20,918,704
Work in Progress	7,908,401	4,574,660	-	(3,537,950)	8,945,111
Total capital assets not being depreciated:	28,502,959	4,898,806	-	(3,537,950)	29,863,815
Capital assets, being depreciated:					
Buildings	48,658,452	287,426	-	686,953	49,632,831
Infrastructure	43,979,233	-	-	2,312,797	46,292,030
Furniture & Fixtures	728,264	3,393	-	-	731,657
Equipment	6,471,845	1,066,888	-	538,200	8,076,933
Vehicles	8,076,308	882,109	(38,475)	-	8,919,942
Heavy Equipment	3,743,048	81,767	(49,600)	-	3,775,215
Other Capital Assets	917,423	7,200	-	-	924,623
Total capital assets, being depreciated:	112,574,573	2,328,783	(88,075)	3,537,950	118,353,231
Less accumulated depreciation for:					
Buildings	(13,062,210)	(1,638,180)	-	-	(14,700,390)
Infrastructure	(26,467,355)	(652,581)	-	-	(27,119,936)
Furniture & Fixtures	(518,999)	(31,351)	-	-	(550,350)
Equipment	(3,998,380)	(534,648)	-	-	(4,533,028)
Vehicles	(5,995,710)	(583,449)	36,975	-	(6,542,184)
Heavy Equipment	(2,919,517)	(169,456)	49,600	-	(3,039,373)
Other Capital Assets	(450,155)	(22,905)	-	-	(473,060)
Total accumulated depreciation	(53,412,326)	(3,632,570)	86,575	-	(56,958,321)
Total capital assets, being depreciated, net:	59,162,247	(1,303,787)	(1,500)	3,537,950	61,394,910
Governmental activities capital assets, net	\$87,665,206	\$ 3,595,019	\$ (1,500)	\$ -	\$91,258,725

<b>Primary Government:</b>	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Land	\$79,602	\$ -	\$ -	\$ -	\$ 79,602
Work in Progress	7,304,253	18,837,851	-	(144,962)	25,997,142
Total capital assets not being depreciated:	7,383,855	18,837,851	-	(144,962)	26,076,744
Capital assets, being depreciated:					
Buildings	3,690,509	11,452	-	-	3,701,961
Infrastructure	104,302,609	15,869	-	1,674	104,320,152
Furniture & Fixtures	1,590,383	14,894	(1,405)	-	1,603,872
Equipment	5,669,053	169,023	-	-	5,838,076
Vehicles	957,184	70,428	(26,402)	26,802	1,028,012
Heavy Equipment	411,710	76,365	-	116,486	604,561
Other Capital Assets	2,852,787	-	-	-	2,852,787
Total capital assets, being depreciated:	119,474,235	358,031	(27,807)	144,962	119,949,421
Less accumulated depreciation for:					
Buildings	(1,997,252)	(102,604)	(2)	-	(2,099,858)
Infrastructure	(36,660,601)	(2,160,190)	-	-	(38,820,791)
Furniture & Fixtures	(1,091,997)	(80,173)	-	-	(1,172,170)
Equipment	(2,884,371)	(662,554)	(1)	-	(3,546,926)
Vehicles	(583,601)	(103,934)	26,402	-	(661,133)
Heavy Equipment	(282,791)	(37,910)	-	-	(320,701)
Other Capital Assets	(895,546)	(127,905)	-	-	(1,023,451)
Total accumulated depreciation	(44,396,159)	(3,275,270)	26,399	-	(47,645,030)
Total capital assets, being depreciated, net:	75,078,076	(2,917,239)	(1,408)	144,962	72,304,391
Business-type activities capital assets, net	\$82,461,931	\$15,920,612	\$ (1,408)	\$ -	\$98,381,135



**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 7. Capital Assets - continued**

Depreciation expense was charged to functions/programs of the primary government, as reported in the statement of activities, for the year ended June 30, 2009 as follows:

<u>Governmental activities:</u>	
General government	\$ 526,185
Public safety	1,108,783
Public works	1,004,342
Health	218,440
Social services	92,527
Recreation, culture and libraries	164,607
Natural resources	420
Community development and housing	18,494
Economic development	498,772
Total depreciation expense - governmental activities	<u>\$ 3,632,570</u>
<u>Business type activities:</u>	
Water districts	\$ 665,764
Sewer districts	1,847,120
Nursing Home	215,061
Allconet II	547,325
Total depreciation expense - governmental activities	<u>\$ 3,275,270</u>

*Construction Commitments*

The County has active construction projects as of June 30, 2009. The projects include industrial park infrastructure, a wastewater treatment plant upgrade, and a new water district. At year end the County's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Cresaptown/Bowling Green I&I Design	\$ 2,183,454	\$ 327,407
Georges Creek WWTP Upgrade	15,660,422	8,823,578
Barton Business Park WWTP Upgrade	9,450	229,030
Courthouse roof	353,192	7,208
Dry Run streambank stabilization	259,017	13,691
Opessa Street bridge	56,862	141,088
Continuity of operations	69,067	474,933
Continuity of operations	244,535	42,870
Continuity of operations	38,467	161,033
Bowman's Addition water project	2,276,957	519,325
Totals	<u>\$ 21,151,423</u>	<u>\$ 10,740,163</u>

Funding for all projects is a combination of federal and/or state grants and a local share funded by long-term debt. Funding for the projects was in place prior to the commencement of construction.

During fiscal year 2009, \$786,946 in fixed assets was donated to the County for its 911 operations by the State of Maryland. The assets were capitalized and the donation recorded as miscellaneous income in the statement of activities.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 7. Capital Assets - continued

*Discretely Presented Component Units:*

Capital asset activity for the Board of Education of Allegany County for the year ended June 30, 2009 (not including component units), was as follows:

<b>Board of Education</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 4,002,794	\$ -	\$ -	\$ 4,002,794
Work in process	3,031,191	1,075,343	(2,780,264)	1,326,270
Total capital assets not being depreciated:	<u>7,033,985</u>	<u>1,075,343</u>	<u>(2,780,264)</u>	<u>5,329,064</u>
Capital assets, being depreciated:				
Land Improvements	2,605,798	3,799,453	-	6,405,251
Buildings & Improvements	138,255,266	2,519,315	-	140,774,581
Furniture, Equipment & Vehicles	10,955,319	2,846,047	(545,543)	13,255,823
Total capital assets, being depreciated:	<u>151,816,383</u>	<u>9,164,815</u>	<u>(545,543)</u>	<u>160,435,655</u>
Less accumulated depreciation for:				
Land Improvements	(155,454)	(252,239)	-	(407,693)
Buildings & Improvements	(63,416,068)	(3,810,220)	-	(67,226,288)
Furniture, Equipment & Vehicles	(5,322,858)	(1,219,133)	510,104	(6,031,887)
Total accumulated depreciation	<u>(68,894,380)</u>	<u>(5,281,592)</u>	<u>510,104</u>	<u>(73,665,868)</u>
Total capital assets, being depreciated, net:	<u>82,922,003</u>	<u>3,883,223</u>	<u>(35,439)</u>	<u>86,769,787</u>
Governmental activities capital assets, net	<u>\$89,955,988</u>	<u>\$ 4,958,566</u>	<u>\$ (2,815,703)</u>	<u>92,098,851</u>

<b>Board of Education</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Work in process	\$ -	\$ 58,051	\$ -	\$ 58,051
Capital assets, being depreciated:				
Furniture, Equipment & Vehicles	615,053	38,813	-	653,866
Less accumulated depreciation	(428,348)	(50,307)	-	(478,655)
Total capital assets, being depreciated, net:	<u>186,705</u>	<u>(11,494)</u>	<u>-</u>	<u>175,211</u>
Business-type activities capital assets, net	<u>\$ 186,705</u>	<u>\$ 46,557</u>	<u>\$ -</u>	<u>\$ 233,262</u>

Capital asset activity for the Library of Allegany County for the year ended June 30, 2009 was as follows:

<b>Library</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Non-depreciable assets:				
Construction in Progress	\$ 118,174	\$ -	\$ (118,174)	\$ -
Capital assets, being depreciated:				
Buildings & Improvements	\$ 3,445,386	\$ 142,119	\$ -	\$ 3,587,505
Furniture & Equipment	642,952	107,578	(7,224)	743,306
Vehicles/Bookmobile	157,741	-	-	157,741
Library Books	3,975,353	229,299	(349,958)	3,854,694
Total capital assets, being depreciated:	<u>8,221,432</u>	<u>478,996</u>	<u>(357,182)</u>	<u>8,343,246</u>
Less accumulated depreciation for:				
Buildings & Improvements	(986,326)	(71,040)	-	(1,057,366)
Furniture & Equipment	(342,462)	(43,349)	7,224	(378,587)
Vehicles/Bookmobile	(56,133)	(17,045)	-	(73,178)
Library Books	(3,465,185)	(143,605)	294,999	(3,313,791)
Total accumulated depreciation	<u>(4,850,106)</u>	<u>(275,039)</u>	<u>302,223</u>	<u>(4,822,922)</u>
Total capital assets, being depreciated, net:	<u>\$ 3,371,326</u>	<u>\$ 203,957</u>	<u>\$ (54,959)</u>	<u>\$ 3,520,324</u>
Governmental activities capital assets, net	<u>\$ 3,489,500</u>	<u>\$ 203,957</u>	<u>\$ (173,133)</u>	<u>\$ 3,520,324</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 7. Capital Assets - continued**

*Discretely Presented Component Units - continued:*

Capital asset activity for Allegany College of Maryland and its component units for the year ended June 30, 2009, were as follows:

<b>Allegany College of Maryland</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 700,973	\$ -	\$ (3,508)	\$ 697,465
Library Collections	66,893	-	-	66,893
Work in Progress	4,034,650	1,170,309	(5,204,959)	-
Total capital assets not being depreciated:	4,802,516	1,170,309	(5,208,467)	764,358
Capital assets, being depreciated:				
Buildings	42,465,908	5,275,966	(3,025)	47,738,849
Equipment	6,474,323	1,752,583	(1,785,121)	6,441,785
Auxiliary Equipment	205,327	5,180	(5,290)	205,217
Library Books	1,022,043	65,636	(41,306)	1,046,373
Total capital assets, being depreciated:	50,167,601	7,099,365	(1,834,742)	55,432,224
Less accumulated depreciation :	(20,395,356)	(2,038,378)	1,821,193	(20,612,541)
Total capital assets, being depreciated, net:	29,772,245	5,060,987	(13,549)	34,819,683
Business-type activities capital assets, net	\$34,574,761	\$ 6,231,296	\$ (5,222,016)	\$35,584,041

Capital asset activity for the LaVale Sanitary Commission for the year ended June 30, 2009, was as follows:

<b>LaVale Sanitary Commission</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 176,385	\$ -	\$ -	\$ 176,385
Work in Progress	82,101	59,312	(82,101)	59,312
Total capital assets not being depreciated:	258,486	59,312	(82,101)	235,697
Capital assets, being depreciated:				
Buildings	516,945	-	-	516,945
Infrastructure	19,373,869	352,523	-	19,726,392
Machinery, Vehicles & Equipment,				
Office Furniture and Equipment	1,309,935	24,474	(6,670)	1,327,739
Total capital assets, being depreciated:	21,200,749	376,997	(6,670)	21,571,076
Less accumulated depreciation for:	(8,741,265)	(534,067)	6,672	(9,268,660)
Total capital assets, being depreciated, net:	12,459,484	(157,070)	2	12,302,416
Business-type activities capital assets, net	\$12,717,970	\$ (97,758)	\$ (82,099)	\$12,538,113

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 8. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2009, is as follows:

A. *Due to/from other funds*

	Due From Other Funds	Due To Other Funds
Governmental funds:		
General Fund	\$ -	\$ 5,103,273
Highway Fund	-	399,192
Revolving Building Fund	4,563,769	-
Capital Improvement Projects Fund	-	256,008
Non-major Governmental Funds	3,583,245	673,123
Sub-total	8,147,014	6,431,596
Enterprise Funds:		
Water Districts	-	336,946
Sanitary Districts	5,473,196	7,661,740
Non-major Enterprise Funds	694,412	45,065
Sub-total	6,167,608	8,043,751
Fiduciary Funds:		
Agency Fund	160,725	-
<b>TOTALS</b>	<b>\$ 14,475,347</b>	<b>\$ 14,475,347</b>

The interfund balances as of June 30, 2009 are the result of a centralized cash receipt and disbursement function. This results in funds having a deficiency or excess of cash depending on the timing of the receipt of revenues or other sources and/or the payment of expenditures (or expenses) or other uses of cash.

B. *Advances and Loans To/From Other Funds*

	Advances to Other Funds	Advances from Other Funds
Advances:		
General Fund	\$ 3,916,618	
Nursing Home Fund		\$ 3,116,618
Sanitary Districts		400,000
Water Districts		400,000
Loans:		
Loan Fund	433,238	
Allegany County Sanitary Districts:		
Current portion of long-term debt		366
Long-term debt		18,453
Allegany County Water Districts:		
Current portion of long-term debt		32,099
Long-term debt		382,320
	<b>\$ 4,349,856</b>	<b>\$ 4,349,856</b>

The amounts owed to the General fund from the Nursing Home and Sanitary District Funds and the amounts owed to the County Loan Fund from the Sanitary District and Water District Funds are reported as advances to indicate that such amounts are long-term assets and are not to be considered as "available spendable resources."

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 8. Interfund Receivables, Payables, and Transfers - continued**

*C. Transfers*

Transfers to other funds for the year ending June 30, 2009 are as follows:

Transferred From: Transferred To:	Amount	Total By Fund
From the General Fund to:		
Highway Fund	\$ 2,398,687	
Non-major funds governmental funds	6,993,211	
Enterprise funds:		
Water Fund	12,120	
Sewer Fund	100,778	\$ 9,504,796
From the Revolving Building Fund To:		
General Fund	45,380	
Water Fund	19,348	
Sewer Fund	7,500	
Non-major funds governmental funds	1,544,357	1,616,585
From the Capital Projects Fund To:		
Non-major governmental funds	8,360	8,360
From the Non-major Governmental Funds to:		
General Fund	1,024,337	
Highway Fund	458,965	
Capital Projects Fund	773,987	
Other Non-major governmental fund	386,411	
Non-major enterprise funds	-	2,643,700
From the Non-major Enterprise Funds to:		
General Fund	51,115	51,115
<b>TOTALS</b>	<b>\$ 13,824,556</b>	<b>\$ 13,824,556</b>

Transfers from the General Fund to the Highway Fund were to fund the portion of highway expenditures not funded by revenues restricted for highway maintenance. General Fund transfers to the non-major governmental funds were to fund the local share of grant funded programs, pay debt service and fund the local share of capital projects. Transfers to the enterprise funds were to assist in operating costs. Transfers from the Revolving Building Fund were to pay debt service costs of County economic development buildings and to pay for economic developments share of expenditures in other funds.

Payments to component units for the year ending June 30, 2009 are as follows:

Payment From: Payment To:	Amount	Total By Fund Type
From the General Fund (appropriations) to:		
Board of Education	\$ 28,450,000	
Board of Education, Data Processing	360,334	
Allegany College of Maryland	7,425,000	
Library	905,000	\$ 37,140,334
From the Gaming Fund to:		
Board of Education:		
Frost HVAC project	78,000	
Westmar Middle roof	7,725	
Administration Bldg electrical	15,649	
Mt. Savage roof	8,319	109,693
From the County Capital Projects Funds to:		
Board of Education:		
Mountain Ridge High School	314,001	314,001
	<b>\$ 37,564,028</b>	<b>\$ 37,564,028</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 9. Short-term Debt**

Allegany County did not issue short-term debt during the fiscal year ending June 30, 2009 and had no balance payable at year end.

**Note 10. Long-Term Debt, Capital Leases and Compensated Absences**

Long-term liability activity of the County for the year ended June 30, 2009, was as follows:

<b>Long-term Debt</b>					
<b>Governmental Activities</b>					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
General Obligation	\$ 24,949,597	\$ 4,600,000	\$ (3,762,586)	\$ 25,787,011	\$ 3,866,467
Notes	10,253,745	-	(438,502)	9,815,243	289,382
Capital Leases*	288,444	63,719	(92,740)	259,423	94,377
State Loans	5,065,139	-	(434,837)	4,630,302	461,309
Total	\$ 40,556,925	\$ 4,663,719	\$ (4,728,665)	\$ 40,491,979	\$ 4,711,535
* The net book value of leased vehicles at June 30, 2009 is \$297,824.					
<b>Business-type activities</b>					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Water districts:					
Rural development loans	\$ 4,449,625	\$ -	\$ (69,849)	\$ 4,379,776	\$ 72,906
County loans	445,537	-	(31,118)	414,419	32,099
Total water districts	\$ 4,895,162	\$ -	\$ (100,967)	\$ 4,794,195	\$ 105,005
Sewer districts:					
Maryland water quality loans	\$ 534,906	\$ -	\$ (159,269)	\$ 375,637	\$ 95,177
Maryland environmental loans	8,954,855	4,466,216	(527,469)	12,893,602	735,918
Rural development loans	3,363,826	-	(40,492)	3,323,334	41,826
County loans	19,169	-	(350)	18,819	366
Total sewer districts	\$ 12,872,756	\$ 4,466,216	\$ (727,580)	\$ 16,611,392	\$ 873,287
Nursing Home					
General obligation debt	\$ 449,448	\$ -	\$ (27,863)	\$ 421,585	\$ 29,320
Total business-type activities:					
General obligation debt	\$ 449,448	\$ -	\$ (27,863)	\$ 421,585	\$ 29,320
Maryland water quality loans	534,906	-	(159,269)	375,637	95,177
Maryland environmental loans	8,954,855	4,466,216	(527,469)	12,893,602	735,918
Rural development loans	7,813,451	-	(110,341)	7,703,110	114,732
County loans	464,706	-	(31,468)	433,238	32,465
Total business-type activities	\$ 18,217,366	\$ 4,466,216	\$ (856,410)	\$ 21,827,172	\$ 1,007,612
<b>Other Long-term Liabilities</b>					
<b>Governmental Activities</b>					
	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Compensated Absences	\$ 4,391,729	\$ 232,745	\$ (210,434)	\$ 4,414,040	\$ 1,065,378
<b>Business-type activities</b>					
Water & sewer districts					
Compensated absences	\$ 372,214	\$ 2,448	\$ (69,628)	\$ 305,034	\$ 40,457
Nursing Home					
Compensated Absences	394,729	186,681	(32,845)	548,565	548,565
Total	\$ 766,943	\$ 189,129	\$ (102,473)	\$ 853,599	\$ 589,022

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 10. Long-Term Debt, Capital Leases and Compensated Absences - continued**

Annual debt service requirements to maturity for Allegany County's governmental activities long-term debt outstanding as of June 30, 2009 are as follows:

Year Ending June 30,	General Obligation Bonds		Notes		Capital Leases		State Loans		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 3,866,467	\$ 1,127,826	\$ 289,381	\$ 418,300	\$ 94,377	\$ 15,877	\$ 461,309	\$ 172,005	\$ 4,711,534	\$ 1,734,008
2011	4,059,393	931,292	302,792	404,890	55,078	9,944	482,198	151,117	4,899,461	1,497,243
2012	3,645,226	757,554	218,738	392,110	35,879	6,532	504,284	129,030	4,404,127	1,285,226
2013	3,142,070	603,628	228,267	382,581	38,010	4,401	527,644	105,670	3,935,991	1,096,280
2014	3,287,032	454,740	238,213	372,635	17,520	2,413	493,718	81,692	4,036,483	911,480
2015-2019	7,611,823	762,415	1,356,174	1,698,066	18,559	1,102	1,770,937	170,482	10,757,493	2,632,065
2020-2024	175,000	12,145	1,678,905	1,375,335	-	-	390,212	7,421	2,244,117	1,394,901
2025-2029	-	-	2,078,843	975,397	-	-	-	-	2,078,843	975,397
2030-2034	-	-	2,530,761	481,952	-	-	-	-	2,530,761	481,952
2035-2039	-	-	893,169	36,231	-	-	-	-	893,169	36,231
	<u>\$ 25,787,011</u>	<u>\$ 4,649,600</u>	<u>\$ 9,815,243</u>	<u>\$ 6,537,497</u>	<u>\$ 259,423</u>	<u>\$ 40,269</u>	<u>\$ 4,630,302</u>	<u>\$ 817,417</u>	<u>\$ 40,491,979</u>	<u>\$ 12,044,783</u>

Annual debt service requirements to maturity for Allegany County's business-type activities long-term debt outstanding as of June 30, 2009 are as follows:

The annual debt service requirements to maturity for the Water Districts long-term debt outstanding at June 30, 2009 are:							
Year Ending June 30,	Farmers Home Admin. Loans		County Advances		Totals		
	Principal	Interest	Principal	Interest	Principal	Interest	
2010	\$ 72,906	\$ 193,082	\$ 32,099	\$ 14,527	\$ 105,005	\$ 207,609	
2011	76,204	189,784	33,110	13,515	109,314	203,299	
2012	79,652	186,336	34,154	12,472	113,806	198,808	
2013	83,262	182,726	35,231	11,395	118,493	194,121	
2014	87,040	178,948	36,343	10,283	123,383	189,231	
2015-2019	498,394	831,546	122,679	35,171	621,073	866,717	
2020-2024	623,427	706,513	19,396	25,536	642,823	732,049	
2025-2029	781,059	548,881	24,280	20,652	805,339	569,533	
2030-2034	859,343	355,599	30,393	14,539	889,736	370,138	
2035-2039	832,856	174,199	38,046	6,586	870,902	180,785	
2040-2044	347,760	43,833	8,688	298	356,448	44,131	
2045-2049	37,873	950	-	-	37,873	950	
Totals	<u>\$ 4,379,776</u>	<u>\$ 3,592,397</u>	<u>\$ 414,419</u>	<u>\$ 164,974</u>	<u>\$ 4,794,195</u>	<u>\$ 3,757,371</u>	

The annual debt service requirements to maturity for the Sanitary Districts long-term debt outstanding at June 30, 2009 are:										
Year Ending June 30,	Water Quality Loans		Md. Environmental Loans		Farmers Home Admin. Loans		County Advances		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 95,177	\$ 26,166	\$ 735,918	\$ 143,088	\$ 41,826	\$ 139,038	\$ 366	\$ 851	\$ 873,287	\$ 309,143
2011	99,619	19,743	701,379	134,119	43,628	137,236	383	834	845,009	291,932
2012	89,757	12,988	708,878	126,620	45,508	135,356	400	816	844,543	275,780
2013	72,475	6,777	716,463	119,035	47,469	133,395	419	798	836,826	260,005
2014	8,266	1,566	724,135	111,363	49,515	131,349	438	779	782,354	245,057
2015-2019	10,343	1,000	3,738,864	434,624	281,485	622,835	2,511	3,573	4,033,203	1,062,032
2020-2024	-	-	3,786,814	233,925	347,622	556,698	3,143	2,940	4,137,579	793,563
2025-2029	-	-	1,781,151	57,621	429,327	474,993	3,934	2,149	2,214,412	534,763
2030-2034	-	-	-	-	530,270	374,050	4,925	1,159	535,195	375,209
2035-2039	-	-	-	-	519,610	258,433	2,300	132	521,910	258,565
2040-2044	-	-	-	-	563,008	150,952	-	-	563,008	150,952
2045-2049	-	-	-	-	424,066	30,839	-	-	424,066	30,839
Totals	<u>\$ 375,637</u>	<u>\$ 68,240</u>	<u>\$ 12,893,602</u>	<u>\$ 1,360,395</u>	<u>\$ 3,323,334</u>	<u>\$ 3,145,174</u>	<u>\$ 18,819</u>	<u>\$ 14,031</u>	<u>\$ 16,611,392</u>	<u>\$ 4,587,840</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 10. Long-Term Debt, Capital Leases and Compensated Absences - continued**

The annual debt service requirements to maturity for the Nursing Home long-term debt outstanding at June 30, 2009 are:

Year Ending June 30,	General Obligation Debt	
	Principal	Interest
2010	\$ 29,320	\$ 21,282
2011	30,854	19,709
2012	32,467	18,053
2013	34,165	16,310
2014	35,952	14,477
2015-2019	210,011	41,343
2020-2024	48,816	1,277
2025-2029	\$ 421,585	\$ 132,451

A summary of individual long-term debt balances for governmental activities for the current and prior year is as follows:

Allegany County Primary Government Schedule of Long - Term General Obligation Debt:					
General Obligation Bonds: Public Improvement Bonds:	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2009	2008
Bonds of 1994	01/01/94	01/01/09	4.05-4.70	\$ -	\$ 465,000
Bonds of 1995	11/01/95	11/01/10	4.25-5.10	1,100,000	1,610,000
Bonds of 1997	03/01/97	03/01/10	3.65-5.40	550,000	1,075,000
Bonds of 1998	08/15/98	08/01/13	4.375-4.65	6,205,000	7,285,000
Bonds of 2001	09/01/01	11/01/16	3.50-4.40	4,080,000	4,390,000
Bonds of 2004	10/26/04	10/01/19	3.50	1,627,000	1,747,000
Bonds of 2006	07/21/06	08/01/16	4.24	2,520,000	2,780,000
Bonds of 2007	06/12/07	06/01/17	5.73	5,105,011	5,597,597
Bonds of 2008	12/16/08	09/01/18	4.36	4,600,000	-
Notes:					
Farmers Home Admin	1992	2032	5.75	242,987	248,047
RDA High School Loan I	06/28/07	06/28/37	4.125	4,663,532	4,835,298
RDA High School Loan II	02/28/08	2038	4.375	4,727,019	4,904,603
PPG Loan	01/05/96	2011	5.20	181,705	265,797
Capital Leases:					
Transit Bus	04/11/06	04/11/13	5.94	175,804	205,979
Sheriff vehicles	2008	07/24/09	6.40	42,511	82,465
Bureau of Police vehicles	04/13/09	04/13/11	6.60	41,108	-
State Loans:					
Md Industrial Land Act:					
Superfos Expansion	1991	2028	6.90	427,270	469,623
Blue Cross Bldg	1992	2012	6.80	794,764	854,993
Micro - Integration	1994	2014	5.93	336,936	403,015
Superfos III	1995	2014	5.93	550,877	637,850
MICRF Loans:					
PPG Purchase	01/05/96	2020	5.00	1,658,301	1,785,755
PPG Improvements	2001	2022	4.69	181,208	196,628
MD Historical Trust Loan	2000	2020	1.00	150,000	150,000
Md Environmental Loan	2003	2023	0.89	530,946	567,275
Total Long - Term General Obligation Debt				40,491,979	40,556,925
Compensated Absences				4,414,040	4,391,729
Total long-term liabilities				\$ 44,906,019	\$ 44,948,654



**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 10. Long-Term Debt, Capital Leases and Compensated Absences - continued**

A summary of individual long-term debt balances for business-type activities is as follows:

Schedule of Business-type Debt					
	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2009	2008
<b>Water Districts Debt:</b>					
Eckhart FHA Loan 1991 Series A	02/21/91	2013	6.0	\$ 92,122	\$ 94,123
Eckhart FHA Loan 1991 Series B	02/21/91	2013	6.0	224,892	229,782
Borden/Zhilman FHA Loan 1998	10/22/97	2037	4.5	293,558	298,554
Carlos/Shaft FHA Loan 2000	12/28/99	12/28/2039	3.25	439,334	447,677
Oldtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	207,285	211,220
Oldtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	211,604	215,621
Grahmtown FHA Loan 2001 R-2	2001	2042	4.5	551,894	559,272
Consol FHA loan	2004	2044	4.5	98,904	100,067
McCoole FHA Loan	1999	2039	4.5	967,255	982,727
Barton Industrial Park	2005	2045	4.5	341,923	345,775
Klondike FHA	2005	2045	4.5	445,470	450,416
Morantown FHA Loan	2005	2046	4.25	163,839	165,690
Mexico Farms	1992	2032	5.5	341,696	348,700
Sub-total				<u>4,379,776</u>	<u>4,449,624</u>
Carlos/Shaft Allegany Advance	2006	2040	4.5	47,475	48,164
Missick Rd Alleg Co Advance	2006	2040	4.5	74,801	75,888
Rt. 51 Allegany Co Advance	2006	2040	4.5	26,399	26,782
PSC Rate case	2007	2017	4.5	265,744	294,703
Sub - total				<u>414,419</u>	<u>445,537</u>
Total debt				<u>4,794,195</u>	<u>4,895,161</u>
Less: Current maturities of long - term debt				<u>(105,005)</u>	<u>(100,872)</u>
Total Water Districts long - term debt				<u>\$ 4,689,190</u>	<u>\$ 4,794,289</u>
<b>Sanitary Districts Debt:</b>					
Maryland Water Quality Loans					
Bowling Green	1980	2010	5.5	\$ 911	\$ 1,776
Bowling Green	1984	2014	8.3	23,230	26,136
Cresaptown	1980	2010	5.5	873	1,702
Cresaptown	1984	2014	8.3	14,468	16,278
Cresaptown	1986	2015	8.8	8,058	8,870
Bedford Road	1983	2013	8.2	106,097	127,854
Oldtown	1981	2011	6.1	7,567	11,038
Flintstone	1980	2010	6.1	22,700	33,114
Georges Creek	1981	2011	6.1	61,639	79,911
Georges Creek	1982	2012	6.1	130,093	158,128
Mexico Farms	1992	2009	3.705	-	70,098
Sub - total				<u>375,636</u>	<u>534,905</u>
Maryland Department of Environment					
Celanese Treatment Plant	1991	2010	3.705	41,954	83,374
Celanese WWTP Upgrade	06/03	2023	0.0867	6,517,342	6,897,031
Inflow and Infiltration Study I	12/03	2023	0.8807	957,354	1,026,459
Celanese	2006	2026	0.40	687,323	724,578
Inflow and Infiltration Study II	2008	2028	1.00	935,192	223,413
George Creek WWTP Upgrade	2009			3,754,437	-
Sub - total				<u>12,893,602</u>	<u>8,954,855</u>
Farmers Home Administration Loans					
Georges Creek	2007	2047	4.125	495,600	500,907
Cash Valley Road	1996	2036	4.5	123,046	125,385
Oldtown Road	1996	2036	4.5	466,649	475,523
Bowling Green/Cresaptown A	2007	2047	4.125	1,870,752	1,890,788
Bowling Green/Cresaptown B	2007	2047	4.125	367,288	371,223
Sub - total				<u>3,323,335</u>	<u>3,363,826</u>
Allegany County Advances:					
Oldtown	2006	2036	4.5	18,819	19,169
Sub - total				<u>18,819</u>	<u>19,169</u>
Total				<u>16,611,392</u>	<u>12,872,755</u>
Less: Current maturities of long - term debt				<u>(873,287)</u>	<u>(738,225)</u>
Total Sanitary Districts Long - term Debt				<u>\$15,738,105</u>	<u>\$12,134,530</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 10. Long-Term Debt - continued

A summary of individual long-term debt balances for business-type activities continues as follows:

Schedule of Business-type Debt - continued					
	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2009	2008
Nursing Home Debt:					
General obligation debt	2004	2018	5.23	\$ 421,585	\$ 449,448
Less: Current maturities of long - term debt				(29,320)	(27,863)
Total Nursing Home long -term debt				<u>\$ 392,265</u>	<u>\$ 421,585</u>

The following is a summary of debt transactions for the discretely presented component units for the fiscal year ended June 30, 2009.

Long-term Liabilities - Component Units						
Long-term debt activity for the year ended June 30, 2009:						
	Allegany College of Maryland		LaVale Sanitary Commission			
Payable at July 1, 2008	\$ 288,465		\$ 3,671,606			
Amount issued	1,759,474		2,946,550			
Amount retired	(249,837)		(2,655,913)			
Payable at June 30, 2009	<u>\$ 1,798,102</u>		<u>\$ 3,962,243</u>			
Annual debt service requirements to maturity:						
Fiscal Year	Allegany College of Maryland (Capital Leases)			LaVale Sanitary Commission		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 362,472	\$ 61,037	\$ 423,509	\$ 75,858	\$ 154,370	\$ 230,228
2011	375,670	45,505	421,175	101,797	152,301	254,098
2012	300,613	31,849	332,462	105,304	148,794	254,098
2013	302,099	21,559	323,658	108,960	145,138	254,098
2014	303,268	11,341	314,609	205,435	144,143	349,578
2015-2019	153,980	1,909	155,889	628,771	641,738	1,270,509
2020-2024	-	-	-	631,058	520,082	1,151,140
2025-2029	-	-	-	779,597	371,543	1,151,140
2030-2034	-	-	-	934,860	188,367	1,123,227
2035-2039	-	-	-	390,603	20,377	410,980
	<u>\$ 1,798,102</u>	<u>\$ 173,200</u>	<u>\$ 1,971,302</u>	<u>\$ 3,962,243</u>	<u>\$ 2,486,853</u>	<u>\$ 6,449,096</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 11. Pension and Retirement Systems**

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*Allegany County Primary Government*

Plan Descriptions

Allegany County contributes to the Maryland State Retirement and Pension Systems ("Systems"). Both systems are cost sharing multiple-employer defined benefit plans. The Systems were established by Article 73B of the Annotated Code of Maryland to provide retirement, disability, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. Responsibility for the organization and administration of the Systems is vested in the Board of Trustees of the Maryland State Retirement and Pension Systems. The retirement and pension systems issue a publicly available financial report, which includes financial statements and required supplementary information. The report may be obtained by writing to the following:

Maryland State Retirement Agency  
301 W. Preston Street  
Baltimore, Maryland 21201

Allegany County has also established two defined contribution plans; the County Administrator's Retirement Plan and the Management Contractual Employees Retirement Plan, to provide retirement benefits to certain contractual employees of the County. The ICMA Retirement Corporation administers both plans. At June 30, 2009, there are 10 members enrolled in the plans.

Funding Policy

Employees covered under the retirement system are required to contribute five percent of their base salary, and the County is required to contribute at an actuarially determined rate. The current rate is 11.26% of covered payroll. The employees belonging to the pension system must contribute five percent of their base salary and five percent of the base salary that exceeds the social security wage base. The County is required to contribute at an actuarially determined rate also. The contribution rate for the County is currently 7.37% of covered payroll. The contribution requirements of plan members and Allegany County are established and may be amended by the plan's board of trustees. Allegany County's contributions for the years ended June 30, 2009, 2008 and 2007, were \$1,379,237, \$1,588,247 and \$1,364,471 respectively, equal to the required employer contributions for each year.

The two defined contribution plans require the County to contribute 9% to the Administrators Retirement Plan and 7.37% to the Management Contractual Employees Retirement Plan of annual covered payroll. The annual covered payroll was \$666,309 and the required contribution was \$45,052, which was made. Plan provisions and contribution requirements are established and may be amended by the County Commissioners.

The financial statements of the defined contribution plans are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period the contributions are due. Plan investments are reported at fair market value.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 11. Pension and Retirement Systems - continued

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*Allegany County Component Units*

Board of Education-Component Unit

The Board of Education participates in the Maryland State Retirement System part of the same cost sharing multiple-employer defined benefit pension and retirement systems the County participates in. The employees are covered under either the Teachers' Retirement System, the Employees' Retirement System, the Teachers' Pension System or the Employees' Pension System Plans. A copy of the report can be obtained by writing to the Maryland State Retirement Agency at the address listed above.

Members of the retirement systems entering on or after July 1, 1973 are required to contribute 5% or 7%, based on personal election, of earnable compensation; members before that date contribute the lesser of 5% or the percentage they were contributing prior to July 1, 1973.

Members of the contributory pensions are required to make contributions of 5% of earnable compensation. The Board of Education is required to contribute at an actuarially determined rate for individuals in the employee retirement system and the employee contributory pension system. The current rates are 11.26% and 7.37% respectively. The contribution requirements of plan members and the Board are established and may be amended by the State Retirement and Pension System Board of Trustees. The Board contributions for the years ended June 30, 2009, 2008 and 2007 were \$966,884, \$993,118, and \$866,800, respectively, equal to the required contributions for each year.

Allegany County Library System-Component Unit

The employees of the Library are provided retirement benefits through the Maryland State Retirement and Pension Systems; the same cost sharing multiple-employer defined benefit retirement system in which the County participates. All employees of the Library System except custodial personnel are covered by the Maryland State Teacher's Retirement Systems. The Maryland State Department of Education is directly responsible for all financial and administrative requirements of the employees' participation in the Teachers Retirement System. The Library System itself is only financially and administratively responsible for custodial employees' participation in the Maryland State Retirement Systems. As of year-end, all custodial employees participated in the pension system. Detailed information on the Library's retirement plan provisions, funding status, required contributions and trends may be obtained in their financial reports for the period ending June 30, 2009. The Library's contributions for the years ended June 30, 2009, 2008 and 2007 were \$5,122, \$5,989, and \$5,110, respectively, equal to the required employer contributions for custodial staff for each year. All payments have been made by the State of Maryland for the non-custodial employees for the years ended June 30, 2009, 2008 and 2007 in the amounts of \$97,245, \$84,042, and \$65,832 respectively.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 11. Pension and Retirement Systems - continued

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*Allegany County Component Units*

Allegany College-Component Unit

The College's permanent employees are provided pension benefits through one of several pension plans: Maryland State Teachers' Retirement System, Maryland State Teachers' Pension System, TIAA/CREF Retirement Plan, Maryland State Employees' Retirement System, and the Maryland State Employees' Pension System. All of the plans the College participates in are the same cost sharing multiple-employer defined benefit plans the County participates in, with the exception of TIAA/CREF Retirement Plan which is a separate plan the County is not associated with. The State of Maryland is responsible for funding the employee portion of pension costs for substantially all employees covered by the Teachers' Retirement System, Teachers' Pension System, and the TIAA/CREF Retirement Plan. The State of Maryland's total contributions to these plans for fiscal year 2009 were \$1,271,526.

Detailed information on the College's retirement plan provisions, funding status, required contributions and trends may be obtained in their financial reports for the period ending June 30, 2009. Allegany College's contributions for the years ended June 30, 2009, 2008 and 2007 were \$85,059, \$104,644, and \$90,588, respectively, equal to the required employer contributions for each year.

LaVale Sanitary Commission – Component Unit

The Sanitary Commission provides a defined benefit pension plan for all their full-time employees. The plan is a single employer non-contributory plan and is not a part of any of the plans in which the County participates. Detailed information on LaVale Sanitary Commission's retirement plan provisions, funding status, required contributions and trends may be obtained in their financial reports for the period ending June 30, 2009. LaVale Sanitary's contributions for the years ended June 30, 2009, 2008 and 2007 were \$86,076, \$56,783, and \$57,564, respectively, equal to the required employer contributions for each year.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 12. Postemployment Healthcare Plan**

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**Plan Description.** The County's defined benefit postemployment healthcare plan, the Allegany County Non-Pension Post Employment Benefits Plan (ACBP), provides medical benefits to eligible retired County employees and their beneficiaries. ACBP is affiliated with the Allegany County, Maryland Non-Pension Post Employment Benefit Trust (ACMBT), an agent multiple-employer postemployment healthcare plan. The Allegany County Code assigns the authority to establish and amend the benefit provisions of the plans that participate in ACMBT to the respective employer entities, for ACBP, that authority rests with Allegany County. ACMBT issues a publicly available financial report that includes financial statements and required supplementary information for ACMBT. That report may be obtained by writing to Allegany County, Maryland Non-Pension Post Employment Benefit Trust, Allegany County Finance Office, 701 Kelly Road, Suite 205, Cumberland, Maryland 21502.

**Funding Policy.** The contribution requirements of plan members and the County are established and may be amended by ACMBT board of trustees. ACBP members under age 65 receiving benefits who were hired prior to July 1, 1997 contribute 6% of the premium and members under the age 65 receiving benefits who were hired after June 30, 1997 contribute 50% of the premium. Plan members over the age of 65 with the standard supplemental coverage make no contributions; plan members over age 65 may elect enhanced coverage for which they pay any additional premium over the cost of the standard supplemental coverage.

The County is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortizes any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current ARC rate is 14.1 percent of annual covered payroll.

**Annual OPEB Cost.** For fiscal year 2009, the County's annual OPEB cost (expense) of \$2,245,000 for ACBP was equal to the ARC. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Costs</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
06/30/09	\$2,245,000	100%	\$0

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

Note 12. Postemployment Healthcare Plan - Continued

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**Funded Status and Funding Progress.** The funded status of the plan as of June 30, 2009 was as follows:

Actuarial accrued liability (AAL)	\$ 25,521,000
Actuarial value of plan assets	<u>1,113,442</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 24,407,558</u>
Funded ratio (actuarial value of plan assets/AAL)	4.40%
Covered payroll (active plan members)	\$ 15,952,000
UAAL as a percentage of covered payroll	153.00%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used to include techniques that are designed to reduce short-term volatility in actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.0 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after 30 years. The actuarial value of ACBP assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three year period. The ACBP's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2009, was twenty-nine years.

The County has elected to apply GASB Statement No. 45 prospectively and as a result the liability at transition was \$0.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 13. Risk Management**

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**Liability Insurance** - The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which it carries commercial insurance. The County retains no risk for claims up to the maximum amount of the policy except for deductible amounts. During the fiscal year and for the three prior fiscal years, the County did not have any losses exceeding its insurance coverage.

**Self-Insured Health Care** – Effective January 1, 2009, the County is self-insured for hospitalization and medical benefits provided to its employees within specified limits. The County pays a third party administrator a monthly fixed fee for various claim administrative services on a per enrolled employee basis to administer the plan.

The third-party administrator submits invoices periodically for all processed claims and administrative fees, and the County issues payment to the third-party administrator, who in turn issues individual claims checks. To protect itself against significant losses, the County has stop-loss policies in place for individual participant health care claims in excess of \$150,000 per year and aggregate annual participant claims in excess of \$8,452,843.

Third party administrators estimated the non-discounted claims liability reported in the funds at June 30, 2009. It is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Because actual claims liabilities depend on such complex factors as inflation, change in legal doctrines and damage awards, the process used in computing claims liabilities does not necessary result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Changes in the balance of claims payable relating to the funds for fiscal year 2009 are as follows:

Balance at July 1, 2008	\$	-
Claims and changes in estimates		548,166
Claim payments		-
Balance at June 30, 2009	\$	<u>548,166</u>

**Note 14. Pending Claims and Litigation**

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The County is the defendant in several lawsuits in which plaintiffs are seeking to recover amounts from the County as a result of alleged damages incurred by those plaintiffs. Although the outcome of these lawsuits and any other potential proceeding, lawsuit or claim that is pending or threatened are not presently determinable, it is the opinion of the County's legal counsel and County management that resolution of these matters will not have a material effect on the financial condition of the County.



**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Note 15. Contingent Liabilities**

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The County participates in a number of state and federally assisted grant programs, principal of which are the U.S. Department of Agriculture, the U.S. Department of Transportation and the U.S. Department of Housing and Urban Developments economic development and housing assistance grant programs. Entitlement to the grant proceeds is generally based on compliance with the terms and conditions of the grant agreements and applicable regulations, including expenditure of the resources for eligible purposes. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for and including the year ended June 30, 2009 may not have been concluded.

Allegany County has borrowed funds on behalf of the LaVale Sanitary District for the purpose of improvements to sewer and water lines and construction of a water treatment plant and water reservoir. The LaVale Sanitary District is responsible for the debt service payments and County has never been called upon to make any of the direct payments of the conduit debt. As of June 30, 2009, such debt includes loans with the U.S. Department of Agriculture of \$3,660,430.

The State of Maryland's Department of the Environment and Allegany County has entered an agreement setting a timetable for fixing the County's combined sewer and storm water system overflow problem. The cost associated with correcting the problem cannot be reasonably estimated. However those costs will likely be spread over an extended period of years and will be borne by the users of the sewer systems.

**Note 16. Subsequent Events**

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On July 1, 2009, the County sold the Allegany County Nursing and Rehabilitation Center, and its operations, for \$8 million dollars. Proceeds from the sale will be used to fund certain legacy costs associated with prior operations and to assist in reducing the impact of the State of Maryland's cuts in financial aid to the County.

**Note 18. Prior Period Adjustments and Restatement of Beginning Net Assets**

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**Allegany College Component Unit:**

The ending net assets of the Allegany County Foundation of Allegany College of \$8,648,512 at June 30, 2008 were restated to \$9,021,933 at July 1, 2008, an increase of \$373,421. As a result, the Allegany College component unit net assets also increased by the same amount to \$44,845,184 at July 1, 2008.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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**ALLEGANY COUNTY, MARYLAND  
REQUIRED SUPPLEMENTARY INFORMATION**

**PENSION PLAN CONTRIBUTIONS**

Allegany County has established two defined contribution retirement plans, the County Administrators Retirement Plan (one member) and the Management Contractual Employees Retirement Plan (nine members), administered by the ICMA Retirement Corporation. Contributions to the defined contribution plans are made entirely by the County for the Administrators Plan and the Management Contractual Employees Plan.

**Administrators Pension Plan**

Contribution For Fiscal Year	Number of Members	Covered Payroll	Contribution Percentage	Required Contributions	Contribution Made	Unfunded Liability
2009	1	\$155,403	9.00%	\$7,937	\$7,937	-
2008	1	123,552	9.00%	10,869	10,869	-
2007	1	112,838	9.00%	10,344	10,334	-
2006	1	114,393	9.00%	10,157	10,157	-
2005	1	103,089	9.00%	9,278	9,278	-
2004	1	100,700	9.00%	9,063	9,063	-
2003	1	100,467	9.00%	9,042	9,042	-
2002	1	94,833	9.00%	8,535	8,535	-
2001	1	89,377	9.00%	8,044	8,044	-
2000	1	99,856	9.00%	8,987	8,987	-

**Management Contractual Employees Pension Plan**

Contribution For Fiscal Year	Number of Members	Covered Payroll	Contribution Percentage	Required Contributions	Contribution Made	Unfunded Liability
2009	9	\$510,906	7.37%	\$37,115	\$37,115	-
2008	9	447,278	8.80%	39,100	39,100	-
2007	8	397,024	8.10%	31,172	31,172	-
2006	8	349,344	7.22%	24,938	24,938	-
2005	7	275,281	7.29%	20,068	20,068	-
2004	6	257,246	5.01%	12,888	12,888	-
2003	7	260,252	4.37%	11,373	11,373	-
2002	7	289,448	4.17%	12,070	12,070	-
2001	6	181,731	5.23%	9,505	9,505	-
2000	2	63,333	6.12%	3,876	3,876	-

**OTHER POST-EMPLOYMENT BENEFIT PLAN CONTRIBUTIONS**

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2009	1,113,442	25,521,000	4.4%	24,407,558	15,952,000	153.0%

The County has elected to apply GASB Statement No. 45 prospectively and as a result the liability at transition was \$0.

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b>REVENUES</b>				
<u>Taxes:</u>				
Property Taxes:				
Real and personal property	\$ 37,442,879	\$ 37,442,879	\$ 37,285,424	\$ (157,455)
Payments in lieu of taxes:				
Coal companies	220,000	220,000	254,524	34,524
Housing Authorities	36,500	36,500	40,108	3,608
Interest on Delinquent taxes	675,000	675,000	862,910	187,910
Sub-total	38,374,379	38,374,379	38,442,966	68,587
Less:				
Prompt payment discounts	144,126	144,126	156,240	(12,114)
Deferred revenues	196,000	196,000	340,852	(144,852)
Industrial exemptions	2,550,000	2,550,000	2,395,098	154,902
Enterprise zone exemptions	175,000	175,000	183,535	(8,535)
Residential development tax credit	25,000	25,000	28,016	(3,016)
Tax increment financing	20,000	20,000	8,528	11,472
Historic tax credit	60,000	60,000	68,358	(8,358)
Real estate tax set-aside	-	-	-	-
Sub-total	3,170,126	3,170,126	3,180,627	(10,501)
Total Net Property Taxes	35,204,253	35,204,253	35,262,339	58,086
Income Taxes	23,060,000	23,060,000	25,429,319	2,369,319
Other Local Taxes:				
Hotel/motel tax	660,000	660,000	668,970	8,970
Admissions	150,000	150,000	161,612	11,612
Recordation	1,850,000	1,850,000	1,242,338	(607,662)
911 Fees	550,000	550,000	392,211	(157,789)
Trailer court	71,000	71,000	72,880	1,880
Transfer Tax	675,000	675,000	425,465	(249,535)
Total Local Taxes	3,956,000	3,956,000	2,963,476	(992,524)
Total Taxes	62,220,253	62,220,253	63,655,134	1,434,881
Licenses and Permits				
Alcoholic beverage licenses	90,600	90,600	85,355	(5,245)
Amusement licenses	6,000	6,000	6,726	726
Traders licenses	97,000	97,000	102,499	5,499
Occupational licenses	1,200	1,200	1,500	300
Animal licenses	13,000	13,000	15,726	2,726
Building permits	40,000	40,000	24,264	(15,736)
Marriage licenses	5,000	5,000	4,790	(210)
Cable franchise fees	320,000	320,000	342,819	22,819
Sediment control permits	30,000	30,000	27,649	(2,351)
Total Licenses and Permits	602,800	602,800	611,328	8,528

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b>REVENUES (Continued):</b>				
<u>Intergovernmental:</u>				
Federal Funds:				
Homeland security grant	319,019	319,019	289,624	(29,395)
Justice department grant	9,600	24,452	15,888	(8,564)
Civil defense	47,000	47,000	28,723	(18,277)
FEMA grant	-	-	1,500	1,500
EMT Grant	30,000	37,500	33,721	(3,779)
MTA Grant	110,700	110,700	94,681	(16,019)
MTA Transportation planning	83,898	83,898	69,800	(14,098)
Food distribution to the needy	18,000	18,000	15,958	(2,042)
Soil conservation service	-	244,091	195,002	(49,089)
Emergency shelter grant	20,000	44,000	45,117	1,117
ARC Grants	46,000	46,000	40,000	(6,000)
Masters program	74,700	74,700	60,617	(14,083)
Miscellaneous federal grants	13,000	13,000	13,690	690
Payments in lieu of property taxes	3,200	3,200	9,807	6,607
Sub-total Federal funds	775,117	1,065,560	914,128	(151,432)
State Funds:				
Public Health	25,000	25,000	20,388	(4,612)
Police protection	250,000	250,000	181,353	(68,647)
State 911 grant	20,000	20,000	1,500	(18,500)
Maryland emergency management grant	-	3,251	-	(3,251)
State MTA operating assistance	55,350	55,350	48,224	(7,126)
Alltrans Grant	209,945	209,945	209,944	(1)
State transportation planning	10,487	10,487	8,725	(1,762)
Maryland Department of Environment grant	8,900	8,900	6,077	(2,823)
Juvenile services grant	14,554	14,554	15,029	475
JSA Crisis Intervention	36,492	36,492	35,947	(545)
Dept. of Social Services	55,350	55,350	55,710	360
Department of Natural Resources	210,000	210,000	214,212	4,212
Conservation aid salary	27,574	27,574	27,490	(84)
Program Open Space grant	205,277	205,277	221,098	15,821
Fire suppression, DNR	500	500	-	(500)
Disparity grant	6,742,870	6,742,870	6,742,870	-
State Jury Reimbursement	44,000	44,000	37,430	(6,570)
Tourism grant	46,900	46,900	38,184	(8,716)
Work Crew Supervisor	42,223	42,223	26,094	(16,129)
Miscellaneous	315,919	322,819	262,895	(59,924)
Sub-total State Funds	8,321,341	8,331,492	8,153,170	(178,322)

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b>REVENUES (Continued)</b>				
<u>Intergovernmental (continued):</u>				
Other Intergovernmental:				
Other agencies	228,958	271,411	324,408	52,997
Sub-total Other Intergovernmental:	228,958	271,411	324,408	52,997
Total Intergovernmental	9,325,416	9,668,463	9,391,706	(276,757)
<u>Service Charges:</u>				
General government charges:				
State civil process	60,000	60,000	70,270	10,270
Child support incentive	-	1,401	-	(1,401)
Publication sales	-	-	259	259
Plans & specifications	2,000	2,000	11,045	9,045
Regulation & Maps	10,750	10,750	11,354	604
Tax sale fees	16,000	16,000	18,661	2,661
Security interest filing fee	100	100	65	(35)
License application fees	8,500	8,500	7,440	(1,060)
Liquor License transfer fee	4,800	4,800	4,165	(635)
Bay restoration collection fee	2,000	2,000	1,933	(67)
Health Ins Admin fee	800	800	1,045	245
Tourism promotion charges	50,000	50,000	92,592	42,592
Collection fees-special areas	45,000	45,000	56,097	11,097
Liquor License Collection fee	3,600	3,600	3,735	135
Hotel/Motel collection fee	15,000	15,000	15,923	923
Partial payment fee	1,000	1,000	1,577	577
Engineering fees	20,000	76,500	110,833	34,333
Miscellaneous general government	740,022	740,022	75,303	(664,719)
Sub-total general government charges	979,572	1,037,473	482,297	(555,176)
Public safety charges:				
Police protection charges	18,000	18,000	13,511	(4,489)
Fingerprinting fee	1,500	1,500	220	(1,280)
Impound fees	-	-	1,995	1,995
Jail work release	35,000	35,000	30,618	(4,382)
Boarding state prisoners	230,000	230,000	263,931	33,931
Boarding Federal prisoners	600,000	600,000	816,333	216,333
Community service fee	16,000	16,000	17,750	1,750
Home detention fee	33,000	33,000	43,537	10,537
Inmate Medical Copay	3,000	3,000	4,316	1,316
Building Inspection fees	32,000	32,000	13,256	(18,744)
Sub-total public safety charges	968,500	968,500	1,205,467	236,967
Sanitation and Waste Removal:				
Landfill fees	145,000	145,000	134,080	(10,920)
Recycling fees	105,000	105,000	78,783	(26,217)
Recycled material sales	20,000	20,000	19,652	(348)
Sub-total Sanitation and Waste	270,000	270,000	232,515	(37,485)

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b>REVENUES (Continued):</b>				
<u>Service Charges (continued):</u>				
Health service charges:				
Dog adoption fees	18,000	18,000	20,168	2,168
Sub-total Health service charges	18,000	18,000	20,168	2,168
Recreation Charges:				
Host fee, Rocky Gap	-	-	-	-
Hotel fee, Rocky gap	115,000	115,000	136,174	21,174
Sub-total recreation service charges	115,000	115,000	136,174	21,174
Public service enterprises:				
Upper Potomac River Commission	301,058	301,058	301,058	-
Job access fares	12,580	12,580	1,931	(10,649)
AllTrans fares	24,420	24,420	45,841	21,421
Road closing fees	450	450	600	150
Maintenance fees	-	-	-	-
Sub-total public service charges	338,508	338,508	349,430	10,922
Total Service Charges	2,689,580	2,747,481	2,426,051	(321,430)
<u>Fines and Forfeitures:</u>				
Circuit court fines	7,000	7,000	8,472	1,472
Contraband seizures	-	-	1,925	1,925
Dog ordinance fines	10,000	10,000	7,227	(2,773)
Other fines	13,600	13,600	13,613	13
Total Fines and Forfeitures	30,600	30,600	31,237	637
<u>Miscellaneous:</u>				
Interest	441,529	441,529	315,652	(125,877)
Rents and concessions	321,352	321,352	301,391	(19,961)
Contributions & donations	-	-	5,000	5,000
Miscellaneous	49,000	49,000	110,487	61,487
Total Miscellaneous	811,881	811,881	732,530	(79,351)
Total Revenues	75,680,530	76,081,478	76,847,986	766,508

(continued)



**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amount	
<b>EXPENDITURES:</b>				
<u>General Government:</u>				
Legislative:				
County Commissioners	172,408	172,408	162,738	9,670
County Commissioners Office	196,529	196,529	153,471	43,058
Total legislative	368,937	368,937	316,209	52,728
Judicial:				
Family Support Services	193,741	193,741	169,585	24,156
Alternative dispute resolution	7,500	7,500	6,253	1,247
Circuit court masters program	113,815	115,216	102,020	13,196
Circuit court	378,587	378,587	339,838	38,749
Orphans court	55,541	55,541	52,309	3,232
Family Law Master	59,774	59,774	55,913	3,861
State's attorney	1,131,310	1,138,210	1,116,796	21,414
Victim-Witness coordinator	24,189	24,189	24,227	(38)
Law library	58,000	58,000	58,001	(1)
Grand and petit juries	70,579	70,579	50,618	19,961
Total Judicial	2,093,036	2,101,337	1,975,560	125,777
Executive:				
Administrator	348,317	348,317	301,118	47,199
Elections:				
Registration and elections	552,799	552,799	379,832	172,967
Financial Administration:				
Finance Office	760,640	760,640	621,641	138,999
Tax Office	542,471	542,471	289,963	252,508
Professional services	46,500	47,500	42,757	4,743
Total Financial Administration	1,349,611	1,350,611	954,361	396,250
Legal:				
Legal counsel	215,163	215,163	155,062	60,101
Other legal/professional	61,000	101,000	124,047	(23,047)
Total legal	276,163	316,163	279,109	37,054
Personnel Administration:				
Human Resources department	329,377	329,377	205,602	123,775
Human resources board of appeals	6,579	6,579	1,627	4,952
Wellness/Employee recognition	26,817	26,817	17,742	9,075
Total personnel administration	362,773	362,773	224,971	137,802
Planning and Zoning:				
Planning and zoning department	502,268	502,268	489,775	12,493
Land use planning	149,685	149,685	139,945	9,740
Total Planning and Zoning	651,953	651,953	629,720	22,233
General Services:				
County Building Maintenance	1,209,779	1,235,400	1,175,883	59,517
Data Processing	244,099	244,099	191,969	52,130
Total general services	1,453,878	1,479,499	1,367,852	111,647

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget -
				Positive
				(Negative)
<b>EXPENDITURES (Continued):</b>				
<u>General Government (continued):</u>				
Other general government:				
Liquor control board	126,389	126,389	119,305	7,084
Insurance	334,725	334,725	295,450	39,275
Employee benefits	332,000	332,000	67,931	264,069
Post retirement benefits	604,000	604,000	1,467,763	(863,763)
Total Other General Government	1,397,114	1,397,114	1,950,449	(553,335)
Total General Government	8,854,581	8,929,503	8,379,181	550,322
<u>Public Safety:</u>				
Police:				
Bureau of police	-	1,187,966	1,144,415	43,551
Sheriffs department	1,966,513	1,224,240	1,140,089	84,151
Aggressive driver grant	5,000	6,650	2,497	4,153
Highway safety	4,000	4,000	1,940	2,060
C3I Unit	13,000	13,000	7,747	5,253
Safe School	72,438	72,438	36,997	35,441
Juvenile review board	57,500	57,500	56,915	585
Parents and law enforcement	5,350	5,350	3,909	1,441
Total Police	2,123,801	2,571,144	2,394,509	176,635
Fire:				
Suppression of forest fires	5,000	5,000	-	5,000
Volunteer fire companies	1,016,396	1,016,396	998,534	17,862
Total Fire	1,021,396	1,021,396	998,534	22,862
Correction:				
County detention center maintenance	196,164	196,164	180,394	15,770
County detention center	6,807,953	6,830,192	6,538,702	291,490
JSA crisis intervention	36,492	36,492	35,972	520
Juvenile service grant	14,554	14,554	15,029	(475)
Alternative sentencing	156,810	156,810	129,758	27,052
Home detention grant	134,475	134,475	133,959	516
Total Correction	7,346,448	7,368,687	7,033,814	334,873
Other Protection:				
Permits & enforcement	362,639	362,639	351,818	10,821
Emergency Management Agency	268,088	268,088	257,078	11,010
Local emergency planning	8,900	8,900	3,567	5,333
Animal control	397,089	397,089	318,504	78,585
911	1,684,151	1,684,151	1,663,601	20,550
Hazardous materials operations	78,200	78,200	72,651	5,549
Public safety department	230,144	230,144	241,044	(10,900)
Emergency medical assistance	60,000	75,000	68,863	6,137
Domestic preparedness grant	313,019	316,270	386,221	(69,951)
Community emergency response	6,000	6,000	-	6,000
Building Codes	107,594	107,594	96,633	10,961
Code Enforcement	97,950	97,950	99,184	(1,234)
Flood control	45,000	45,000	1,633	43,367
Transportation planning	114,838	114,838	87,250	27,588
Total Other Protection	3,773,612	3,791,863	3,648,047	143,816
Total Public Safety	14,265,257	14,753,090	14,074,904	678,186

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amount	
<b><u>EXPENDITURES (Continued):</u></b>				
<u>Public Works:</u>				
Public Services:				
Airport	240,000	240,000	240,000	-
Waste collection:				
Solid waste disposal	424,740	424,740	443,178	(18,438)
Solid waste recycling	166,837	166,837	166,361	476
Household hazardous waste	15,000	15,000	13,490	1,510
UPRC	376,322	376,322	376,322	-
County engineer	1,184,738	1,241,238	1,188,225	53,013
Total Public Works	2,407,637	2,464,137	2,427,576	36,561
<u>Health and Hospitals:</u>				
Brook Building	224,000	224,000	161,954	62,046
Willowbrook Office	341,000	341,000	277,357	63,643
Health Department supplemental	30,857	33,857	30,895	2,962
Western Maryland Health Planning	6,998	6,998	6,998	-
Total Health and Hospitals	602,855	605,855	477,204	128,651
<u>Social Services:</u>				
Alltrans/job access	895,740	895,740	865,912	29,828
Pauper's burials	1,950	1,950	650	1,300
Human Resources Devel. Comm.	707,570	707,570	707,570	-
Emergency shelter grant	20,000	44,000	45,117	(1,117)
Child abuse coordinator	103,140	103,140	102,427	713
Family Crisis Center	88,000	88,000	88,000	-
Food distribution to the needy	18,000	18,000	15,958	2,042
Total Social Services	1,834,400	1,858,400	1,825,634	32,766
<u>Education:</u>				
Maryland School for the Blind	500	500	-	500
State debt reimbursement	30,000	30,000	26,011	3,989
Parkside Flag-in-the-Air	7,000	7,000	2,250	4,750
Total Education	37,500	37,500	28,261	9,239
<u>Recreation and Culture:</u>				
Agriculture Expo	14,000	14,000	14,000	-
Allegany County Arts Council	35,000	35,000	35,000	-
Allegany County fair	189,182	192,182	206,318	(14,136)
Fairgrounds maintenance	208,342	208,342	202,208	6,134
Highland trail operations	104,408	104,408	107,169	(2,761)
Cumberland Summer Theatre	8,000	8,000	8,000	-
Program Open Space	215,227	215,227	246,153	(30,926)
Total Recreation and Culture	774,159	777,159	818,848	(41,689)

(continued)

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b><u>EXPENDITURES (Continued):</u></b>				
<u>Conservation of Natural Resources:</u>				
Agricultural Extension Service	130,030	130,030	125,419	4,611
Soil conservation services	180,029	424,120	372,753	51,367
Gypsy moth control	31,000	31,000	6,954	24,046
Total Conservation of Natural Resources	341,059	585,150	505,126	80,024
<u>Community Development &amp; Housing</u>				
Office of Community Assistance	125,270	125,270	123,479	1,791
Allegany Co. Public Housing Authority	8,000	8,000	8,000	-
Total Community Development & Housing	133,270	133,270	131,479	1,791
<u>Economic Development:</u>				
Department of Economic Development	563,130	563,130	539,099	24,031
Scenic railroad development	170,000	170,000	170,000	-
Tri-County Council	25,000	25,000	25,000	-
Tourism department	604,335	604,335	602,459	1,876
Toll House	6,400	6,400	2,006	4,394
Thrasher Museum	102,000	102,000	102,000	-
Community promotion	12,000	12,000	5,600	6,400
Total Economic Development	1,482,865	1,482,865	1,446,164	36,701
<u>Appropriations to Other Governmental Units:</u>				
Grants in Lieu of Taxes	28,704	28,704	28,704	-
Health Department	1,208,362	1,205,362	1,206,507	(1,145)
Department of Social Services	9,800	9,800	9,800	-
Total Appropriations to Other Gov't Units:	1,246,866	1,243,866	1,245,011	(1,145)
<u>Miscellaneous:</u>				
Contingency	1,000	1,000	-	1,000
Miscellaneous	25,600	25,600	24,405	1,195
Total Miscellaneous	26,600	26,600	24,405	2,195
<u>Payments to Component Units</u>				
Allegany Co. Board of Education	28,450,000	28,450,000	28,450,000	-
Allegany College	7,425,000	7,425,000	7,425,000	-
Allegany County Library	905,000	905,000	905,000	-
Information Technology	350,334	350,334	350,334	-
Total payments to component units	37,130,334	37,130,334	37,130,334	-
Total Expenditures	69,137,383	70,027,729	68,514,127	1,513,602
Excess (deficiency) of revenues over (under) expenditures	6,543,147	6,053,749	8,333,859	2,280,110

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2009**

OTHER FINANCING SOURCES (USES)	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Unexpended balance - prior years</u>	<u>2,000,000</u>	<u>2,512,009</u>	<u>-</u>	<u>(2,512,009)</u>
<u>Transfers In from other funds:</u>				
Transfers from special revenue funds	45,380	45,380	45,380	-
Transfer from debt service fund	-	-	1,024,337	1,024,337
Transfers from capital project funds	-	-	-	-
Transfers from enterprise funds	41,093	41,093	51,115	10,022
Total Transfers In	<u>86,473</u>	<u>86,473</u>	<u>1,120,832</u>	<u>1,034,359</u>
<u>Operating Transfers to Other Funds:</u>				
Special revenue funds:				
Highway fund	(2,238,067)	(2,238,067)	(2,398,687)	(160,620)
Transit Fund	(379,880)	(379,880)	(379,880)	-
Housing & Section 8 fund	(190,606)	(190,606)	(198,941)	(8,335)
Narcotics Task Force	(12,000)	(12,000)	(15,130)	(3,130)
Public Safety Fund	(602,242)	(602,242)	(602,242)	-
Debt service Fund:				
From General government	(5,087,699)	(5,087,699)	(4,879,175)	208,524
From Bureau of Police	-	(22,611)	(22,611)	-
From Sheriff department	(45,232)	(45,232)	(45,232)	-
Capital projects funds:				
Pay-As-You-GO Capital Proj. Fund	-	-	(850,000)	(850,000)
Enterprise funds:				
Water fund	-	-	(12,120)	(12,120)
Sanitary fund	(88,894)	(88,894)	(100,778)	(11,884)
Total operating transfers to other funds	<u>(8,644,620)</u>	<u>(8,667,231)</u>	<u>(9,504,796)</u>	<u>(837,565)</u>
<u>Sale of capital assets</u>	<u>15,000</u>	<u>15,000</u>	<u>29,676</u>	<u>14,676</u>
Total Other Financing Sources and Uses	<u>(6,543,147)</u>	<u>(6,053,749)</u>	<u>(8,354,288)</u>	<u>(2,300,539)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>(20,429)</u>	<u>(20,429)</u>
Fund balance, beginning			<u>15,799,702</u>	
Fund balance, ending			<u>\$ 15,779,273</u>	

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
HIGHWAY SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b>REVENUES:</b>				
Taxes - State shared	4,725,000	4,725,000	4,023,284	(701,716)
Intergovernmental:				
Federal	-	-	-	-
State	-	-	491,339	491,339
Interest	-	-	-	-
Miscellaneous	-	-	980	980
Total Revenues	<u>4,725,000</u>	<u>4,725,000</u>	<u>4,515,603</u>	<u>(209,397)</u>
<b>EXPENDITURES</b>				
Public works - Highway	<u>7,563,067</u>	<u>7,563,067</u>	<u>7,569,450</u>	<u>(6,383)</u>
Total Expenditures	<u>7,563,067</u>	<u>7,563,067</u>	<u>7,569,450</u>	<u>(6,383)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,838,067)</u>	<u>(2,838,067)</u>	<u>(3,053,847)</u>	<u>(215,780)</u>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Unexpended balance - prior years	150,000	150,000	-	(150,000)
Transfer from other funds	2,688,067	2,688,067	2,857,652	169,585
Transfers to other funds	-	-	-	-
Total Other Financing Sources and Uses	<u>2,838,067</u>	<u>2,838,067</u>	<u>2,857,652</u>	<u>19,585</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(196,195)</u>	<u>(196,195)</u>
Fund balance, beginning			<u>126,341</u>	
Fund balance, ending			<u>(69,854)</u>	

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
REVOLVING BUILDING FUND SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental:				
Federal	400,000	400,000	271,887	(128,113)
State	500,000	500,000	329,499	(170,501)
Interest	-	-	28,864	28,864
Miscellaneous	2,523,152	2,523,152	2,823,172	300,020
Total Revenues	3,423,152	3,423,152	3,453,422	30,270
<b>EXPENDITURES</b>				
Economic development	8,300,444	8,300,444	3,602,041	4,698,403
Total Expenditures	8,300,444	8,300,444	3,602,041	4,698,403
Excess (deficiency) of revenues over (under) expenditures	(4,877,292)	(4,877,292)	(148,619)	4,728,673
<b>OTHER FINANCING SOURCES AND USES:</b>				
Unexpended balance - prior years	6,408,139	6,408,139	-	(6,408,139)
Transfer from other funds	-	-	-	-
Transfers to other funds	(1,581,347)	(1,581,347)	(1,616,585)	(35,238)
Proceeds from debt issuance	-	-	-	-
Sale of capital assets	50,500	50,500	73,162	22,662
Total Other Financing Sources and Uses	4,877,292	4,877,292	(1,543,423)	(6,420,715)
Net change in fund balances	-	-	(1,692,042)	(1,692,042)
Fund balance, beginning			6,531,683	
Fund balance, ending			4,839,641	

**Notes to Required Supplementary Information  
June 30, 2009**

**Budgetary Basis**

Annual budgets are adopted for the General and all Special Revenue Funds which include the major funds presented in the Required Supplementary Information. All governmental fund budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Encumbrances and appropriations generally lapse at year-end and are treated as expenditures in the year the liability is incurred.

**COMBINING & INDIVIDUAL  
FUND FINANCIAL  
STATEMENTS  
&  
SCHEDULES**



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# **NONMAJOR GOVERNMENTAL FUNDS**

## **Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.

Coal Haul Roads Fund - this fund accounts for taxes levied on mined coal which are locally restricted for repairing those roads used in transporting coal.

Transit Fund - the Transit Fund accounts for the operation of a public transit system. The primary sources of revenues are federal and state grants.

CDBG Fund - this fund accounts for revenues from the federal Department of Housing and Urban Development. These revenues are restricted to accomplish the various objectives of CDBG programs.

Block Grant Program Income Fund - program income from Community Development Block Grants which are restricted to specific programs are recorded in this fund.

Community Development and Housing - this fund accounts for federal grants restricted for low income housing programs as well as various other state and federal housing programs administered by the County.

Gaming Fund - this fund reports paper gaming revenues and their support of County fire companies and public education.

Drug Task Force Fund - this fund accounts for federal and state grants and local seizure revenues that are used to prevent the distribution and manufacture of illegal drugs.

State Fire and Rescue Fund - this fund accounts for the receipt and distribution of State Section 508 funds to the various County fire and rescue organizations.

## **Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

## **Capital Projects Funds**

The PAYGO (Pay-As-You-Go) Capital Project Fund is used to accumulate resources for future capital projects and is funded by transfers from the general fund and other sources.

The Public Improvement Bond Fund is used to account for the debt proceeds of various bond issues.

**ALLEGANY COUNTY, MARYLAND  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2009**

	Special Revenue Funds					
	Coal Haul Roads Fund	Transit Fund	Community Development Block Grant Fund	Block Grant Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund
<b>ASSETS:</b>						
Cash	\$ -	\$ 275	\$ -	\$ -	\$ -	\$ 500
Cash - restricted	-	-	-	37,835	4,837	-
Investments	836,000	-	-	-	-	100,000
Receivables	-	-	-	-	-	-
Notes and loans	-	-	-	514,074	-	-
Other	1,234	745,725	1,019	-	5,746	151
Due from other funds	-	-	10,541	107,931	43,367	131,578
Inventory	-	70,787	-	-	-	-
Prepays	-	-	-	-	61,481	-
Total Assets	<u>837,234</u>	<u>816,787</u>	<u>11,560</u>	<u>659,840</u>	<u>115,431</u>	<u>232,229</u>
<b>LIABILITIES:</b>						
Accounts payable	-	21,223	4,967	-	938	24,490
Accrued payroll	-	14,638	-	-	4,204	-
Accrued payroll fringe	-	7,533	-	-	1,850	-
Due to other funds	117,681	555,442	-	-	-	-
Amounts held in escrow	-	-	-	-	4,837	165,504
Unearned revenue	-	-	4,264	514,074	94,727	-
Miscellaneous	-	4,910	-	-	-	-
Total Liabilities	<u>117,681</u>	<u>603,746</u>	<u>9,231</u>	<u>514,074</u>	<u>106,556</u>	<u>189,994</u>
<b>FUND BALANCES</b>						
Reserved:						
For noncurrent assets	-	-	-	145,766	-	-
For prepaid items	-	-	-	-	8,875	-
For inventories	-	70,787	-	-	-	-
For fund projects/programs	-	-	-	-	-	-
Unreserved/Designated:						
For next fiscal year	-	50,000	-	-	-	-
For specific programs	719,553	-	2,329	-	-	42,235
Undesignated	-	92,254	-	-	-	-
Total Fund Balances	<u>719,553</u>	<u>213,041</u>	<u>2,329</u>	<u>145,766</u>	<u>8,875</u>	<u>42,235</u>
Total Liabilities and Fund Balances	<u>\$ 837,234</u>	<u>\$ 816,787</u>	<u>\$ 11,560</u>	<u>\$ 659,840</u>	<u>\$ 115,431</u>	<u>\$ 232,229</u>

**ALLEGANY COUNTY, MARYLAND  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2009**

Special Revenue Funds			Debt Service	Capital Project Funds			Total Nonmajor Governmental Funds
Gaming Fund	State Fire, Rescue & Public Safety Fund	Total	Debt Service Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	
\$ -	\$ -	\$ 775	\$ -	\$ -	\$ -	\$ -	\$ 775
-	-	42,672	-	-	-	-	42,672
-	226,849	1,162,849	206,045	2,360,661	866,306	3,226,967	4,595,861
-	-	514,074	-	-	-	-	514,074
16,033	14,116	784,024	6,594	16,288	83	16,371	806,989
1,143,323	683,380	2,120,120	441,472	539,400	482,253	1,021,653	3,583,245
-	-	70,787	-	-	-	-	70,787
-	-	61,481	-	-	-	-	61,481
<u>1,159,356</u>	<u>924,345</u>	<u>4,756,782</u>	<u>654,111</u>	<u>2,916,349</u>	<u>1,348,642</u>	<u>4,264,991</u>	<u>9,675,884</u>
32,038	6,863	90,519	40,182	100,913	113,909	214,822	345,523
2,331	7,434	28,607	-	-	-	-	28,607
191	2,345	11,919	-	-	-	-	11,919
-	-	673,123	-	-	-	-	673,123
-	-	170,341	-	-	-	-	170,341
-	-	613,065	-	-	-	-	613,065
-	-	4,910	-	-	-	-	4,910
<u>34,560</u>	<u>16,642</u>	<u>1,592,484</u>	<u>40,182</u>	<u>100,913</u>	<u>113,909</u>	<u>214,822</u>	<u>1,847,488</u>
-	-	145,766	-	-	-	-	145,766
-	-	8,875	-	-	-	-	8,875
-	-	70,787	-	-	-	-	70,787
-	477,647	477,647	-	-	-	-	477,647
-	-	50,000	329,982	664,700	415,000	1,079,700	1,459,682
1,124,796	430,056	2,318,969	283,947	1,997,266	819,733	2,816,999	5,419,915
-	-	92,254	-	153,470	-	153,470	245,724
<u>1,124,796</u>	<u>907,703</u>	<u>3,164,298</u>	<u>613,929</u>	<u>2,815,436</u>	<u>1,234,733</u>	<u>4,050,169</u>	<u>7,828,396</u>
<u>\$1,159,356</u>	<u>\$ 924,345</u>	<u>\$ 4,756,782</u>	<u>\$ 654,111</u>	<u>\$ 2,916,349</u>	<u>\$ 1,348,642</u>	<u>\$ 4,264,991</u>	<u>\$ 9,675,884</u>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds					
	Coal Haul Roads Fund	Transit Fund	Community Development Block Grant Fund	Block Grant Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund
<b>REVENUES:</b>						
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	114,535	-	-	-	-	-
Intergovernmental:						
Federal	-	846,848	349,945	2,062	888,680	-
State	-	258,777	-	-	274,102	-
Other	-	-	25,800	-	4,500	-
Service charges	-	212,443	-	-	22,000	-
Fines and forfeitures	-	-	-	-	-	67,226
Interest	18,973	-	-	78	-	2,399
Miscellaneous	-	7,262	-	39,893	2,654	23,581
Total Revenues	<u>133,508</u>	<u>1,325,330</u>	<u>375,745</u>	<u>42,033</u>	<u>1,191,936</u>	<u>93,206</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	102,851
Public works	-	1,601,756	-	-	-	-
Highway	-	-	-	-	-	-
Community Development and Housing	-	-	379,333	75,668	1,400,613	-
Economic development	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital Outlay:						
General government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Education	-	-	-	-	-	-
Library	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Payments to component units:						
Board of Education	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,601,756</u>	<u>379,333</u>	<u>75,668</u>	<u>1,400,613</u>	<u>102,851</u>
Excess (deficiency) of revenues over (under) expenditures	<u>133,508</u>	<u>(276,426)</u>	<u>(3,588)</u>	<u>(33,635)</u>	<u>(208,677)</u>	<u>(9,645)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	379,880	-	-	208,941	15,130
Transfers out	(250,000)	(42,411)	-	(10,000)	-	-
Debt issued	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Total Other Financing Sources and uses	<u>(250,000)</u>	<u>337,469</u>	<u>-</u>	<u>(10,000)</u>	<u>208,941</u>	<u>15,130</u>
Net change in fund balances	(116,492)	61,043	(3,588)	(43,635)	264	5,485
Fund balance, beginning,	836,045	151,998	5,917	189,401	8,611	36,750
Fund balance, ending	<u>\$ 719,553</u>	<u>\$ 213,041</u>	<u>\$ 2,329</u>	<u>\$ 145,766</u>	<u>\$ 8,875</u>	<u>\$ 42,235</u>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Special Revenue Funds			Debt Service	Capital Project Funds			Total Nonmajor Governmental Funds
Gaming Fund	State Fire, Rescue & Public Safety Fund	Total Special Revenue Funds	Debt Service Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	
\$	\$	\$	\$	\$	\$	\$	\$
451,048	-	565,583	-	-	-	-	565,583
-	18,913	2,106,448	-	-	-	-	2,106,448
-	208,446	741,325	-	22,000	224,624	246,624	987,949
-	-	30,300	-	-	-	-	30,300
41,100	100,394	375,937	-	-	-	-	375,937
-	-	67,226	-	-	-	-	67,226
-	4,299	25,749	6,594	42,338	15,574	57,912	90,255
-	62,257	135,647	-	92,813	500	93,313	228,960
<u>492,148</u>	<u>394,309</u>	<u>4,048,215</u>	<u>6,594</u>	<u>157,151</u>	<u>240,698</u>	<u>397,849</u>	<u>4,452,658</u>
128,783	-	128,783	-	-	-	-	128,783
147,588	852,276	1,102,715	-	-	-	-	1,102,715
-	-	1,601,756	-	-	-	-	1,601,756
-	-	-	-	-	-	-	-
-	-	1,855,614	-	-	-	-	1,855,614
-	-	-	-	-	-	-	-
-	-	-	3,350	-	-	-	3,350
-	-	-	4,728,665	-	-	-	4,728,665
-	-	-	1,830,204	-	-	-	1,830,204
-	-	-	-	5,008	408,588	413,596	413,596
-	-	-	-	77,810	762,603	840,413	840,413
-	-	-	-	540,051	-	540,051	540,051
-	-	-	-	-	289,505	289,505	289,505
-	-	-	-	-	73,068	73,068	73,068
-	-	-	-	-	-	-	-
-	-	-	-	-	13,581	13,581	13,581
<u>109,693</u>	<u>-</u>	<u>109,693</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>119,693</u>
<u>386,064</u>	<u>852,276</u>	<u>4,798,561</u>	<u>6,562,219</u>	<u>632,869</u>	<u>1,547,345</u>	<u>2,180,214</u>	<u>13,540,994</u>
<u>106,084</u>	<u>(457,967)</u>	<u>(750,346)</u>	<u>(6,555,625)</u>	<u>(475,718)</u>	<u>(1,306,647)</u>	<u>(1,782,365)</u>	<u>(9,088,336)</u>
-	602,242	1,206,193	6,539,842	1,030,000	156,304	1,186,304	8,932,339
-	-	(302,411)	(1,024,337)	(374,952)	(942,000)	(1,316,952)	(2,643,700)
-	-	-	-	-	4,600,000	4,600,000	4,600,000
-	-	-	-	63,719	-	63,719	63,719
-	-	-	-	-	-	-	-
<u>-</u>	<u>602,242</u>	<u>903,782</u>	<u>5,515,505</u>	<u>718,767</u>	<u>3,814,304</u>	<u>4,533,071</u>	<u>10,952,358</u>
106,084	144,275	153,436	(1,040,120)	243,049	2,507,657	2,750,706	1,864,022
<u>1,018,712</u>	<u>763,428</u>	<u>3,010,862</u>	<u>1,654,049</u>	<u>2,572,387</u>	<u>(1,272,924)</u>	<u>1,299,463</u>	<u>5,964,374</u>
<u>\$1,124,796</u>	<u>\$ 907,703</u>	<u>\$ 3,164,298</u>	<u>\$ 613,929</u>	<u>\$ 2,815,436</u>	<u>\$ 1,234,733</u>	<u>\$ 4,050,169</u>	<u>\$ 7,828,396</u>

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# **NONMAJOR ENTERPRISE FUNDS**

## **Enterprise Funds**

Enterprise funds are used when debt is backed solely by fees or charges, or there is a legal requirement to recover costs through fees or charges or a policy decision has been made to recover costs of providing services through user fees.

Allconet II Fund - this fund is used to account for the assets and operations of the second phase of the Allegany County high speed internet network which provides the infrastructure to connect the private and public sector to broadband/wideband technologies.

County Loan Fund - this fund accounts for the loan activity between the County, various agencies and the community. It includes loans to the County's enterprise funds.



**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF NET ASSETS**  
**PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS**  
**June 30, 2009**

	Alconet II	Allegany County Loan Fund	Total
<b>ASSETS</b>			
Current Assets:			
Cash:			
Cash	\$ -	\$ -	\$ -
Receivables:			
Accounts (net)	48,552	79,539	128,091
Other	47,828	-	47,828
Due from other funds	-	694,412	694,412
Miscellaneous assets	-	-	-
Total current assets	<u>96,380</u>	<u>773,951</u>	<u>870,331</u>
Non-current Assets:			
Advances to other funds	-	433,238	433,238
Capital assets subject to depreciation	3,580,889	-	3,580,889
Accumulated depreciation	(1,815,536)	-	(1,815,536)
Total noncurrent assets	<u>1,765,353</u>	<u>433,238</u>	<u>2,198,591</u>
Total Assets	<u>1,861,733</u>	<u>1,207,189</u>	<u>3,068,922</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	336	-	336
Due to other funds	45,065	-	45,065
Miscellaneous liabilities	-	-	-
Total current liabilities	<u>45,401</u>	<u>-</u>	<u>45,401</u>
Noncurrent Liabilities:			
Long term debt:			
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>45,401</u>	<u>-</u>	<u>45,401</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	1,765,353	-	1,765,353
Unrestricted	50,979	1,207,189	1,258,168
Total Net Assets	<u>\$ 1,816,332</u>	<u>\$ 1,207,189</u>	<u>\$ 3,023,521</u>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Allconet II	Allegany County Loan Fund	Total
<b>OPERATING REVENUES:</b>			
Service charges	\$ 21,481	\$ -	\$ 21,481
Miscellaneous	40,537	-	40,537
Total Operating Revenues	62,018	-	62,018
<b>OPERATING EXPENSES:</b>			
Office expenses	4,998	-	4,998
Utilities	5,446	-	5,446
Repairs & maintenance	18,485	-	18,485
Professional services	6,107	-	6,107
Materials and supplies	-	-	-
Insurance	14,680	-	14,680
Miscellaneous	315	-	315
Depreciation	547,325	-	547,325
Total operating expenses	597,356	-	597,356
Operating Income (Loss)	(535,338)	-	(535,338)
<b>NON-OPERATING REVENUE (EXPENSES):</b>			
Interest income	2,482	-	2,482
Other income (expense)	-	-	-
Total non-operating revenue (expenses)	2,482	-	2,482
Income (Loss) before contributions and transfers	(532,856)	-	(532,856)
Transfer in	-	-	-
Transfer out	-	(51,115)	(51,115)
Change in net assets	(532,856)	(51,115)	(583,971)
Total net assets - beginning	2,349,188	1,258,304	3,607,492
Total net assets - ending	\$ 1,816,332	\$ 1,207,189	\$ 3,023,521

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Alconet II	Allegany County Loan Fund	Total
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 16,460	\$ 60,127	\$ 76,587
Cash payments for goods and services	(55,007)	-	(55,007)
Other operating revenues	-	-	-
Net cash provided by operating activities	(38,547)	60,127	21,580
<b>Cash flows from noncapital financing activities:</b>			
Advances from other funds	64,007	40,467	104,474
Advances to other funds	(18,942)	(49,479)	(68,421)
Transfers from other funds	-	-	-
Transfers to other funds	-	(51,115)	(51,115)
Net cash provided by noncapital financing activities	45,065	(60,127)	(15,062)
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	(9,000)	-	(9,000)
Proceeds from sale of assets	-	-	-
Net cash used for capital and related financing activities	(9,000)	-	(9,000)
<b>Cash flows from investing activities:</b>			
Purchase of investments	-	-	-
Sale of investments	-	-	-
Interest on investments	2,482	-	2,482
Net cash used in investing activities	2,482	-	2,482
Net increase (decrease) in cash	-	-	-
Cash at beginning of the year	-	-	-
Cash at end of year	\$ -	\$ -	\$ -
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income (loss)	\$ (535,338)	\$ -	\$ (535,338)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	547,325	-	547,325
Provision for uncollectible accounts	-	-	-
Change in assets & liabilities:			
(Increase) decrease in receivables	(45,557)	60,127	14,570
(Increase) decrease in prepaids	-	-	-
Increase (decrease) in acc'ts payable	(4,977)	-	(4,977)
Increase (decrease) in accrued payroll	-	-	-
Total adjustments	496,791	60,127	556,918
Net cash provided by operating activities	\$ (38,547)	\$ 60,127	\$ 21,580

**SCHEDULES OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCE -  
BUDGET AND ACTUAL**

**Debt Service Fund,  
Special Revenue Funds  
&  
Capital Project Funds**

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**ALLEGANY COUNTY, MARYLAND**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Interest	-	-	6,594	6,594
<b>Expenditures:</b>				
Current:				
Miscellaneous:				
Paying agent fees	\$ 25,000	\$ 25,000	\$ 3,350	\$ 21,650
Debt Service:				
Principal payments on :				
General obligation debt	4,453,912	4,453,912	4,293,827	160,085
State loans	401,572	401,572	434,838	(33,266)
Total principal payments	4,855,484	4,855,484	4,728,665	126,819
Interest payments on:				
General obligation debt	1,753,566	1,753,566	1,638,505	115,061
State loans	245,521	245,521	191,699	53,822
Total interest payments	1,999,087	1,999,087	1,830,204	168,883
Total Expenditures	6,879,571	6,879,571	6,562,219	317,352
Deficiency of revenues under expenditures	(6,879,571)	(6,879,571)	(6,555,625)	323,946
<b>Other Financing Sources and (Uses):</b>				
Unexpended fund balance	195,110	195,110	-	(195,110)
Transfers from other funds:				
From the General Fund	5,132,931	5,132,931	4,947,018	(185,913)
From the Transit Fund	42,411	42,411	42,411	-
From the Revolving Building Fund	1,509,119	1,509,119	1,544,357	35,238
From the Capital Projects Fund	-	-	6,056	6,056
Transfer to the General Fund	-	-	(1,024,337)	(1,024,337)
Total Other Financing Sources and Uses	6,879,571	6,879,571	5,515,505	(1,364,066)
Net change in fund balances	\$ -	\$ -	(1,040,120)	\$ (1,040,120)
Fund balance, beginning			1,654,049	
Fund balance, ending			\$ 613,929	

**ALLEGANY COUNTY, MARYLAND**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<b>Highway Fund</b>				<b>Coal Haul Roads Fund</b>			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ 4,725,000	\$ 4,725,000	\$ 4,023,284	\$ (701,716)	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	100,000	100,000	114,535	14,535
Intergovernmental:								
Federal	-	-	-	-	-	-	-	-
State	-	-	491,339	491,339	-	-	-	-
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	-	-	10,000	10,000	18,973	8,973
Miscellaneous	-	-	980	980	-	-	-	-
Total Revenues	<u>4,725,000</u>	<u>4,725,000</u>	<u>4,515,603</u>	<u>(209,397)</u>	<u>110,000</u>	<u>110,000</u>	<u>133,508</u>	<u>23,508</u>
<b>EXPENDITURES:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	7,563,067	7,563,067	7,569,450	(6,383)	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
Total Expenditures	<u>7,563,067</u>	<u>7,563,067</u>	<u>7,569,450</u>	<u>(6,383)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,838,067)</u>	<u>(2,838,067)</u>	<u>(3,053,847)</u>	<u>(215,780)</u>	<u>110,000</u>	<u>110,000</u>	<u>133,508</u>	<u>23,508</u>
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior years	150,000	150,000	-	(150,000)	140,000	140,000	-	(140,000)
Transfer from other funds	2,688,067	2,688,067	2,857,652	169,585	-	-	-	-
Transfers to other funds	-	-	-	-	(250,000)	(250,000)	(250,000)	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	<u>2,838,067</u>	<u>2,838,067</u>	<u>2,857,652</u>	<u>19,585</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>(250,000)</u>	<u>(140,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(196,195)</u>	<u>\$ (196,195)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(116,492)</u>	<u>\$ (116,492)</u>
Fund balance, beginning, As adjusted			126,341				836,045	
Fund balance, ending			<u>\$ (69,854)</u>				<u>\$ 719,553</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009

Transit Fund				Community Development Block Grant Fund			
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
1,301,040	1,301,040	846,848	(454,192)	31,097	31,097	349,945	318,848
308,220	308,220	258,777	(49,443)	-	-	-	-
-	-	-	-	-	-	25,800	25,800
180,000	180,000	212,443	32,443	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,000	6,000	7,262	1,262	-	-	-	-
<u>1,795,260</u>	<u>1,795,260</u>	<u>1,325,330</u>	<u>(469,930)</u>	<u>31,097</u>	<u>31,097</u>	<u>375,745</u>	<u>344,648</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,187,729	2,187,729	1,601,756	585,973	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	35,919	35,919	379,333	(343,414)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,187,729</u>	<u>2,187,729</u>	<u>1,601,756</u>	<u>585,973</u>	<u>35,919</u>	<u>35,919</u>	<u>379,333</u>	<u>(343,414)</u>
(392,469)	(392,469)	(276,426)	116,043	(4,822)	(4,822)	(3,588)	1,234
55,000	55,000	-	(55,000)	4,822	4,822	-	(4,822)
379,880	379,880	379,880	-	-	-	-	-
(42,411)	(42,411)	(42,411)	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>392,469</u>	<u>392,469</u>	<u>337,469</u>	<u>(55,000)</u>	<u>4,822</u>	<u>4,822</u>	<u>-</u>	<u>(4,822)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>61,043</u>	<u>\$ 61,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,588)</u>	<u>\$ (3,588)</u>
		<u>151,998</u>				<u>5,917</u>	
		<u>\$ 213,041</u>				<u>\$ 2,329</u>	

(Continued)



**ALLEGANY COUNTY, MARYLAND**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<b>Block Grant Program Income Fund</b>				<b>Community Development &amp; Housing Fund</b>			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	2,062	2,062	1,031,497	1,031,497	888,680	(142,817)
State	-	-	-	-	273,446	273,446	274,102	656
Other	-	-	-	-	4,500	4,500	4,500	-
Service charges	-	-	-	-	32,800	32,800	22,000	(10,800)
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	78	78	-	-	-	-
Miscellaneous	5,400	5,400	39,893	34,493	1,000	1,000	2,654	1,654
Total Revenues	<u>5,400</u>	<u>5,400</u>	<u>42,033</u>	<u>36,633</u>	<u>1,343,243</u>	<u>1,343,243</u>	<u>1,191,936</u>	<u>(151,307)</u>
<b>EXPENDITURES:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	175,400	175,400	75,668	99,732	1,533,849	1,533,849	1,400,613	133,236
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
Total Expenditures	<u>175,400</u>	<u>175,400</u>	<u>75,668</u>	<u>99,732</u>	<u>1,533,849</u>	<u>1,533,849</u>	<u>1,400,613</u>	<u>133,236</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(170,000)</u>	<u>(170,000)</u>	<u>(33,635)</u>	<u>136,365</u>	<u>(190,606)</u>	<u>(190,606)</u>	<u>(208,677)</u>	<u>(18,071)</u>
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior years	170,000	170,000	-	(170,000)	-	-	-	-
Transfer from other funds	-	-	-	-	190,606	190,606	208,941	18,335
Transfers to other funds	-	-	(10,000)	(10,000)	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	<u>170,000</u>	<u>170,000</u>	<u>(10,000)</u>	<u>(180,000)</u>	<u>190,606</u>	<u>190,606</u>	<u>208,941</u>	<u>18,335</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(43,635)</u>	<u>\$ (43,635)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>264</u>	<u>\$ 264</u>
Fund balance, beginning								
As adjusted			189,401				8,611	
Fund balance, ending			<u>\$ 145,766</u>				<u>\$ 8,875</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009

Drug Task Force Fund				Gaming Fund			
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	647,200	647,200	451,048	(196,152)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
42,800	42,800	67,226	24,426	52,800	52,800	41,100	(11,700)
-	-	2,399	2,397	-	-	-	-
-	-	23,581	23,581	-	-	-	-
<u>42,800</u>	<u>42,800</u>	<u>93,206</u>	<u>50,404</u>	<u>700,000</u>	<u>700,000</u>	<u>492,148</u>	<u>(207,852)</u>
-	-	-	-	141,200	141,200	128,783	12,417
54,800	54,800	102,851	(48,051)	139,700	139,700	147,588	(7,888)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>54,800</u>	<u>54,800</u>	<u>102,851</u>	<u>(48,051)</u>	<u>419,100</u>	<u>419,100</u>	<u>109,693</u>	<u>309,407</u>
-	-	-	-	<u>700,000</u>	<u>700,000</u>	<u>386,064</u>	<u>313,936</u>
<u>(12,000)</u>	<u>(12,000)</u>	<u>(9,645)</u>	<u>2,353</u>	-	-	106,084	106,084
-	-	-	-	-	-	-	-
12,000	12,000	15,130	3,130	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>12,000</u>	<u>12,000</u>	<u>15,130</u>	<u>3,130</u>	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>5,485</u>	<u>\$ 5,483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>106,084</u>	<u>\$ 106,084</u>
		<u>36,750</u>				<u>1,018,712</u>	
		<u>\$ 42,235</u>				<u>\$ 1,124,796</u>	

(Continued)

**ALLEGANY COUNTY, MARYLAND**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Revolving Building Fund				Fire, Rescue & Public Safety Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	400,000	400,000	271,887	(128,113)	68,110	68,110	18,913	(49,197)
State	500,000	500,000	329,499	(170,501)	238,000	238,000	208,446	(29,554)
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	91,000	91,000	100,394	9,394
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	28,864	28,864	8,000	8,000	4,299	(3,701)
Miscellaneous	2,523,152	2,523,152	2,823,172	300,020	50,000	50,000	62,257	12,257
Total Revenues	<u>3,423,152</u>	<u>3,423,152</u>	<u>3,453,422</u>	<u>30,270</u>	<u>455,110</u>	<u>455,110</u>	<u>394,309</u>	<u>(60,801)</u>
<b>EXPENDITURES:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	1,365,696	1,365,696	852,276	513,420
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
Economic development	8,300,444	8,300,444	3,602,041	4,698,403	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
Total Expenditures	<u>8,300,444</u>	<u>8,300,444</u>	<u>3,602,041</u>	<u>4,698,403</u>	<u>1,365,696</u>	<u>1,365,696</u>	<u>852,276</u>	<u>513,420</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,877,292)</u>	<u>(4,877,292)</u>	<u>(148,619)</u>	<u>4,728,673</u>	<u>(910,586)</u>	<u>(910,586)</u>	<u>(457,967)</u>	<u>452,619</u>
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior year	6,408,139	6,408,139	-	(6,408,139)	308,344	308,344	-	(308,344)
Transfer from other funds	-	-	-	-	602,242	602,242	602,242	-
Transfers to other funds	(1,581,347)	(1,581,347)	(1,616,585)	(35,238)	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	50,500	50,500	73,162	22,662	-	-	-	-
Total Other Financing Sources and Uses	<u>4,877,292</u>	<u>4,877,292</u>	<u>(1,543,423)</u>	<u>(6,420,715)</u>	<u>910,586</u>	<u>910,586</u>	<u>602,242</u>	<u>(308,344)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(1,692,042)</u>	<u>\$(1,692,042)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>144,275</u>	<u>\$ 144,275</u>
Fund balance, beginning								
As adjusted			6,531,683				763,428	
Fund balance, ending			<u>\$ 4,839,641</u>				<u>\$ 907,703</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009

Total Special Revenue Funds			
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ 4,725,000	\$ 4,725,000	\$ 4,023,284	\$ (701,716)
747,200	747,200	565,583	(181,617)
2,831,744	2,831,744	2,378,335	(453,409)
1,319,666	1,319,666	1,562,163	242,497
4,500	4,500	30,300	25,800
356,600	356,600	375,937	19,337
42,800	42,800	67,226	24,426
18,000	18,000	54,613	36,613
2,585,552	2,585,552	2,959,799	374,247
12,631,062	12,631,062	12,017,240	(613,822)
141,200	141,200	128,783	12,417
1,560,196	1,560,196	1,102,715	457,481
2,187,729	2,187,729	1,601,756	585,973
-	-	-	-
7,563,067	7,563,067	7,569,450	(6,383)
-	-	-	-
1,745,168	1,745,168	1,855,614	(110,446)
8,300,444	8,300,444	3,602,041	4,698,403
-	-	-	-
419,100	419,100	109,693	309,407
21,916,904	21,916,904	15,970,052	5,946,852
(9,285,842)	(9,285,842)	(3,952,812)	5,333,030
7,236,305	7,236,305	-	(7,236,305)
3,872,795	3,872,795	4,063,845	191,050
(1,873,758)	(1,873,758)	(1,918,996)	(45,238)
-	-	-	-
50,500	50,500	73,162	22,662
9,285,842	9,285,842	2,218,011	(7,067,831)
\$ -	\$ -	(1,734,801)	\$ (1,734,801)
		9,668,886	
		\$ 7,934,085	

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Capital Improvement Projects Fund				Pay-As-You-Go (PAYGO) Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Intergovernmental								
Federal grants	\$ 1,770,000	\$ 1,770,000	\$ 753,904	\$ (1,016,096)	\$ 80,000	\$ 80,000	\$ -	\$ (80,000)
State grants	300,000	300,000	-	(300,000)	595,800	595,800	22,000	(573,800)
Other	419,100	419,100	-	(419,100)	-	-	-	-
Service charges			73,803	73,803	-	-	-	-
Miscellaneous:								
Interest	-	-	6,056	6,056	-	-	42,338	42,338
Miscellaneous	-	-	-	-	-	-	92,813	92,813
Total Revenues	<u>2,489,100</u>	<u>2,489,100</u>	<u>833,763</u>	<u>(1,655,337)</u>	<u>675,800</u>	<u>675,800</u>	<u>157,151</u>	<u>(518,649)</u>
<b>EXPENDITURES:</b>								
General Government	-	-	-	-	450,534	450,534	5,008	445,526
Public Safety	1,740,000	1,740,000	698,738	1,041,262	280,000	280,000	77,810	202,190
Public Works	485,000	485,000	401,570	83,430	1,614,700	1,614,700	540,051	1,074,649
Health	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Recreation, Culture & Libraries	-	-	-	-	45,000	45,000	-	45,000
Conservation of Natural Resources	-	-	-	-	-	-	-	-
Economic Development	-	-	38	(38)	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to component units	852,000	852,000	314,002	537,998	-	-	10,000	(10,000)
Total Expenditures	<u>3,077,000</u>	<u>3,077,000</u>	<u>1,414,348</u>	<u>1,662,652</u>	<u>2,390,234</u>	<u>2,390,234</u>	<u>632,869</u>	<u>1,757,365</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(587,900)</u>	<u>(587,900)</u>	<u>(580,585)</u>	<u>7,315</u>	<u>(1,714,434)</u>	<u>(1,714,434)</u>	<u>(475,718)</u>	<u>1,238,716</u>
<b>OTHER FINANCING SOURCES AND USES:</b>								
Unexpended fund balance	527,900	527,900	-	(527,900)	1,974,434	1,974,434	-	(1,974,434)
Transfers In:								
From other funds	60,000	60,000	773,987	713,987	-	-	1,030,000	1,030,000
Transfers Out:								
To other funds	-	-	(8,359)	(8,359)	(260,000)	(260,000)	(374,952)	(114,952)
Debt issued	-	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	63,719	63,719
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Uses	<u>587,900</u>	<u>587,900</u>	<u>765,628</u>	<u>177,728</u>	<u>1,714,434</u>	<u>1,714,434</u>	<u>718,767</u>	<u>(995,667)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>185,043</u>	<u>\$ 185,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>243,049</u>	<u>\$ 243,049</u>
Fund balance, beginning			(151,255)				2,572,387	
Fund balance, ending			<u>\$ 33,788</u>				<u>\$ 2,815,436</u>	

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Public Improvement Bonds Capital Projects Fund				Total All Capital Projects			
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 1,850,000	\$ 1,850,000	\$ 753,904	\$ (1,096,096)
771,200	771,200	224,624	(546,576)	1,667,000	1,667,000	246,624	(1,420,376)
-	-	-	-	419,100	419,100	-	(419,100)
-	-	-	-	-	-	73,803	73,803
-	-	15,574	15,574	-	-	-	-
-	-	500	500	-	-	63,968	63,968
<u>771,200</u>	<u>771,200</u>	<u>240,698</u>	<u>(530,502)</u>	<u>3,936,100</u>	<u>3,936,100</u>	<u>93,313</u>	<u>93,313</u>
						<u>1,231,612</u>	<u>(2,704,488)</u>
342,000	342,000	408,588	(66,588)	792,534	792,534	413,596	378,938
3,644,200	3,644,200	762,603	2,881,597	5,664,200	5,664,200	1,539,151	4,125,049
225,000	225,000	289,505	(64,505)	2,324,700	2,324,700	1,231,126	1,093,574
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
62,000	62,000	73,068	(11,068)	107,000	107,000	73,068	33,932
-	-	-	-	-	-	-	-
-	-	-	-	-	-	38	(38)
-	-	13,581	(13,581)	-	-	13,581	(13,581)
-	-	-	-	852,000	852,000	324,002	527,998
<u>4,273,200</u>	<u>4,273,200</u>	<u>1,547,345</u>	<u>2,725,855</u>	<u>9,740,434</u>	<u>9,740,434</u>	<u>3,594,562</u>	<u>6,145,872</u>
<u>(3,502,000)</u>	<u>(3,502,000)</u>	<u>(1,306,647)</u>	<u>2,195,353</u>	<u>(5,804,334)</u>	<u>(5,804,334)</u>	<u>(2,362,950)</u>	<u>3,441,384</u>
-	-	-	-	2,502,334	2,502,334	-	(2,502,334)
-	-	156,304	156,304	60,000	60,000	1,960,291	1,900,291
-	-	(942,000)	(942,000)	(260,000)	(260,000)	(1,325,311)	(1,065,311)
3,502,000	3,502,000	4,600,000	1,098,000	3,502,000	3,502,000	4,600,000	1,098,000
-	-	-	-	-	-	63,719	63,719
-	-	-	-	-	-	-	-
<u>3,502,000</u>	<u>3,502,000</u>	<u>3,814,304</u>	<u>312,304</u>	<u>5,804,334</u>	<u>5,804,334</u>	<u>5,298,699</u>	<u>(505,635)</u>
<u>\$ -</u>	<u>\$ -</u>	2,507,657	<u>\$ 2,507,657</u>	<u>\$ -</u>	<u>\$ -</u>	2,935,749	<u>\$ 2,935,749</u>
		(1,272,924)				1,148,208	
		<u>\$ 1,234,733</u>				<u>\$ 4,083,957</u>	

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**CAPITAL PROJECT FUNDS**

**SCHEDULES OF REVENUES,  
EXPENDITURES AND PROJECT  
BALANCES**

**FROM INCEPTION TO JUNE 30, 2009**



ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Proj.	Project Length Budget	Revenues and other Sources				
			Federal Grants	State Grants	Other Intergov'l	Service Charges	Miscellaneous. Revenues
Capital Improvement Projects Fund							
Continuity operations	408I	-	405,700	-	-	-	-
Dry Run Phase II	409L	520,000	283,857	-	-	-	-
NRCS Flood Project	409M	2,081,910	1,515,002	91,611	41,360	-	38,954
Health Department Relocation	409N	8,000,000	-	197,895	14,000	-	3,805,352
Rye Street Bridge	409R	796,600	585,749	10,738	-	-	-
Flood Gate, Savage Dam	409S	3,715,000	-	-	-	299,165	-
Potomac River Water	409T	70,000	15,000	-	-	-	-
Public Safety Building	409V	1,140,000	-	-	-	-	-
Mt. Ridge High School	409W	11,000,000	-	-	-	-	146,733
Flood Mitigation, PDM Scattered	409X	53,000	153,941	-	-	-	-
FEMA FMAP 06 Flood Mitigation	409Z	200,000	50,206	-	-	-	-
Riverside Industrial Park	410R	2,099,971	-	-	-	-	402,872
Highland Trail	410X	10,606,000	3,224,644	5,829,521	6,772	-	215,706
			6,234,099	6,129,765	62,132	299,165	4,609,617
Pay-As-You-Go Capital Project Fund							
Computer Network	418I	150,000	-	-	-	-	-
Roads Paving Program	418R	4,581,608	-	-	-	-	-
Capital Outlay	418Z	276,048	-	-	-	-	-
LaVale Blvd Storm Drain	420O	1,500,000	-	-	-	-	132,813
County Office Building Addition	420R	250,000	-	-	-	-	-
Payroll/General Ledger Software	420S	485,000	-	-	-	-	-
Disaster Emergency Capital	420V	200,000	-	-	-	-	-
Animal Shelter Quarantine Addn	420X	200,000	-	-	-	-	64,460
Telecommunications Program	420Z	160,000	-	-	-	-	-
OP Roads Improvements	4203	683,123	-	-	-	16,392	-
Dispatcher Console	4205	100,000	-	22,000	-	-	-
Water Study, Disinfectant	4206	75,000	-	-	-	-	-
Bridge Street bridge	4207	235,000	-	-	-	-	-
Drainage improvements	4208	25,000	-	-	-	-	-
Fiber infrastructure	4209	-	-	-	-	-	-
County wide water study	421C	175,000	-	-	-	-	-
Fairgrounds pumping station	421E	-	-	-	-	-	-
Cresaptown Streetscape	421S	184,100	-	-	-	-	-
Capital Project Reserves	4181	4,779,154	-	-	-	-	2,909,220
			-	22,000	-	16,392	3,106,493
Public Improvement Bonds Capital Project Fund							
Westernport Library	4316	266,304	-	-	-	-	-
Bond Interest	431Z	88,250	-	-	-	-	88,250
Westernport Library	432A	62,000	-	-	-	-	-
Computer aided dispatcher	432B	702,000	-	-	-	-	-
Animal control addition	432C	180,000	-	-	-	-	-
Bond Interest	432Z	15,444	-	-	-	-	15,444
Bond closing costs	4321	46,800	-	-	-	-	-
Library - LaVale Parking Lot	4322	34,000	-	-	-	-	-
Braddock Run Restoration	4323	800,000	-	389,735	-	-	500
Jennings Run Restoration	4324	800,000	-	-	-	-	-
Allegany College, Library	4325	1,160,000	-	-	-	-	-
Radio upgrade switches	4326	538,200	-	-	-	-	-
AC Geothermal Project	4327	327,000	-	-	-	-	-
Public safety building	4328	700,000	-	-	-	-	-
Courthouse roof	4239	342,000	-	-	-	-	-
			-	389,735	-	-	104,194
Total Capital Project Funds			\$ 6,234,099	\$ 6,541,500	\$ 62,132	\$ 315,557	\$ 7,820,304

ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

Revenues and other Sources			Expenditures and other Uses			Remaining	
Debt Proceeds	Transfers In	Total Sources	Expenditures	Transfers Out	Total Uses	Project Balance	Project Budget
-	-	405,700	431,848	-	431,848	(26,148)	(431,848)
-	94,527	378,384	376,356	-	376,356	2,028	143,644
-	526,000	2,212,927	2,177,130	25,000	2,202,130	10,797	(120,220)
-	3,130,377	7,147,624	7,128,320	-	7,128,320	19,304	871,680
-	185,339	781,826	779,522	2,304	781,826	-	14,774
-	220,000	519,165	445,458	-	445,458	73,707	3,269,542
-	88,000	103,000	79,526	-	79,526	23,474	(9,526)
-	1,068,173	1,068,173	1,068,173	-	1,068,173	-	71,827
10,000,000	1,000,000	11,146,733	11,039,604	107,129	11,146,733	-	(146,733)
-	53,000	206,941	200,452	-	200,452	6,489	(147,452)
-	82,167	132,373	132,373	-	132,373	-	67,627
-	2,016,465	2,419,337	1,930,805	484,283	2,415,088	4,249	(315,117)
-	296,679	9,573,322	9,653,434	-	9,653,434	(80,112)	952,566
10,000,000	8,760,727	36,095,505	35,443,001	618,716	36,061,717	33,788	4,220,764
-	165,039	165,039	114,992	5,725	120,717	44,322	29,283
-	4,831,608	4,831,608	3,138,627	646,990	3,785,617	1,045,991	795,991
511,944	279,831	791,775	703,188	88,587	791,775	-	(515,727)
-	711,187	844,000	501,537	-	501,537	342,463	998,463
-	250,000	250,000	8,500	-	8,500	241,500	241,500
-	485,000	485,000	407,086	-	407,086	77,914	77,914
-	536,000	536,000	-	200,000	200,000	336,000	-
-	201,649	266,109	251,109	-	251,109	15,000	(51,109)
-	160,686	160,686	160,686	-	160,686	-	(686)
-	666,731	683,123	640,559	-	640,559	42,564	42,564
-	228,420	250,420	40,111	30,000	70,111	180,309	29,889
-	75,000	75,000	35,040	-	35,040	39,960	39,960
-	-	-	57,558	-	57,558	(57,558)	177,442
-	25,000	25,000	1,500	-	1,500	23,500	23,500
-	200,000	200,000	12,400	-	12,400	187,600	(12,400)
-	86,600	86,600	-	-	-	86,600	175,000
-	65,000	65,000	62,492	2,508	65,000	-	(65,000)
-	10,800	10,800	-	-	-	10,800	184,100
-	1,869,934	4,779,154	-	4,580,683	4,580,683	198,471	198,471
511,944	10,848,485	14,505,314	6,135,385	5,554,493	11,689,878	2,815,436	2,369,155
202,000	64,304	266,304	266,304	-	266,304	-	-
-	-	88,250	88,250	-	88,250	-	-
62,000	-	62,000	-	62,000	62,000	-	-
702,000	-	702,000	-	-	-	702,000	702,000
180,000	-	180,000	-	180,000	180,000	-	-
-	-	15,444	13,581	-	13,581	1,863	1,863
46,800	-	46,800	47,697	-	47,697	(897)	(897)
34,000	-	34,000	33,588	-	33,588	412	412
300,000	-	690,235	488,769	-	488,769	201,466	311,231
300,000	-	300,000	83,371	-	83,371	216,629	716,629
1,160,000	-	1,160,000	1,030,344	-	1,030,344	129,656	129,656
538,200	-	538,200	538,200	-	538,200	-	-
327,000	-	327,000	324,505	-	324,505	2,495	2,495
700,000	-	700,000	-	700,000	700,000	-	-
250,000	92,000	342,000	360,891	-	360,891	(18,891)	(18,891)
4,802,000	156,304	5,452,233	3,275,500	942,000	4,217,500	1,234,733	1,844,498
\$ 15,313,944	\$ 19,765,516	\$ 56,053,052	\$ 44,853,886	\$ 7,115,209	\$ 51,969,095	\$ 4,083,957	\$ 8,434,417

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**CAPITAL PROJECT FUNDS**

**SCHEDULES OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES  
BY PROJECT**

**FOR THE YEAR ENDED JUNE 30, 2009**

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**CAPITAL IMPROVEMENT PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Continuing Operations (408I)	Dry Run Phase II (409L)	NRCS Flood Project (409M)	Health Department Relocation (409N)	Rye Street Bridge (409R)	UPRC Flood Gate (409S)
<b>REVENUES:</b>						
Intergovernmental:						
Federal:						
FEMA grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation grant	405,700	-	-	-	-	-
Soil conservation grant	-	194,263	-	-	-	-
State:						
State Aid Highway	-	-	-	-	-	-
Service charges	-	-	-	-	-	73,803
Miscellaneous:						
Interest	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>405,700</u>	<u>194,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,803</u>
<b>EXPENDITURES:</b>						
General government	-	-	-	-	-	-
Public Safety	431,848	-	9	-	-	-
Public Works	-	259,214	-	-	-	142,357
Economic Development	-	-	-	-	-	-
Payments to component units:						
Board of Education	-	-	-	-	-	-
Total Expenditures	<u>431,848</u>	<u>259,214</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>142,357</u>
<b>OTHER FINANCING SOURCES and (USES):</b>						
Transfers-in from:						
General Fund	-	-	-	-	-	-
General Fund, internal transfers	-	-	-	-	(1,811)	-
PAYGO Fund	-	-	-	17,750	-	-
Public Imp. Bond Fund						
Transfer to:						
Debt Service Fund	-	-	-	-	-	-
Public Imp. Bond Fund	-	-	-	-	(2,304)	-
Debt issued	-	-	-	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,750</u>	<u>(4,115)</u>	<u>-</u>
Net change in fund balances	(26,148)	(64,951)	(9)	17,750	(4,115)	(68,554)
Fund Balance, beginning	-	66,979	10,806	1,554	4,115	142,261
Fund Balance, Ending	<u>\$ (26,148)</u>	<u>\$ 2,028</u>	<u>\$ 10,797</u>	<u>\$ 19,304</u>	<u>\$ -</u>	<u>\$ 73,707</u>

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**CAPITAL IMPROVEMENT PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Potomac River Water Study (409T)	Public Safety Building (409V)	Mt. Ridge High School (409W)	Flood Mitigation PDM Sites (409X)	FEMA Flood Grant (409Z)	Riverside Industrial Park (410R)	Highland Trail (410X)	Fund Total
\$ -	\$ -	\$ -	\$ 153,941	\$ -	\$ -	\$ -	\$ 153,941
-	-	-	-	-	-	-	405,700
-	-	-	-	-	-	-	194,263
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	73,803
-	-	6,056	-	-	-	-	6,056
-	-	-	-	-	-	-	-
-	-	6,056	153,941	-	-	-	833,763
-	-	-	-	-	-	-	-
-	70,200	-	196,680	-	-	-	698,737
-	-	-	-	-	-	-	401,571
-	-	-	-	-	38	-	38
-	-	314,001	-	-	-	-	314,001
-	70,200	314,001	196,680	-	38	-	1,414,347
-	-	-	-	-	-	-	-
-	-	-	-	167	-	1,644	-
13,000	9,851	-	-	-	-	33,386	73,987
-	700,000	-	-	-	-	-	700,000
-	-	(6,056)	-	-	-	-	(6,056)
-	-	-	-	-	-	-	(2,304)
-	-	-	-	-	-	-	-
13,000	709,851	(6,056)	-	167	-	35,030	765,627
13,000	639,651	(314,001)	(42,739)	167	(38)	35,030	185,043
10,474	(639,651)	314,001	49,228	(167)	4,287	(115,142)	(151,255)
\$ 23,474	\$ -	\$ -	\$ 6,489	\$ -	\$ 4,249	\$ (80,112)	\$ 33,788

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**PAY-AS-YOU-GO (PAYGO) CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Computer Network (418I)	Roads Paving Program (418R)	Capital Outlay (418Z)	LaVale Storm Drains (420O)	County Office Building (420R)
<b>REVENUES:</b>					
Intergovernmental:					
State grants:					
Public safety grant	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous:					
Interest	-	-	-	-	-
Contributions & donations	-	-	-	-	-
Miscellaneous	-	-	-	77,813	-
Total Revenues	-	-	-	77,813	-
<b>EXPENDITURES:</b>					
General Government	-	-	-	-	-
Public safety	-	-	63,719	-	-
Public works	-	227,746	-	140,765	-
Miscellaneous	-	-	-	-	-
Payments to component units:					
Board of Education	-	-	-	-	-
Total Expenditures	-	227,746	63,719	140,765	-
<b>OTHER FINANCING SOURCES and (USES):</b>					
Transfers-in from:					
General fund	-	250,000	-	-	-
General Fund, internal transfers	9,314	-	-	64,000	-
2008 Public Improvement Bond	-	-	-	-	-
Transfers-out to:					
Highway Fund	-	(200,000)	-	-	-
Capital Projects Fund	-	-	-	-	-
Public Imp Bond Fund	-	-	-	-	-
Debt proceeds, capital lease	-	-	63,719	-	-
Total Other Financing Sources and Uses	9,314	50,000	63,719	64,000	-
Net change in fund balances	9,314	(177,746)	-	1,048	-
Fund Balance, beginning	35,008	1,223,737	-	341,415	241,500
Fund Balance, Ending	\$ 44,322	\$ 1,045,991	\$ -	\$ 342,463	\$ 241,500

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**PAY-AS-YOU-GO (PAYGO) CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Gen Ledger Software Upgrades (420S)	Emergency Capital (420V)	Animal Shelter Quarantine (420X)	Tele- communications Project (420Z)	Road Improvements (4203)	Dispatcher Consol (4205)	Total This Page
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000	\$ 22,000
-	-	-	-	-	-	-
-	-	15,000	-	-	-	15,000
-	-	-	-	-	-	77,813
-	-	15,000	-	-	22,000	114,813
5,008	-	-	-	-	-	5,008
-	-	-	-	-	1,691	65,410
-	-	-	-	14,950	-	383,461
-	-	-	-	-	-	-
10,000	-	-	-	-	-	10,000
15,008	-	-	-	14,950	1,691	463,879
-	200,000	-	-	-	-	450,000
-	(64,000)	15,069	(9,314)	-	160,000	175,069
-	-	180,000	-	-	-	180,000
-	-	-	-	-	-	(200,000)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	63,719
-	136,000	195,069	(9,314)	-	160,000	668,788
(15,008)	136,000	210,069	(9,314)	(14,950)	180,309	319,722
92,922	200,000	(195,069)	9,314	57,514	-	2,006,341
\$ 77,914	\$ 336,000	\$ 15,000	\$ -	\$ 42,564	\$ 180,309	\$ 2,326,063

(Continued)



**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**PAY-AS-YOU-GO (PAYGO) CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Total Previous Page	Water Study Disinfection (4206)	Bridge Street Bridge (4207)	Drainage Improvements (4208)
<b>REVENUES:</b>				
Intergovernmental:				
State grants:				
Public safety grant	\$ 22,000	\$ -	\$ -	\$ -
Miscellaneous:				
Interest	-	-	-	-
Contributions & donations	15,000	-	-	-
Miscellaneous	77,813	-	-	-
Total Revenues	<u>114,813</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>				
General Government	5,008	-	-	-
Public safety	65,410	-	-	-
Public works	383,461	35,040	57,558	1,500
Miscellaneous	-	-	-	-
Payments to component units:				
Board of Education	10,000	-	-	-
Total Expenditures	<u>463,879</u>	<u>35,040</u>	<u>57,558</u>	<u>1,500</u>
<b>OTHER FINANCING SOURCES and (USES):</b>				
Transfers-in from:				
General fund	450,000	-	-	-
General Fund, internal transfers	175,069	-	-	25,000
2008 Public Improvement Bond	180,000	-	-	-
Transfers -out to:				
Highway Fund	(200,000)	-	-	-
Capital Projects Fund	-	-	-	-
Public Imp Bond Fund	-	-	-	-
Debt proceeds, capital lease	63,719	-	-	-
Total Other Financing Sources and Uses	<u>668,788</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Net change in fund balances	319,722	(35,040)	(57,558)	23,500
Fund Balance, beginning	<u>2,006,341</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,326,063</u>	<u>\$ 39,960</u>	<u>\$ (57,558)</u>	<u>\$ 23,500</u>

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**PAY-AS-YOU-GO (PAYGO) CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

<u>Fiber Infrastructure (421A)</u>	<u>County Wide Water Study (421C)</u>	<u>Fairgrounds Pumping Station (421E)</u>	<u>Cresaptown Street Scape (421S)</u>	<u>Capital Reserves (4181)</u>	<u>Designated Projects (4181)</u>	<u>Total PAYGO Capital Projects Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000
-	-	-	-	42,338	-	42,338
-	-	-	-	-	-	15,000
-	-	-	-	-	-	77,813
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,338</u>	<u>-</u>	<u>157,151</u>
-	-	-	-	-	-	5,008
12,400	-	-	-	-	-	77,810
-	-	62,492	-	-	-	540,051
-	-	-	-	-	-	-
-	-	-	-	-	-	10,000
<u>12,400</u>	<u>-</u>	<u>62,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>632,869</u>
-	-	-	-	400,000	-	850,000
200,000	86,600	65,000	10,800	(337,469)	(225,000)	-
-	-	-	-	-	-	180,000
-	-	-	-	(8,965)	-	(208,965)
-	-	(2,508)	-	(71,479)	-	(73,987)
-	-	-	-	(92,000)	-	(92,000)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,719</u>
<u>200,000</u>	<u>86,600</u>	<u>62,492</u>	<u>10,800</u>	<u>(109,913)</u>	<u>(225,000)</u>	<u>718,767</u>
187,600	86,600	-	10,800	(67,575)	(225,000)	243,049
-	-	-	-	221,046	270,000	2,572,387
<u>\$ 187,600</u>	<u>\$ 86,600</u>	<u>\$ -</u>	<u>\$ 10,800</u>	<u>\$ 153,471</u>	<u>\$ 45,000</u>	<u>\$ 2,815,436</u>

**ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
PUBLIC IMPROVEMENT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE YEAR ENDED JUNE 30, 2009**

	2006 Public Improvement Bonds		
	Westernport Library (4316)	Bond Interest (431Z)	2006 Public Improvement Bond Total
<b>REVENUES:</b>			
Intergovernmental:			
State grants:			
Md. Department of Environment	\$ -	\$ -	\$ -
Miscellaneous:			
Interest	-	130	130
Miscellaneous:	-	-	-
Total Revenues	-	130	130
<b>EXPENDITURES:</b>			
General government	-	-	-
Public safety	-	-	-
Education	-	-	-
Recreation, culture and libraries	73,068	-	73,068
Miscellaneous	-	-	-
Payments to component units:			
Board of Education	-	-	-
Total Expenditures	73,068	-	73,068
<b>OTHER FINANCING SOURCES and (USES):</b>			
Transfers from:			
Capital Projects Funds	2,304	-	2,304
PAYGO Capital Projects Fund	-	-	-
Public Improvement Bond Fund	62,000	-	62,000
Transfers to:			
Capital projects fund	-	-	-
PAYGO Capital Projects Fund	-	-	-
Debt issued	-	-	-
Total Other Financing			
Sources and Uses	64,304	-	64,304
Net change in fund balances	(8,764)	130	(8,634)
Fund Balance, beginning	8,764	(130)	8,634
Fund Balance, Ending	\$ -	\$ -	\$ -

**ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
PUBLIC IMPROVEMENT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE YEAR ENDED JUNE 30, 2009**

2008 Public Improvement Bonds						
Westernport Library (432A)	Computer Aided Dispatcher (432B)	Animal Control Additional (432C)	Bond Interest (432Z)	Bond Closing Costs (4321)	LaVale Library (4322)	Total 2008 PIB This Page
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	15,444	-	-	15,444
-	-	-	-	-	-	-
-	-	-	15,444	-	-	15,444
-	-	-	-	-	-	-
-	-	-	-	47,697	-	47,697
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	13,581	-	-	13,581
-	-	-	-	-	-	-
-	-	-	13,581	47,697	-	61,278
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(62,000)	-	-	-	-	-	(62,000)
-	-	(180,000)	-	-	-	(180,000)
62,000	702,000	180,000	-	46,800	34,000	1,024,800
-	702,000	-	-	46,800	34,000	782,800
-	702,000	-	1,863	(897)	34,000	736,966
-	-	-	-	-	(33,588)	(33,588)
\$ -	\$ 702,000	\$ -	\$ 1,863	\$ (897)	\$ 412	\$ 703,378

(Continued)

**ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
PUBLIC IMPROVEMENT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE YEAR ENDED JUNE 30, 2009**

	2008 Public Improvement Bonds			
	Total 2008 PIB Previous Page	Braddock Run Restoration (4323)	Jennings Run Restoration (4324)	Allegany College Library (4325)
<b>REVENUES:</b>				
Intergovernmental:				
State grants:				
Md. Department of Environment	\$ -	\$ 224,624	\$ -	\$ -
Miscellaneous:				
Interest	15,444	-	-	-
Miscellaneous:	-	500	-	-
Total Revenues	<u>15,444</u>	<u>225,124</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>				
General government	47,697	-	-	-
Public safety	-	197,809	26,594	-
Education	-	-	-	-
Recreation, culture and libraries	-	-	-	-
Miscellaneous	13,581	-	-	-
Payments to component units:				
Board of Education	-	-	-	-
Total Expenditures	<u>61,278</u>	<u>197,809</u>	<u>26,594</u>	<u>-</u>
<b>OTHER FINANCING SOURCES and (USES):</b>				
Transfers from:				
Capital Projects Funds	-	-	-	-
PAYGO Capital Projects Fund	-	-	-	-
Public Improvement Bond Fund	-	-	-	-
Transfers to:				
Capital projects fund	(62,000)	-	-	-
PAYGO Capital Projects Fund	(180,000)	-	-	-
Debt issued	<u>1,024,800</u>	<u>300,000</u>	<u>300,000</u>	<u>1,160,000</u>
Total Other Financing				
Sources and Uses	<u>782,800</u>	<u>300,000</u>	<u>300,000</u>	<u>1,160,000</u>
Net change in fund balances	736,966	327,315	273,406	1,160,000
Fund Balance, beginning	<u>(33,588)</u>	<u>(125,849)</u>	<u>(56,777)</u>	<u>(1,030,344)</u>
Fund Balance, Ending	<u>\$ 703,378</u>	<u>\$ 201,466</u>	<u>\$ 216,629</u>	<u>\$ 129,656</u>

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECTS FUND**  
**PUBLIC IMPROVEMENT BOND FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

2008 Public Improvement Bond					
Radio Upgrade Switches (4326)	AC Geothermal Project (4327)	Public Safety Building (4328)	Court House Roof (4329)	2008 Public Improvement Bond Total	Total Public Improvement Bond Funds
\$ -	\$ -	\$ -	\$ -	\$ 224,624	\$ 224,624
-	-	-	-	15,444	15,574
-	-	-	-	500	500
-	-	-	-	240,568	240,698
-	-	-	360,891	408,588	408,588
538,200	-	-	-	762,603	762,603
-	289,505	-	-	289,505	289,505
-	-	-	-	-	73,068
-	-	-	-	13,581	13,581
-	-	-	-	-	-
538,200	289,505	-	360,891	1,474,277	1,547,345
-	-	-	-	-	2,304
-	-	-	92,000	92,000	92,000
-	-	-	-	-	62,000
-	-	(700,000)	-	(762,000)	(762,000)
-	-	-	-	(180,000)	(180,000)
538,200	327,000	700,000	250,000	4,600,000	4,600,000
538,200	327,000	-	342,000	3,750,000	3,814,304
-	37,495	-	(18,891)	2,516,291	2,507,657
-	(35,000)	-	-	(1,281,558)	(1,272,924)
\$ -	\$ 2,495	\$ -	\$ (18,891)	\$ 1,234,733	\$ 1,234,733

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**ENTERPRISE FUNDS  
COMBINING SCHEDULES**

**WATER DISTRICTS  
COMBINING SCHEDULE OF  
REVENUES, EXPENSES  
AND CHANGES IN  
NET ASSETS**

**SANITARY DISTRICTS  
COMBINING SCHEDULE  
OF NET ASSETS**

**SANITARY DISTRICTS  
COMBINING SCHEDULE OF  
REVENUES, EXPENSES  
AND CHANGES IN  
NET ASSETS**



**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY WATER DISTRICTS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	General Operating 5011	Grahamtown 501A	Consol 501B	Barton Ind. Park 501C	Mexico Farms 501D	Franklin/ Brophytown 501E	Bowling Green 501F
<b>OPERATING REVENUES:</b>							
Service charges	\$ 22,215	\$ 133,474	\$ 33,590	\$ 13,603	\$ 883,594	\$ 45,373	\$ 399,632
Miscellaneous	-	-	-	-	-	-	-
Total Operating Revenues	<u>22,215</u>	<u>133,474</u>	<u>33,590</u>	<u>13,603</u>	<u>883,594</u>	<u>45,373</u>	<u>399,632</u>
<b>OPERATING EXPENSES:</b>							
Salaries	-	16,034	4,666	-	10,519	1,188	49,799
Fringe benefits	-	8,271	2,407	-	5,426	612	25,688
Office expenses	-	209	61	-	137	16	648
Utilities	-	58,125	16,684	22,919	718,867	25,656	249,745
Repairs and maintenance	-	178	52	120	117	36,222	44,682
Contractual	-	-	-	-	-	-	-
Professional fees	-	1,418	412	-	583	955	2,755
Materials and supplies	-	603	165	51	476	44	4,419
Insurance	-	-	-	-	-	-	-
Indirect cost	-	5,663	1,876	2,709	23,465	1,715	16,825
Miscellaneous	-	2	-	-	1	-	5
Depreciation	-	39,689	18,245	44,422	43,319	16	39,557
Total Operating Expenses	<u>0</u>	<u>130,192</u>	<u>44,568</u>	<u>70,221</u>	<u>802,910</u>	<u>66,424</u>	<u>434,123</u>
Operating Income (Loss)	<u>22,215</u>	<u>3,282</u>	<u>(10,978)</u>	<u>(56,618)</u>	<u>80,684</u>	<u>(21,051)</u>	<u>(34,491)</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>							
Interest income	247	1,390	479	76	2,034	-	10,969
Interest expense	(8,680)	(24,985)	(4,478)	(15,490)	(19,009)	-	-
Total Non-operating Revenue (Expenses)	<u>(8,433)</u>	<u>(23,595)</u>	<u>(3,999)</u>	<u>(15,414)</u>	<u>(16,975)</u>	<u>-</u>	<u>10,969</u>
Income Before Contributions and Transfers	13,782	(20,313)	(14,977)	(72,032)	63,709	(21,051)	(23,522)
Capital Contributions:							
Federal grants	-	-	-	-	-	-	-
State grants	-	-	-	-	-	-	-
Transfers in:							
General fund	-	-	-	12,120	-	-	-
Revolving Building Fund	-	-	-	19,348	-	-	-
Change in Net Assets	<u>\$ 13,782</u>	<u>\$ (20,313)</u>	<u>\$ (14,977)</u>	<u>\$ (40,564)</u>	<u>\$ 63,709</u>	<u>\$ (21,051)</u>	<u>\$ (23,522)</u>

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY WATER DISTRICTS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Bowman's Addition 501G	Oldtown Road 5012	McCoole 5013	Ellerslie 5014	Eckhart 5015	Hoffman 5016	Route 36 Vale Summit 5017	Borden/ Zhilman/ Morantown 5018	Carlos/Shaft/ Klondike 5019	Total
\$ -	173,517	\$ 166,274	\$ 342,185	\$ 247,160	\$ 7,545	\$ 54,655	\$ 108,020	\$ 177,386	\$ 2,808,223
945	-	-	-	-	-	-	-	-	945
945	173,517	166,274	342,185	247,160	7,545	54,655	108,020	177,386	2,809,168
-	19,343	21,379	45,048	30,371	1,018	6,278	14,168	21,803	241,614
-	9,978	11,028	23,237	15,667	525	3,238	7,308	11,247	124,632
-	4,052	278	587	395	14	81	184	284	6,946
8	65,353	51,671	183,240	82,560	2,845	29,119	46,331	81,681	1,634,804
-	305	9,102	34,044	72,153	12	5,350	157	1,156	203,650
-	-	-	-	-	-	-	-	-	0
-	1,070	1,182	2,493	3,184	92	551	1,249	2,813	18,757
924	1,099	7,748	3,990	34,697	37	365	500	1,814	56,932
-	-	-	158	158	-	-	-	-	316
-	7,131	8,500	12,409	10,497	266	2,668	4,811	9,211	107,746
-	2	2	5	170	-	1	2	2	192
-	74,028	96,855	67,944	88,631	2,343	28,648	34,715	87,352	665,764
932	182,361	207,745	373,155	338,483	7,152	76,299	109,425	217,363	3,061,353
13	(8,844)	(41,471)	(30,970)	(91,323)	393	(21,644)	(1,405)	(39,977)	(252,185)
-	4,803	5,487	11,824	11,311	93	923	3,722	4,271	57,629
-	(18,423)	(43,904)	-	(19,183)	-	-	(20,325)	(36,799)	(211,276)
-	(13,620)	(38,417)	11,824	(7,872)	93	923	(16,603)	(32,528)	(153,647)
13	(22,464)	(79,888)	(19,146)	(99,195)	486	(20,721)	(18,008)	(72,505)	(405,832)
1,128,525	-	-	-	-	-	-	-	-	1,128,525
500,000	-	-	-	18,611	-	-	-	-	518,611
-	-	-	-	-	-	-	-	-	12,120
-	-	-	-	-	-	-	-	-	19,348
\$ 1,628,538	(22,464)	(79,888)	(19,146)	(80,584)	486	(20,721)	(18,008)	(72,505)	1,272,772
Total net assets - beginning									17,182,286
Total net assets - ending									\$ 18,455,058

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY SANITARY DISTRICTS**  
**COMBINING SCHEDULE OF NET ASSETS**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**June 30, 2009**

	General Fund	Bowling Green	Cresaptown	Braddock Run	Bedford Road	Jennings Run/Wills Creek	McCoole
<b>ASSETS</b>							
Current Assets:							
Cash:							
Cash	\$ 585,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash - Restricted	-	-	-	87,722	-	-	-
Investments	199,345	65,613	44,491	-	60,590	-	-
Receivables:							
Accounts (net)	3,026	88,527	93,371	210,673	130,015	89,850	18,004
Taxes - restricted	-	19,857	15,862	1,246	14,794	4,988	2,919
Accounts (net) - restricted	-	-	-	-	-	5,992	3,657
Other	3,211,945	11	8	-	1,671	-	-
Due from other funds	395,091	1,211,448	1,900,659	-	-	-	-
Inventory	65,225	-	-	-	-	-	-
Total current assets	<u>4,459,909</u>	<u>1,385,456</u>	<u>2,054,391</u>	<u>299,641</u>	<u>207,070</u>	<u>100,830</u>	<u>24,580</u>
Noncurrent Assets:							
Land	5,000	1,000	5,000	500	1,000	1,500	-
Construction in progress	4,832,803	-	-	-	-	-	-
Capital assets subject to depreciation	3,261,818	3,450,094	2,718,876	3,490,524	4,968,149	6,123,262	2,282,006
Less: Accumulated depreciation	<u>(1,654,108)</u>	<u>(2,079,934)</u>	<u>(1,586,240)</u>	<u>(2,602,134)</u>	<u>(3,128,800)</u>	<u>(3,853,870)</u>	<u>(1,229,761)</u>
Total noncurrent assets	<u>6,445,513</u>	<u>1,371,160</u>	<u>1,137,636</u>	<u>888,890</u>	<u>1,840,349</u>	<u>2,270,892</u>	<u>1,052,245</u>
Total Assets	<u>10,905,422</u>	<u>2,756,616</u>	<u>3,192,027</u>	<u>1,188,531</u>	<u>2,047,419</u>	<u>2,371,722</u>	<u>1,076,825</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	4,068,490	1,651	11,133	69,713	18,030	23,809	5,603
Accrued wages payable	31,996	-	-	-	-	-	-
Accrued payroll fringe benefits	12,715	-	-	-	-	-	-
Accrued interest payable	7,488	2,386	2,501	-	1,071	-	-
Current portion of long term debt							
Bonds & loans	112,072	16,832	15,507	-	23,538	-	-
Advances from other funds	-	-	-	-	-	-	-
Compensated absences	40,457	-	-	-	-	-	-
Due to other funds	3,979,019	-	-	561,097	543,848	1,359,375	578,593
Accrued health claims	23,351	-	-	-	-	-	-
Miscellaneous liabilities	43,983	-	-	48,685	-	-	-
Total current liabilities	<u>8,319,571</u>	<u>20,869</u>	<u>29,141</u>	<u>679,495</u>	<u>586,487</u>	<u>1,383,184</u>	<u>584,196</u>
Noncurrent Liabilities:							
Cash advance due General Fund	-	-	-	-	-	400,000	-
Long term debt:							
Bonds & loans	1,780,474	1,171,090	1,082,151	-	82,559	-	-
Advances from other funds	-	-	-	-	-	-	-
Compensated absences	264,577	-	-	-	-	-	-
Total noncurrent liabilities	<u>2,045,051</u>	<u>1,171,090</u>	<u>1,082,151</u>	<u>-</u>	<u>82,559</u>	<u>400,000</u>	<u>-</u>
Total Liabilities	<u>10,364,622</u>	<u>1,191,959</u>	<u>1,111,292</u>	<u>679,495</u>	<u>669,046</u>	<u>1,783,184</u>	<u>584,196</u>
<b>NET ASSETS</b>							
Invested in capital assets, net of related debt	4,552,967	183,238	39,978	888,890	1,734,252	2,270,892	1,052,245
Restricted for debt service	-	19,857	15,862	1,246	14,794	10,980	6,576
Unrestricted	<u>(4,012,167)</u>	<u>1,361,562</u>	<u>2,024,895</u>	<u>(381,100)</u>	<u>(370,673)</u>	<u>(1,693,334)</u>	<u>(566,192)</u>
Total Net Assets	<u>\$ 540,800</u>	<u>\$ 1,564,657</u>	<u>\$ 2,080,735</u>	<u>\$ 509,036</u>	<u>\$ 1,378,373</u>	<u>\$ 588,538</u>	<u>\$ 492,629</u>

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY SANITARY DISTRICTS**  
**COMBINING SCHEDULE OF NET ASSETS**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**June 30, 2009**

Oldtown	Flintstone	Georges Creek	Franklin/Brophytown	Celanese Treatment Plant	Mexico Farms	Cash Valley Road	Oldtown Road	Barton Industrial Park	Total All Districts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	585,277
-	-	-	-	-	-	-	-	-	87,722
-	-	171,944	-	-	-	-	-	-	541,983
4,752	9,793	212,596	11,910	15,319	86,049	5,964	22,347	1,047	1,003,243
278	2,294	28,285	201	-	3,705	2,184	4,560	-	101,173
2,715	1,140	69,527	-	-	-	-	-	-	83,031
1	-	2,643	-	5,828	6,235	1	-	-	3,228,343
-	-	-	468,384	785,927	629,941	-	81,746	-	5,473,196
-	-	-	-	-	-	-	-	-	65,225
<u>7,746</u>	<u>13,227</u>	<u>484,995</u>	<u>480,495</u>	<u>807,074</u>	<u>725,930</u>	<u>8,149</u>	<u>108,653</u>	<u>1,047</u>	<u>11,169,193</u>
500	3,000	46,282	-	-	2,500	-	1,000	-	67,282
-	-	18,548,538	-	-	-	-	-	28,676	23,410,017
852,987	1,211,821	22,860,413	561,728	21,662,315	2,051,939	813,332	2,816,919	2,129,832	81,256,015
(475,963)	(618,384)	(11,216,575)	(299,946)	(2,937,302)	(693,154)	(264,333)	(847,834)	(132,251)	(33,620,589)
<u>377,524</u>	<u>596,437</u>	<u>30,238,658</u>	<u>261,782</u>	<u>18,725,013</u>	<u>1,361,285</u>	<u>548,999</u>	<u>1,970,085</u>	<u>2,026,257</u>	<u>71,112,725</u>
<u>385,270</u>	<u>609,664</u>	<u>30,723,653</u>	<u>742,277</u>	<u>19,532,087</u>	<u>2,087,215</u>	<u>557,148</u>	<u>2,078,738</u>	<u>2,027,304</u>	<u>82,281,918</u>
4,084	1,260	8,861	4	21,835	26,596	-	2,531	1,342	4,264,942
-	-	1,525	-	3,456	-	-	-	-	36,977
-	-	154	-	1,518	-	-	-	-	14,387
77	1,092	34,551	-	27,355	-	834	3,164	-	80,519
3,683	11,050	215,859	-	462,648	-	2,448	9,284	-	872,921
-	-	-	-	-	-	-	366	-	366
-	-	-	-	-	-	-	-	-	40,457
135,557	269,715	33,411	-	-	-	13,118	-	188,007	7,661,740
-	-	-	-	-	-	-	-	-	23,351
-	-	-	-	40,001	-	-	-	-	132,669
<u>143,401</u>	<u>283,117</u>	<u>294,361</u>	<u>4</u>	<u>556,813</u>	<u>26,596</u>	<u>16,400</u>	<u>15,345</u>	<u>189,349</u>	<u>13,128,329</u>
-	-	-	-	-	-	-	-	-	400,000
3,883	11,650	4,225,911	-	6,783,971	-	120,598	457,365	-	15,719,652
-	-	-	-	-	-	-	18,453	-	18,453
-	-	-	-	-	-	-	-	-	264,577
<u>3,883</u>	<u>11,650</u>	<u>4,225,911</u>	<u>-</u>	<u>6,783,971</u>	<u>-</u>	<u>120,598</u>	<u>475,818</u>	<u>-</u>	<u>16,402,682</u>
<u>147,284</u>	<u>294,767</u>	<u>4,520,272</u>	<u>4</u>	<u>7,340,784</u>	<u>26,596</u>	<u>136,998</u>	<u>491,163</u>	<u>189,349</u>	<u>29,531,011</u>
369,958	573,737	25,796,888	261,782	11,478,394	1,361,285	425,953	1,484,617	2,026,257	54,501,333
2,993	3,434	97,812	201	-	3,705	2,184	4,560	-	184,204
(134,965)	(262,274)	308,681	480,290	712,909	695,629	(7,987)	98,398	(188,302)	(1,934,630)
<u>\$ 237,986</u>	<u>\$ 314,897</u>	<u>\$ 26,203,381</u>	<u>\$ 742,273</u>	<u>\$ 12,191,303</u>	<u>\$ 2,060,619</u>	<u>\$ 420,150</u>	<u>\$ 1,587,575</u>	<u>\$ 1,837,955</u>	<u>\$ 52,750,907</u>

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY SANITARY DISTRICTS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	General Fund	Bowling Green	Cresaptown	Braddock Run	Bedford Road	Jennings Run/Wills Creek	McCoole
<b>OPERATING REVENUES:</b>							
Service charges	\$ 10,920	\$ 360,818	\$ 319,622	\$ 999,153	\$ 423,537	\$ 339,035	\$ 75,415
Miscellaneous	-	32,655	-	-	-	-	-
Total Operating Revenues	10,920	393,473	319,622	999,153	423,537	339,035	75,415
<b>OPERATING EXPENSES:</b>							
Wages and salaries	3,563	54,465	45,642	164,667	82,461	65,494	12,471
Employee benefits	1,986	28,095	23,544	84,942	42,536	33,784	6,433
Office expenses	242	12,001	5,696	20,718	10,316	8,170	5,358
Utilities	1,642	29,708	30,551	56,878	20,426	14,842	10,428
Repairs and maintenance	191	48,388	37,787	36,498	15,440	8,558	16,217
Contractual services	103	2,896	2,428	8,749	4,382	3,483	664
Water/Sewage treatment costs	-	226,727	211,478	735,003	249,748	191,191	69,393
Professional fees	68	1,909	1,601	5,767	2,889	2,296	438
Materials and supplies	3,939	28,023	24,196	79,019	36,014	30,419	10,952
Insurance	280	7,845	6,578	23,700	11,872	13,057	1,799
Indirect cost	940	26,377	22,118	79,689	39,918	31,723	6,051
Miscellaneous	18	504	1,123	1,524	3,263	3,107	115
Depreciation	749	89,891	72,367	141,480	132,047	150,669	52,568
Total Operating Expenses	13,721	556,829	485,109	1,438,634	651,312	556,793	192,887
Operating Income (Loss)	(2,801)	(163,356)	(165,487)	(439,481)	(227,775)	(217,758)	(117,472)
<b>NON-OPERATING REVENUE (EXPENSES):</b>							
Real and personal property taxes	-	184,644	190,344	14,684	115,769	43,898	17,659
Interest & Penalties, taxes	-	5,272	5,087	326	3,063	1,411	939
Discounts, taxes	-	(961)	(972)	(79)	(592)	(222)	(71)
Enterprise/industrial exemptions	-	-	-	20	-	-	-
Collection fees	-	(4,264)	(4,416)	(334)	(2,602)	(1,016)	(436)
Front footage assessments	-	-	-	-	7	17,951	9,089
Interest income	138	5,137	8,771	8,867	14,850	9,976	1,662
Interest income, debt service	-	1,124	782	-	28	401	196
Interest expense	(18,018)	(50,296)	(46,532)	-	(9,673)	-	-
Allocated debt service revenue	87,123	(7,850)	(6,580)	(23,717)	(11,880)	(9,437)	(1,799)
Gain (Loss) on disposal of assets	-	-	-	-	-	-	-
Total Nonoperating revenue (expenses)	69,243	132,806	146,484	(233)	108,970	62,962	27,239
Income Before Contributions and Transfers	66,442	(30,550)	(19,003)	(439,714)	(118,805)	(154,796)	(90,233)
Capital Contributions:							
Federal	-	-	-	-	25,000	25,000	-
State	-	-	-	-	-	-	-
Other	-	-	-	14,736	-	-	-
Transfers in:							
General Fund	-	-	-	-	-	-	-
Revolving Building Fund	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-	-
Change in Net Assets	66,442	(30,550)	(19,003)	(424,978)	(93,805)	(129,796)	(90,233)
Net assets - beginning	474,358	1,595,207	2,099,738	934,014	1,472,178	718,334	582,862
Net assets - ending	\$ 540,800	\$ 1,564,657	\$ 2,080,735	\$ 509,036	\$ 1,378,373	\$ 588,538	\$ 492,629

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY SANITARY DISTRICTS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Oldtown	Flintstone	Georges Creek	Franklin/Brophytown	Celanese Treatment Plant	Mexico Farms	Cash Valley Road	Oldtown Road	Barton Industrial Park	Total All Districts
\$ 15,100	\$ 29,576	\$ 645,210	\$ 38,321	\$ 1,058,703	\$ 368,660	\$ 21,701	\$ 93,116	\$ 3,303	\$ 4,802,190
-	2	672	-	-	-	-	-	-	33,329
15,100	29,578	645,882	38,321	1,058,703	368,660	21,701	93,116	3,303	4,835,519
4,938	8,187	229,375	8,484	123,843	15,695	4,666	17,816	20,573	862,340
2,752	4,563	127,847	4,376	62,800	8,096	2,407	9,190	10,835	454,186
653	6,523	16,202	1,052	7,671	1,959	582	2,224	418	99,785
14,823	17,695	102,179	427	226,541	15,575	215	7,028	19,127	568,085
19,742	20,515	24,962	829	57,736	15,996	459	4,353	3,782	311,453
142	239	6,682	448	-	835	248	948	-	32,247
-	-	-	7,036	-	140,409	13,576	6,059	-	1,850,620
474	414	6,857	296	14,982	550	164	625	-	39,330
2,731	2,828	75,087	3,557	122,566	14,523	1,971	15,325	5,601	456,751
384	2,461	32,491	1,214	-	2,263	673	4,383	-	109,000
1,292	2,174	60,861	4,083	-	7,608	2,262	8,636	-	293,732
25	42	2,215	78	4	145	43	165	-	12,371
17,787	28,990	508,152	14,474	445,804	46,030	22,137	81,040	42,935	1,847,120
65,743	94,631	1,192,910	46,354	1,061,947	269,684	49,403	157,792	103,271	6,937,020
(50,643)	(65,053)	(547,028)	(8,033)	(3,244)	98,976	(27,702)	(64,676)	(99,968)	(2,101,501)
2,457	12,398	200,082	6,908	-	32,267	12,154	57,230	-	890,494
99	718	5,963	72	-	748	310	1,701	-	25,709
(12)	(58)	(1,012)	(58)	-	(157)	(56)	(258)	-	(4,508)
-	-	-	-	-	-	-	-	-	20
(58)	(298)	(4,459)	(157)	-	(727)	(253)	(1,332)	-	(20,352)
2,684	3,526	69,275	-	-	-	-	-	-	102,532
500	972	25,706	667	39,019	662	692	1,307	40	118,966
75	184	5,173	-	-	-	-	-	-	7,963
(599)	(1,425)	(57,202)	-	(66,999)	(5,366)	(5,588)	(22,061)	-	(283,759)
(388)	(644)	(18,107)	(1,217)	-	(2,267)	(670)	(2,567)	-	0
-	-	-	-	-	-	-	-	-	0
4,758	15,373	225,419	6,215	(27,980)	25,160	6,589	34,020	40	837,065
(45,885)	(49,680)	(321,609)	(1,818)	(31,224)	124,136	(21,113)	(30,656)	(99,928)	(1,264,436)
-	-	-	-	-	-	-	-	-	50,000
-	-	9,160,716	-	-	-	-	-	-	9,160,716
-	-	-	-	-	-	-	-	-	14,736
-	-	-	-	43,784	-	-	-	56,994	100,778
-	-	-	-	-	-	-	-	7,500	7,500
-	-	-	-	-	-	-	-	-	-
(45,885)	(49,680)	8,839,107	(1,818)	12,560	124,136	(21,113)	(30,656)	(35,434)	8,069,294
283,871	364,577	17,364,274	744,091	12,178,743	1,936,483	441,263	1,618,231	1,873,389	44,681,613
\$ 237,986	\$ 314,897	\$ 26,203,381	\$ 742,273	\$ 12,191,303	\$ 2,060,619	\$ 420,150	\$ 1,587,575	\$ 1,837,955	\$ 52,750,907

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## **AGENCY FUND**

### **STATEMENT OF CHANGES IN ASSETS and LIABILITIES**



**ALLEGANY COUNTY, MARYLAND**  
**AGENCY FUND**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
<b>ASSETS:</b>				
Taxes levied for State:				
Taxes receivable - State	\$ 339,643	\$ 3,474,656	\$ 3,468,919	\$ 345,380
Bay restoration fee	230,798	494,224	462,723	262,299
Other receivables	1	9,166	9,174	(7)
Taxes levied for Special Areas:				
Lonaconing, Town of	8,723	105,557	101,927	12,353
Midland, Town of	3,762	28,419	28,322	3,859
Westernport, Town of	32,721	330,289	317,484	45,526
Cumberland differential	4,251	101	2,419	1,933
Bel Air Special Tax Area	1,349	28,666	27,877	2,138
Bowling Green Fire Co.	3,264	29,738	29,775	3,227
Bedford Road Fire Co.	4,734	36,468	35,590	5,612
Bowling Green Special Tax Area	2,157	23,603	22,974	2,786
Cresaptown Ambulance	9,785	123,113	122,514	10,384
Cresaptown Civic Imp. Assoc.	2,513	21,787	22,033	2,267
Cresaptown Fire Co.	11,907	163,932	163,656	12,183
Corriganville Light & Imp.	1,444	16,145	15,607	1,982
Ellerslie Special Tax Area	863	9,619	9,609	873
LaVale Volunteer Fire Dept.	11,031	152,600	153,752	9,879
LaVale Rescue Squad	5,591	76,301	76,878	5,014
LaVale Sanitary District	43,545	524,912	532,456	36,001
McCoole Special Tax Area	965	3,732	3,978	719
Moscow Light	619	2,929	2,878	670
Mt. Savage Special Tax Area	942	9,282	9,140	1,084
Potomac Park Special Tax Area	1,196	14,145	13,715	1,626
Rawlings Fire Co.	1,927	36,036	34,552	3,411
Sub-total special areas	153,289	1,737,374	1,727,136	163,527
Due from other funds	156,820	6,095,497	6,091,592	160,725
Total Assets	<u>\$ 880,551</u>	<u>\$ 11,810,917</u>	<u>\$ 11,759,544</u>	<u>\$ 931,924</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 156,821	\$ 6,912,971	\$ 6,909,074	\$ 160,718
A/P Special Areas	153,289	1,739,109	1,728,871	163,527
Taxes payable - State	339,643	3,617,460	3,611,723	345,380
A/P Bay restoration fee	230,798	476,598	445,097	262,299
Total Liabilities	<u>\$ 880,551</u>	<u>\$ 12,746,138</u>	<u>\$ 12,694,765</u>	<u>\$ 931,924</u>

**CAPITAL ASSETS  
USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY SOURCE**  
**June 30, 2009 and 2008**

ASSETS	Primary Government			
	At June 30, 2009			Net
	Cost	Accumulated Depreciation	Net Book Value	Book Value June 30, 2008
Land	\$ 20,918,704	\$ -	\$ 20,918,704	\$ 20,594,558
Construction in progress	8,945,111	-	8,945,111	7,908,401
Buildings	49,632,831	14,700,390	34,932,441	35,596,242
Infrastructure	46,292,030	27,119,936	19,172,094	17,511,878
Furniture & fixtures	731,657	550,350	181,307	209,265
Machinery & equipment	8,076,933	4,533,028	3,543,905	2,473,465
Vehicles	8,919,942	6,542,184	2,377,758	2,080,598
Heavy equipment	3,775,215	3,039,373	735,842	823,531
Other capital assets	924,623	473,060	451,563	467,268
Total Assets	<u>\$ 148,217,046</u>	<u>\$ 56,958,321</u>	<u>\$ 91,258,725</u>	<u>\$ 87,665,206</u>
<b>FUND EQUITY</b>				
Investment in general capital assets acquired before July 1, 1993 - source unidentified			\$ 8,758,883	\$ 8,808,483
Investment in construction in progress			8,945,111	7,908,401
Investment in general capital assets by source:				
General Fund:				
General revenues			7,453,531	6,176,047
Federal grants			2,974,977	2,604,573
State grants			2,915,408	1,682,115
Miscellaneous revenues			428,283	444,626
Debt proceeds			1,098,944	190,912
Special Revenue Funds:				
General revenues			41,624,372	41,261,419
Federal grants			6,277,942	5,676,710
State grants			6,938,157	5,500,676
Miscellaneous revenues			194,574	194,574
Debt proceeds			3,431,798	3,431,798
Capital Project Funds:				
General revenues			14,710,830	14,732,962
Federal grants			8,110,162	8,110,162
State grants			21,846,909	21,846,909
Miscellaneous revenues			1,082,822	1,082,822
Debt proceeds			10,052,753	10,052,753
Other			1,371,590	1,371,590
Less:				
Accumulated depreciation			(56,958,321)	(53,412,326)
Total Fund Equity			<u>\$ 91,258,725</u>	<u>\$ 87,665,206</u>

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF ASSETS BY FUNCTION**  
**June 30, 2009**

Function	Land	Buildings	Infrastructure	Furniture & Fixtures	Equipment	Vehicles	Other Capital Assets	Construction In Progress	Total Cost	Less Depreciation	Total
General Government	\$ 1,917,123	\$ 4,533,874	\$ 39,776	\$ 149,381	\$ 1,516,191	\$ 391,895	\$ 177,888	\$ 446,414	\$ 9,172,542	\$ (4,220,889)	\$ 4,951,653
Public Safety	1,936,347	18,207,318	1,743,304	279,617	5,554,754	1,314,306	155,078	157,978	29,349,102	(7,252,200)	22,096,902
Public Works	1,449,166	1,492,972	38,673,035	298,253	780,856	6,463,110	3,832,726	813,406	53,803,524	(36,207,620)	17,595,904
Health	575,119	6,553,202	-	-	-	-	4,121	-	7,132,442	(459,204)	6,673,238
Social Services	116	3,250	24,331	-	74,650	587,767	13,000	-	703,114	(387,610)	315,504
Recreation & Culture	583,119	2,620,688	214,288	246	6,528	39,246	430,696	-	3,894,811	(1,012,725)	2,882,086
Libraries	6,000	1,631,033	-	-	-	-	-	-	1,637,033	(514,588)	1,122,445
Natural Resources	-	-	-	-	15,839	15,999	-	-	31,838	(31,628)	210
Urban Development & Housing	56,637	426,508	-	4,160	35,846	9,302	-	-	532,453	(302,997)	229,456
Economic Development	14,394,877	14,163,786	5,597,296	-	92,269	98,317	86,329	7,527,313	41,960,187	(6,568,860)	35,391,327
Total General Capital Assets	\$ 20,918,704	\$ 49,632,831	\$ 46,292,030	\$ 731,657	\$ 8,076,933	\$ 8,919,942	\$ 4,699,838	\$ 8,945,111	\$ 148,217,046	\$ (56,958,321)	\$ 91,258,725

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Function	General Capital Assets June 30, 2008	Transfers to Other Funds	Asset Reclass	Additions	Deductions	Total Cost	Accumulated Depreciation June 30, 2008	Less Current Year Depreciation	Add Depreciation on Disposals	General Capital Assets June 30, 2009
General Government	\$ 8,602,180	\$ -	\$ -	\$ 570,362	\$ -	\$ 9,172,542	\$ (3,694,704)	\$ (526,185)	\$ -	\$ 4,951,653
Public Safety	27,417,713	-	-	1,969,864	(38,475)	29,349,102	(6,180,392)	(1,108,783)	36,975	22,096,902
Public Works	52,335,991	-	-	1,517,133	(49,600)	53,803,524	(35,252,878)	(1,004,342)	49,600	17,595,904
Health	7,132,442	-	-	-	-	7,132,442	(240,764)	(218,440)	-	6,673,238
Social Services	703,114	-	-	-	-	703,114	(295,083)	(92,527)	-	315,504
Recreation & Culture	3,878,646	-	-	16,165	-	3,894,811	(909,419)	(103,306)	-	2,882,086
Libraries	1,637,033	-	-	-	-	1,637,033	(453,287)	(61,301)	-	1,122,445
Natural Resources	31,838	-	-	-	-	31,838	(31,208)	(420)	-	210
Urban Development & Housing	532,453	-	-	-	-	532,453	(284,503)	(18,494)	-	229,456
Economic Development	38,806,122	-	-	3,154,065	-	41,960,187	(6,070,088)	(498,772)	-	35,391,327
Total General Capital Assets	\$ 141,077,532	\$ -	\$ -	\$ 7,227,589	\$ (88,075)	\$ 148,217,046	\$ (53,412,326)	\$ (3,632,570)	\$ 86,575	\$ 91,258,725

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# **STATISTICAL SECTION**



## Statistical Section

This part of the Allegany County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
 <b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Net Assets by Component, Last Seven Fiscal Years.....	F-5
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Fund Balances, Governmental Funds, Last Ten Years.....	F-8
Changes in Fund Balances, Governmental Funds, Last Ten Years.....	F-9
 <b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax	
Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years.....	F-13
Schedule of Property Tax Rates-Direct and Overlapping, Last Ten Fiscal Years.....	F-14
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 <b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	
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 <b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
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 <b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	
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Operating Indicators by Function/Program, Last Seven Fiscal Years .....	F-30
Capital Asset Statistics by Function/Program, Last Seven Fiscal Years.....	F-31

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in FY 2003; schedules presenting government-wide information include information beginning in that year.*



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# **FINANCIAL TRENDS**

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# Allegany County, Maryland

## Net Assets By Component

### Last Seven Fiscal Years (a)

(accrual basis of accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Governmental activities</b>							
Invested in capital assets, net of related debt	\$ 49,601,139	\$ 53,978,694	\$ 60,161,453	\$ 66,160,686	\$ 70,105,110	\$ 76,516,700	\$ 78,593,428
Restricted	1,684,063	2,093,507	3,021,117	2,277,836	13,043,675	5,939,861	4,418,898
Unrestricted	(11,733,113)	(5,166,240)	(4,128,194)	3,048,018	(4,635,623)	(6,346,388)	(2,368,710)
Total governmental activities net assets	\$ 39,552,089	\$ 50,905,961	\$ 59,054,376	\$ 71,486,540	\$ 78,513,162	\$ 76,110,173	\$ 80,643,616
<b>Business-type activities</b>							
Invested in capital assets, net of related debt	\$ 51,533,344	\$ 56,841,888	\$ 59,474,528	\$ 67,030,468	\$ 62,978,258	\$ 64,244,563	\$ 76,553,963
Restricted	185,898	159,657	172,797	167,898	170,832	175,654	184,204
Unrestricted	5,398,109	1,439,367	1,552,398	(1,694,100)	878,952	(20,398)	(3,714,137)
Total business-type activities net assets	\$ 57,117,261	\$ 58,440,912	\$ 61,199,723	\$ 65,504,266	\$ 64,028,042	\$ 64,399,819	\$ 73,024,030
<b>Primary Government</b>							
Invested in capital assets, net of related debt	\$ 101,134,483	\$ 110,820,582	\$ 119,635,981	\$ 133,191,154	\$ 133,083,368	\$ 140,761,263	\$ 155,147,391
Restricted	1,869,871	2,253,164	3,193,914	2,445,734	13,214,507	6,115,515	4,603,102
Unrestricted	(6,335,004)	(3,726,873)	(2,575,796)	1,353,918	(3,736,671)	(6,366,786)	(6,082,847)
Total primary government net assets	\$ 96,669,350	\$ 109,346,873	\$ 120,254,099	\$ 136,990,806	\$ 142,541,204	\$ 140,509,992	\$ 153,667,646

(a) Schedules presenting government wide (full accrual accounting) are available from FY 2003, the year the County implemented GASB Statement No. 34.

**Allegany County, Maryland**  
**Changes In Net Assets, Last Seven Fiscal Years (a)**  
**(accrual basis of accounting)**

	Fiscal Year						
Expenses	2003	2004	2005	2006	2007	2008	2009
Governmental activities:							
General Government:							
Payment to data processing	\$ 5,697,910	\$ 6,483,254	\$ 6,863,528	\$ 7,046,308	\$ 7,517,730	\$ 9,121,475	\$ 9,072,487
Public Safety	255,757	264,767	279,661	294,847	311,568	328,464	350,334
Public Works	10,729,932	10,878,035	13,320,579	14,571,046	13,998,396	15,612,059	16,626,793
Health	10,320,589	9,277,395	9,691,963	11,176,350	11,366,688	12,280,040	12,000,493
Social Services	1,311,200	1,345,102	1,422,154	1,610,957	1,778,704	2,083,410	1,902,151
Education:	3,158,083	3,372,943	3,220,006	1,987,579	2,371,360	2,312,169	1,932,208
Payment to public school system	106,438	51,733	796,573	709,684	437,620	1,274,899	317,766
Payments to community college	27,832,107	27,503,531	27,638,498	27,262,735	29,699,591	36,171,292	28,883,694
Recreation, culture & libraries:	5,543,512	5,575,000	5,575,000	6,010,000	6,382,000	7,175,000	7,425,000
Payment to public library system	525,002	517,927	637,904	720,024	1,072,292	1,050,609	1,041,683
Conservation of natural resources	769,000	781,000	794,000	835,000	875,000	905,000	905,000
Community development & housing	336,469	232,345	264,776	230,040	293,066	327,747	506,897
Economic Development	1,338,847	1,659,272	2,031,225	1,666,691	1,556,909	1,774,905	2,002,596
Interest on long term debt	2,865,480	2,412,668	3,487,397	2,487,755	3,083,041	4,113,586	2,407,460
Total governmental activities expenses	1,972,084	1,741,664	1,582,097	1,377,559	1,351,127	1,810,725	1,810,688
	<u>\$ 72,762,410</u>	<u>\$ 72,096,636</u>	<u>\$ 77,605,361</u>	<u>\$ 77,986,575</u>	<u>\$ 82,095,092</u>	<u>\$ 96,341,380</u>	<u>\$ 87,183,250</u>
Business-type activities:							
Water	1,446,660	1,483,542	1,448,043	1,751,458	1,798,200	2,977,733	3,272,629
Sewer	5,845,641	5,796,718	6,398,687	7,137,019	7,900,344	7,249,045	7,220,779
Nursing Home	8,174,160	8,620,622	9,550,145	9,657,283	10,292,274	10,425,903	11,034,410
Other Funds	-	-	-	487,108	446,058	578,996	597,356
Total business-type activities expenses	<u>15,466,461</u>	<u>15,900,882</u>	<u>17,396,875</u>	<u>19,032,868</u>	<u>20,436,876</u>	<u>21,231,677</u>	<u>22,125,174</u>
Total primary government expenses	<u>\$ 88,228,871</u>	<u>\$ 87,997,518</u>	<u>\$ 95,002,236</u>	<u>\$ 97,019,443</u>	<u>\$ 102,531,968</u>	<u>\$ 117,573,057</u>	<u>\$ 109,310,424</u>
Program Revenues							
Governmental activities:							
Charges For services:							
Public safety	\$ 1,279,568	\$ 1,903,640	\$ 2,210,969	\$ 2,585,073	\$ 2,385,029	\$ 2,230,875	\$ 2,193,379
Public works	858,844	915,434	834,819	850,935	957,924	940,444	874,542
Economic development	1,259,978	1,152,183	1,956,832	2,472,961	2,179,128	2,090,151	2,976,731
Other activities	478,640	597,748	626,097	935,592	783,227	898,153	819,558
Operating grants and contributions	5,657,933	6,398,218	6,349,718	6,162,976	5,564,276	5,130,297	5,111,876
Capital grants and contributions	5,783,782	5,704,736	10,626,139	4,861,929	5,205,639	6,009,919	2,193,383
Total governmental activities program revenues	<u>15,318,745</u>	<u>16,671,959</u>	<u>22,804,574</u>	<u>17,869,466</u>	<u>17,075,223</u>	<u>17,299,839</u>	<u>14,169,469</u>
Business-type activities:							
Charges For services:							
Water	1,059,355	1,107,522	1,152,638	1,379,464	1,313,974	2,530,078	2,809,168
Sewer	4,522,491	4,614,481	5,142,139	5,488,342	5,671,545	4,653,216	4,835,519
Nursing Home	8,027,848	8,690,049	8,464,607	9,030,901	9,455,148	9,922,523	10,900,432
Other Funds	157,703	128,362	163,815	53,667	13,448	439,381	62,018
Operating grants and contributions	-	-	-	3,560,637	803,391	3,290,107	10,872,588
Capital grants and contributions	2,054,418	3,816,273	3,320,783	19,513,011	17,237,506	20,835,305	29,479,725
Total business-type activities program revenues	<u>15,821,815</u>	<u>18,356,687</u>	<u>18,243,982</u>	<u>19,513,011</u>	<u>17,237,506</u>	<u>20,835,305</u>	<u>29,479,725</u>
Total primary government program revenues	<u>\$ 31,140,560</u>	<u>\$ 35,028,646</u>	<u>\$ 41,048,556</u>	<u>\$ 37,382,477</u>	<u>\$ 34,332,729</u>	<u>\$ 38,135,144</u>	<u>\$ 43,649,194</u>

(a) Schedules presenting government wide (full accrual accounting) are available from FY 2003, the year the County implemented GASB Statement No. 34.

**Allegany County, Maryland**  
**Changes In Net Assets, Last Seven Fiscal Years (a)**  
(accrual basis of accounting)

Net (Expense)/Revenue (b)	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental activities	\$ (57,443,665)	\$ (55,424,677)	\$ (54,800,787)	\$ (60,117,109)	\$ (65,019,869)
Business-type activities	355,354	2,455,805	847,107	480,143	(3,179,370)
Total primary government net expense	\$ (57,088,311)	\$ (52,968,872)	\$ (53,953,680)	\$ (59,636,966)	\$ (68,199,239)
<b>General Revenues And Other Changes In Net Assets</b>					
Governmental Activities:					
Taxes					
Property taxes	\$ 25,545,098	\$ 26,865,528	\$ 27,060,585	\$ 29,094,141	\$ 30,141,707
Income taxes	19,451,155	21,536,150	21,472,667	23,407,305	23,171,237
Other local taxes	5,384,666	6,170,086	7,132,917	8,769,370	8,975,907
Licenses	411,923	426,638	410,720	308,405	323,025
Unrestricted grants	8,374,810	7,791,350	6,252,618	6,300,447	7,570,738
Investment earnings	1,641,108	827,216	1,046,600	1,436,172	1,634,969
Gain/(loss) on sale/retirement of capital assets	45,381	(396,544)	(112,531)	2,876,383	707,145
Miscellaneous	555,409	421,048	505,188	393,305	392,063
Transfers	882,228	1,776,087	551,293	96,895	1,288,442
Special item	(2,108,051)	1,360,990	e		(315,004)
Total governmental activities	\$ 60,183,727	\$ 66,778,549	\$ 64,320,057	\$ 72,682,423	\$ 72,492,604
Business-type activities:					
Property taxes	\$ 474,742	\$ 542,636	\$ 684,529	\$ 732,367	\$ 884,340
Investment earnings	71,022	92,621	159,528	181,098	196,246
Miscellaneous	8,202	8,676	49,342	78,326	192,372
Gain/(loss) on sale/retirement of capital assets					
Transfers	(882,228)	(1,776,087)	(551,293)	(96,895)	430,187
Total business-type activities	\$ (328,262)	\$ (1,132,154)	\$ 342,106	\$ 894,896	\$ 1,703,145
Total primary government	\$ 59,855,465	\$ 65,646,395	\$ 64,662,163	\$ 73,577,319	\$ 74,195,749
<b>Change In Net Assets</b>					
Governmental activities	\$ 2,740,062	\$ 11,353,872	f \$ 9,519,270	\$ 12,565,314	\$ 7,472,735
Business-type activities	27,092	1,323,651	1,189,213	1,375,039	(1,476,225)
Total primary government	\$ 2,767,154	\$ 12,677,523	\$ 10,708,483	\$ 13,940,353	\$ 5,996,510

(a) Schedules presenting government wide (full accrual accounting) are available from FY 2003, the year the County implemented GASB Statement No. 34.

(b) Expenses include indirect expense allocation.

**Explanation of Significant Variances:**

- a Increase due to Allegany County's portion of new school construction.
- b Increase due to an increase in personnel salaries and fringe
- c Increase in grants due to significant grants received for Allegany Highlands Trail and Barton Business Park
- d Increase in grants due to grants received for Celanese Wastewater Treatment Plant
- e Increase due to donation of land from the State of Maryland for the Allegany Highlands Trail
- f Increase due to revenue growth from sources such as increase in tax rate, income tax increase, charges from boarding federal/state prisoners while expenses remained relatively the same.
- g Increase due expenditures for new High School
- h Increases/decreases due to separating water districts from combined sewer/water districts, therefore increasing water revenues and decreasing sewer.
- i Increase due to revenue collected for capital replacement of allconet switches
- j Increase due to donation of 911 assets from the State of Maryland in the amount of \$ 851,686
- k Increase due to an increase in personnel salaries and fringe due to new Bureau of Police Department and additional public safety grant expenditures
- l Decrease due to decrease in construction project expenditures.
- m Decrease in grants due to large education construction grant/loans being spent in prior years and not in FY 09 due to completion of project
- n Increase in grants due to grants received for Georges Creek WWTP Upgrade
- o Decrease in other taxes due to economic recession which affected recordation and transfer taxes.

**Allegany County, Maryland**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>General Fund</b>										
Reserved	\$ 2,185,628	\$ 1,928,325	\$ 1,705,332	\$ 2,300,641	\$ 2,709,317	\$ 3,302,308	\$ 3,586,015	\$ 3,825,655	\$ 3,907,309	\$ 3,916,618
Unreserved	9,835,272	8,083,225	8,193,358	8,274,597	9,990,236	9,399,968	10,361,286	11,675,991	11,892,393	11,862,655
Total General Fund	<u>\$ 12,020,900</u>	<u>\$ 10,011,550</u>	<u>\$ 9,898,690</u>	<u>\$ 10,575,238</u>	<u>\$ 12,699,553</u>	<u>\$ 12,702,276</u>	<u>\$ 13,947,301</u>	<u>\$ 15,501,646</u>	<u>\$ 15,799,702</u>	<u>\$ 15,779,273</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 4,304,911	\$ 2,144,563	\$ 1,740,443	\$ 416,165	\$ 100,856	\$ 1,294,529	\$ 424,349	\$ 10,240,090	\$ 3,778,869	\$ 703,075
Unreserved, reported in:										
Special revenue funds	3,568,955	1,796,349	2,559,231	3,260,273	3,793,401	5,102,167	5,001,124	5,182,529	5,890,017	7,231,010
Capital project funds	9,689,200	5,724,934	2,745,547	1,370,878	2,228,198	1,220,786	2,487,471	2,817,863	1,148,208	4,083,957
Debt service funds	300,000	1,400,000	1,400,000	1,275,000	1,150,000	1,175,000	1,517,200	1,687,610	1,654,049	613,929
Total all other governmental funds	<u>\$ 17,863,066</u>	<u>\$ 11,065,846</u>	<u>\$ 8,445,221</u>	<u>\$ 6,322,316</u>	<u>\$ 7,272,455</u>	<u>\$ 8,792,482</u>	<u>\$ 9,430,144</u>	<u>\$ 19,928,092</u>	<u>\$ 12,471,143</u>	<u>\$ 12,631,971</u>

**Allegany County, Maryland**  
**Changes In Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Property taxes	\$ 26,028,928	\$ 26,205,688	\$ 26,949,364	\$ 26,823,761	\$ 27,527,977	\$ 28,460,485	\$ 29,786,204	\$ 30,740,703	\$ 32,434,203	\$ 35,262,339
Income taxes	17,007,620	19,177,773	18,441,780	19,391,155	21,536,150	21,472,667	22,103,548	23,977,520	24,859,124	25,429,319
Highway user taxes	4,025,755	4,108,731	4,207,379	3,942,972	3,360,759	3,688,177	4,813,872	4,823,654	4,643,174	4,023,284
Other local taxes	1,610,351	1,539,919	1,842,004	1,683,107	3,205,042	3,912,061	4,709,748	4,837,769	4,622,525	3,529,059
Licenses and permits	508,317	534,121	558,218	580,355	606,228	583,575	586,286	616,222	621,136	611,328
Intergovernmental:										
Federal	4,674,620	5,484,707	4,528,456	4,012,379	5,047,771	7,136,309	6,784,009	5,206,553	4,889,944	4,046,367
State	13,858,827	8,194,787	12,990,625	14,842,988	13,997,115	13,829,081	10,779,726	14,134,749	13,132,681	9,961,957
Other	95,310	55,526	110,275	135,025	269,579	495,599	561,733	399,757	328,351	354,708
Service charges	1,569,630	1,796,506	1,772,777	1,813,967	2,434,089	3,397,304	3,136,916	2,878,752	3,245,344	2,875,791
Fines and forfeitures	101,025	58,531	72,008	147,986	2,560	91,420	79,618	109,022	71,133	98,463
Interest	1,282,274	1,625,162	680,463	343,052	194,563	402,229	752,182	948,856	1,215,979	440,827
Miscellaneous	4,797,971	2,631,075	2,120,149	2,293,436	2,131,346	2,584,812	3,047,951	2,908,467	2,504,957	3,469,990
Total revenues	\$ 75,560,628	\$ 71,412,526	\$ 74,273,498	\$ 76,010,183	\$ 80,333,179	\$ 86,053,719	\$ 87,141,793	\$ 91,582,024	\$ 92,568,553	\$ 90,103,432
<b>Expenditures</b>										
General government	\$ 5,328,287	\$ 5,879,131	\$ 5,844,282	\$ 5,561,787	\$ 5,830,837	\$ 6,081,966	\$ 6,403,875	\$ 7,203,861	\$ 7,394,222	\$ 8,507,964
Public safety	6,551,254	7,895,973	8,526,503	9,882,124	10,531,391	11,845,960	13,162,203	13,340,006	14,769,517	15,177,619
Public works	7,524,526	8,873,426	8,582,583	9,914,877	8,184,441	9,318,237	11,014,386	10,483,049	12,772,343	11,598,782
Health and Hospitals	296,818	299,806	291,868	297,275	314,944	365,730	547,635	668,436	639,555	477,204
Social Services	1,778,194	2,719,978	2,821,402	3,217,712	3,340,700	3,153,780	2,481,137	2,267,955	2,199,074	1,825,634
Education	-	-	6,872	106,438	7,125	6,487	6,788	296,339	33,511	28,261
Recreation, culture and libraries	310,749	284,468	529,568	400,679	416,091	525,238	557,173	785,391	785,287	818,848
Conservation of natural resources	189,422	232,807	212,488	236,697	223,675	254,764	222,849	286,942	321,258	505,126
Community Development and Housing	1,269,185	1,360,449	1,485,712	1,362,694	1,640,267	1,981,444	1,666,589	1,535,517	1,790,426	1,987,093
Economic development	2,671,828	3,447,518	1,972,049	1,870,090	2,778,199	5,244,934	4,313,128	4,093,940	9,649,364	5,048,205
Miscellaneous	21,332	11,693	4,678	18,775	18,721	13,991	17,671	25,749	28,742	27,755
Appropriation to other governments	847,128	905,343	961,388	990,488	1,005,981	1,017,170	1,044,128	1,162,444	1,243,264	1,245,011
Capital Outlay	10,444,573	8,625,593	8,168,579	4,505,874	6,737,970	10,838,212	8,594,428	10,789,035	11,882,463	3,704,254
Debt Service										
Interest	2,648,162	2,530,986	2,178,629	2,027,073	1,839,382	1,624,695	1,442,163	1,317,568	1,791,147	1,830,204
Principal	3,606,289	3,777,228	3,936,483	4,090,571	4,221,604	4,005,632	4,716,262	4,213,086	4,892,495	4,728,665
Payments to Component Units	31,624,945	31,970,969	32,537,486	34,400,376	32,550,767	32,278,661	33,734,847	34,948,568	36,788,464	37,130,334
Total expenditures	\$ 75,112,692	\$ 78,815,368	\$ 78,080,570	\$ 78,883,330	\$ 79,642,095	\$ 88,556,911	\$ 89,925,262	\$ 93,417,886	\$ 106,981,132	\$ 94,640,959
Excess of revenues over (under)	\$ 447,936	\$ (7,402,842)	\$ (3,807,072)	\$ (2,873,347)	\$ 691,084	\$ (2,503,192)	\$ (2,783,469)	\$ (1,835,862)	\$ (14,412,579)	\$ (4,537,527)
Expenditures										
<b>Other Financing Sources (Uses)</b>										
Proceeds from borrowing	\$ 400,000	\$ -	\$ 322,680	\$ 63,710	\$ 588,607	\$ 2,258,256	\$ 149,483	\$ 14,141,516	\$ 5,237,697	\$ 4,663,719
Proceeds from refunding	-	-	9,683,148	-	-	-	-	-	-	-
Payments to escrow agent	-	-	(9,683,148)	-	-	-	-	-	-	-
Transfers in	12,503,364	11,504,826	10,704,292	10,516,889	11,735,629	14,107,776	10,558,497	12,204,383	11,082,801	13,684,810
Transfers from component units	-	-	-	65,050	-	390,603	-	-	-	-
Transfers out	-	-	(9,953,385)	(9,634,659)	(9,959,540)	(13,556,482)	(10,461,602)	(12,634,570)	(11,397,805)	(13,773,441)
Sale of capital assets	(11,900,806)	(12,298,277)	-	416,000	18,674	298,110	4,552,930	358,874	2,330,993	102,838
Total Other Financing Sources (Uses)	\$ 1,002,558	\$ (793,451)	\$ 1,073,587	\$ 1,426,990	\$ 2,383,370	\$ 3,498,263	\$ 4,799,308	\$ 14,070,203	\$ 7,253,686	\$ 4,677,926
Net Change in fund balances	\$ 1,450,494	\$ (8,196,293)	\$ (2,733,485)	\$ (1,446,357)	\$ 3,074,454	\$ 995,071	\$ 2,015,839	\$ 12,234,341	\$ (7,158,893)	\$ 140,399
Debt service as a percentage of noncapital expenditures	9.7%	9.0%	8.7%	8.2%	8.3%	7.2%	7.6%	6.7%	7.0%	7.2%



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# **REVENUE CAPACITY**

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**Allegany County, Maryland**  
**Assessed Value and Actual Value Of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year	Real Property		Real Property Total Direct Tax Rate	Personal Property		Corporate Personal Property		Totals		Personal & Corporate Personal Total Direct Tax Rate
	Market Value	Assessed Value		Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	
2000	1,986,596,538	794,638,615	0.9880	10,869,940	10,869,940	736,321,330	736,321,330	2,733,787,808	1,541,829,885	2.4700
2001	2,027,094,175	810,837,670	0.9840	8,839,920	8,869,920	662,748,955	662,748,955	2,698,683,050	1,482,456,545	2.4600
2002	2,072,981,398	2,072,981,398	0.9840	10,142,410	10,142,410	493,595,405	493,595,405	2,576,719,213	2,576,719,213	2.4600
2003	2,158,322,043	2,158,322,043	0.9838	10,417,090	10,417,090	360,582,630	360,582,630	2,529,321,763	2,529,321,763	2.4595
2004	2,223,185,344	2,223,185,344	1.0000	11,255,730	11,255,730	334,611,519	334,611,519	2,569,052,593	2,569,052,593	2.5000
2005	2,346,218,412	2,346,218,412	1.0007	10,253,280	10,253,280	351,375,290	351,375,290	2,707,846,982	2,707,846,982	2.5018
2006	2,439,119,223	2,439,119,223	1.0007	9,047,760	9,047,760	344,568,390	344,568,390	2,792,735,373	2,792,735,373	2.5018
2007	2,542,803,943	2,542,803,943	0.9829	8,701,450	8,701,450	358,861,080	358,861,080	2,910,366,473	2,910,366,473	2.4573
2008	2,762,960,350	2,762,960,350	0.9829	9,994,750	9,994,750	329,523,214	329,523,214	3,102,478,314	3,102,478,314	2.4573
2009	3,014,146,982	3,014,146,982	0.9829	6,519,060	6,519,060	320,952,870	320,952,870	3,341,618,912	3,341,618,912	2.4573

Source: Allegany County Finance Office & Allegany Tax Office

Note: Tax rates expressed in \$100 of assessed value  
Real property tax rate years 2001 and prior have been restated to a full cash value assessment

# **Allegany County, Maryland** **Schedule Of Real Property Tax Rates - Direct And Overlapping** **Last Ten Fiscal Years**

## **ALLEGANY COUNTY, MARYLAND** **SCHEDULE OF REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING** **LAST TEN FISCAL YEARS**

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b><u>Allegany County Direct Tax Rates</u></b>										
Barton	0.9552	0.9551	0.9494	0.9727	0.9724	0.9721	0.9520	0.9513	0.9520	0.9520
Cumberland	0.9074	0.9090	0.9087	0.9309	0.9248	1.0000	0.9838	0.9840	0.9040	0.9040
Frostburg	0.9107	0.9136	0.9111	0.9366	0.9305	0.9312	0.9128	0.9128	0.9120	0.9120
Lonaconing	0.9336	0.9333	0.9283	0.9548	0.9517	0.9535	0.9334	0.9330	0.9320	0.9320
Luke	0.9304	0.9302	0.9227	0.9516	0.9484	0.9498	0.9299	0.9287	0.9280	0.9280
Midland	0.9552	0.9551	0.9474	0.9727	0.9724	0.9721	0.9520	0.9513	0.9520	0.9520
Westernport	0.9336	0.9333	0.9263	0.9548	0.9517	0.9535	0.9344	0.9330	0.9320	0.9320
Unincorporated	0.9829	0.9829	0.9829	1.0007	1.0007	1.0000	0.9838	0.9840	0.9840	0.9880
<b><u>Municipal Direct Tax Rates</u></b>										
Barton	0.1981	0.2156	0.2220	0.2220	0.2220	0.2220	0.2260	0.2320	0.2320	0.2320
Cumberland	0.9654	0.9479	0.9479	0.9479	0.9479	0.8720	0.8720	0.8720	1.0400	1.0480
Frostburg	0.5540	0.5500	0.5500	0.5500	0.5500	0.5500	0.5000	0.5000	0.5000	0.5000
Lonaconing	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400
Luke	0.5500	0.5000	0.5000	0.5000	0.5500	0.3500	0.2400	0.2400	0.2400	0.2400
Midland	0.2800	0.2708	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800
Westernport	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
<b><u>Special Taxing Areas</u></b>										
<b><u>Sanitary Districts</u></b>										
Bedford Road	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.0880	0.0880
Bowling Green	0.2530	0.2530	0.2530	0.2530	0.2530	0.1580	0.1480	0.1480	0.1440	0.1560
Braddock Run	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0160
Cresaptown	0.3000	0.3000	0.3000	0.3000	0.3000	0.1600	0.0480	0.0480	0.0360	0.0360
Jennings Run - Wills Creek	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0320	0.0320
Cash Valley Subdistrict	0.2200	0.2200	0.2200	0.2200	0.2440	0.2440	0.2440	0.2440	0.2320	0.2440
McCoole	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400
Flintstone/ Gilpin	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Franklin/ Brophytown	0.0920	0.0920	0.0920	0.0920	0.0920	0.0920	0.0920	0.0920	0.0920	0.0920
Oldtown	0.0960	0.0960	0.0960	0.0960	0.0960	0.0960	0.0960	0.0960	0.0880	0.0880
George's Creek	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Mexico Farms	0.1840	0.1840	0.1840	0.1840	0.1840	0.1840	0.1840	0.1840	0.1840	0.2000
Oldtown Road	0.2400	0.2400	0.2400	0.2400	0.2600	0.2600	0.2600	0.2600	0.2600	0.3840
<b><u>Other Special Districts</u></b>										
Bedford Road Volunteer Fire Co	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Bel Air Special Tax Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Bowling Green and Roberts Place	0.0650	0.0650	0.0320	0.0320	0.0320	0.0320	0.0400	0.0320	0.0320	0.0320
Bowling Green Volunteer Fire Co	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Corriganville Light & Imp Assoc.	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Cresaptown Ambulance Taxing Area	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280
Cresaptown Civic Improvement Assoc	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0320	0.0320	0.0320	0.0320
Cresaptown Special Fire Tax Area	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Ellerslie Special Taxing Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
LaVale Sanitary Commission	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
LaVale Fire Department	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
LaVale Volunteer Rescue Squad	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
McCoole Special Taxing Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Moscow Special Taxing Area	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200
Mt Savage Special Taxing Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Potomac Park Citizens Committee	0.0450	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320
Rawlings Special Fire Tax Area	0.0800	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600

**Notes:**

Thirty special taxing areas have been established in the County. As provided by various statutes, taxes are levied and assessed within the special taxing areas to provide revenues for the amortization of bonded indebtedness of sanitary districts and to pay for fire protection, street lighting and other civic services.

All tax rates are per \$100 of assessed value. Years 2001 and prior have been restated to a full cash value assessment.

Source: Allegany County Finance Department, Maryland State Assessment Office

**Allegany County, Maryland**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value
AES WR Limited Partnership	\$ 116,589,518	1	3.44%	\$ 206,181,230	2	13.37%
New Page (Mead/Westvaco)	66,264,071	2	1.96%	320,778,490	1	20.81%
Potomac Edison Co	47,086,070	3	1.39%	55,413,100	3	3.59%
Verizon-Maryland (Bell Atlantic)	35,176,900	4	1.04%	44,893,970	4	2.91%
LaVale Associates	30,840,195	5	0.91%	12,855,920	6	0.83%
Columbia Gas of Maryland	21,931,400	6	0.65%	15,469,690	5	1.00%
CSX Transportation	21,298,486	7	0.63%	11,242,680	7	0.73%
Hunter Douglas Northeast, Inc.	15,719,478	8	0.46%			
Allegany Coal-Land	15,449,960	9	0.46%			
American Woodmark Corp	11,076,966	10	0.33%			
S. Company, Inc.				4,717,410	10	0.31%
Biederlack Of America Corp				6,384,080	8	0.41%
Superfos Packaging, Inc.				5,424,490	9	0.35%
<b>Total</b>	<b>\$ 381,433,044</b>		<b>11.25%</b>	<b>\$ 683,361,060</b>		<b>44.31%</b>

Source: Allegany County Tax and Utility Office

Note: Total county taxable assessed value includes real estate and personal property  
Largest assessed properties are not necessarily the largest taxpayer due to tax exemptions

**Allegany County, Maryland**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

**Real Property**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2000	18,779,731	17,392,441	92.61%	(104,919)	1,281,518	18,674,812	18,673,959	100.00%
2001	19,287,454	17,801,226	92.29%	(68,253)	1,417,099	19,219,201	19,218,325	100.00%
2002	19,739,787	18,208,781	92.24%	(81,748)	1,448,382	19,658,039	19,657,163	100.00%
2003	20,190,074	18,729,500	92.77%	(20,360)	1,439,338	20,169,714	20,168,838	100.00%
2004	21,239,040	19,838,116	93.40%	(22,067)	1,377,842	21,216,973	21,215,958	100.00%
2005	22,263,407	20,665,094	92.82%	(47,325)	1,549,873	22,216,082	22,214,967	99.99%
2006	23,311,852	21,694,064	93.06%	(19,536)	1,587,708	23,292,316	23,281,772	99.95%
2007	24,152,164	22,574,066	93.47%	(31,564)	1,531,861	24,120,600	24,105,927	99.94%
2008	26,296,828	24,418,173	92.86%	(39,949)	1,048,877	26,256,879	25,467,050	96.99%
2009	28,732,488	26,710,075	92.96%			28,732,488	26,710,075	92.96%

**Personal Property**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2000	259,145	204,901	79.07%	(53,276)	(769)	205,869	204,132	99.16%
2001	191,726	170,281	88.81%	4,679	23,106	196,405	193,387	98.46%
2002	240,872	195,019	80.96%	(19,402)	21,783	221,470	216,802	97.89%
2003	249,305	196,207	78.70%	(31,410)	14,852	217,895	211,059	96.86%
2004	274,789	216,817	78.90%	(30,761)	17,261	244,028	234,078	95.92%
2005	249,585	217,982	87.34%	(7,811)	15,467	241,774	233,449	96.56%
2006	221,878	201,105	90.64%	(6,196)	6,591	215,682	207,696	96.30%
2007	208,932	186,368	89.20%	(2,942)	8,958	205,990	195,326	94.82%
2008	240,950	143,066	59.38%	(69,177)	18,175	171,772	161,241	93.87%
2009	156,136	131,719	84.36%			156,136	131,719	84.36%

**Corporate Personal Property**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2000	17,560,034	17,393,342	99.05%	(117,334)	33,481	17,442,700	17,426,823	99.91%
2001	15,858,558	15,708,793	99.06%	(92,331)	49,300	15,766,227	15,758,093	99.95%
2002	11,671,917	11,416,395	97.81%	(49,931)	198,743	11,621,986	11,615,138	99.94%
2003	9,282,992	9,163,854	98.72%	(23,495)	82,490	9,259,497	9,246,344	99.86%
2004	8,897,728	8,790,614	98.80%	(275,105)	(189,525)	8,622,623	8,601,089	99.75%
2005	8,501,900	8,407,644	98.89%	(96,774)	(32,395)	8,405,126	8,375,249	99.64%
2006	8,408,395	8,276,381	98.43%	(22,605)	62,557	8,385,790	8,338,938	99.44%
2007	8,210,266	8,094,923	98.60%	(14,039)	48,770	8,196,227	8,143,693	99.36%
2008	7,921,091	7,814,936	98.66%	293,012	333,575	8,214,103	8,148,510	99.20%
2009	7,710,088	7,559,542	98.05%			7,710,088	7,559,542	98.05%

**Total Taxes Levied**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2000	36,598,910	34,990,684	95.61%	(275,529)	1,314,230	36,323,381	36,304,914	99.95%
2001	35,337,738	33,680,300	95.31%	(155,906)	1,489,506	35,181,832	35,169,806	99.97%
2002	31,652,576	29,820,195	94.21%	(151,081)	1,668,907	31,501,495	31,489,102	99.96%
2003	29,722,371	28,089,561	94.51%	(75,265)	1,536,680	29,647,106	29,626,241	99.93%
2004	30,411,557	28,845,547	94.85%	(327,932)	1,205,577	30,083,625	30,051,124	99.89%
2005	31,014,892	29,290,720	94.44%	(151,910)	1,532,945	30,862,982	30,823,665	99.87%
2006	31,942,125	30,171,550	94.46%	(48,337)	1,656,856	31,893,788	31,828,406	99.80%
2007	32,571,362	30,855,357	94.73%	(48,546)	1,589,589	32,522,816	32,444,946	99.76%
2008	34,458,868	32,376,175	93.96%	183,886	1,400,627	34,642,754	33,776,802	97.50%
2009	36,598,711	34,401,336	94.00%	-	-	36,598,711	34,401,336	94.00%

Source: Allegany County Tax and Utility Office & Allegany County Finance Office

# **DEBT CAPACITY**



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**Allegany County, Maryland**  
**Ratios Of Outstanding Debt By Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business -Type Activities								Total Primary Government	Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Term Notes	Capital Leases	State Loans	Water Term Notes	Water Federal Loans	Sanitary Capital Bonds	Sanitary Term Notes	Sanitary State Loans	Sanitary Federal Loans	Nursing Home Loans				
2000	41,215,000	1,145,756	145,619	8,808,593	251,041	1,685,463	-	1,207,983	2,181,089	2,190,587	-	58,831,131	3.78%	786	
2001	37,945,000	1,080,232	51,783	8,460,725	189,449	1,665,100	-	2,120,833	2,014,938	2,166,706	-	55,694,766	3.43%	748	
2002	35,115,000	1,013,492	82,761	8,046,052	122,832	3,303,469	-	1,792,880	1,840,612	1,079,369	-	52,396,467	3.15%	707	
2003	31,580,000	941,011	41,978	7,667,455	50,779	3,263,926	-	1,455,938	1,842,994	1,064,987	-	47,909,068	2.82%	649	
2004	27,945,000	864,699	-	7,787,748	4,811	3,326,911	-	172,977	8,432,882	1,049,890	-	49,584,918	2.80%	670	
2005	26,596,000	784,473	112,435	7,357,164	3,130	4,103,242	-	115,294	10,177,907	1,034,042	525,000	50,808,687	2.70%	690	
2006	22,944,000	699,910	206,123	6,433,258	156,183	4,218,791	-	77,435	10,137,902	1,017,406	501,088	46,392,096	2.40%	639	
2007	28,532,000	5,610,818	126,929	5,941,976	475,717	4,161,123	-	19,503	10,012,618	3,790,944	475,926	59,147,554	3.00%	815	
2008	24,949,597	10,253,745	288,444	5,065,139	445,537	4,449,625	-	19,169	9,489,761	3,363,826	449,448	58,774,291	2.90%	814	
2009	25,787,011	9,815,243	259,423	4,630,302	414,419	4,379,776	-	18,819	13,269,238	3,323,335	421,585	62,319,151	3.00%	863	

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements  
Population and Per Capita Income information provided on Demographic and Economic Statistics Chart

Source: Allegany County Finance Office and Bureau Of Economic Analysis

**Allegany County, Maryland**

## Ratios of General Obligation Debt Outstanding

### Last Ten Fiscal Years

## General Obligation Debt Outstanding

Fiscal Year	General Obligation Bonds	Percentage of		Debt Per Capita
		Taxable Value of Property	Actual Taxable Value of Property	
2000	41,215,000	1,541,829,885	2.67%	550.86
2001	37,945,000	1,482,426,545	2.56%	509.68
2002	35,115,000	2,576,719,213	1.36%	474.15
2003	31,580,000	2,529,321,763	1.25%	427.53
2004	27,945,000	2,569,052,593	1.09%	377.64
2005	26,596,000	2,707,846,982	0.98%	361.17
2006	22,944,000	2,792,735,373	0.82%	315.98
2007	28,532,000	2,910,366,473	0.98%	392.99
2008	24,949,597	3,102,478,314	0.80%	345.38
2009	25,787,011	3,341,618,912	0.77%	357.16

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements  
Long-term compensated absences payable balances are not included in this schedule

Source: Allegany County Finance Office and Bureau Of Economic Analysis

# **Allegany County, Maryland** **Legal Debt Margin Information** **Last Ten Fiscal Years**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Population	74,819	74,449	74,059	73,867	73,999	73,639	72,613	72,603	72,238	72,000
Inmate population excluded	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279
Net population for debt limit	71,540	71,170	70,780	70,588	70,720	70,360	69,334	69,324	68,959	68,721
Debt Per Capita	585	585	585	585	585	585	585	585	585	585
Debt Limit	41,850,900	41,634,450	41,406,300	41,293,980	41,371,200	41,160,600	40,560,390	40,554,540	40,341,015	40,201,785
Total Net Debt applicable to limit	51,314,968	47,537,740	44,257,305	40,230,444	36,597,447	34,850,072	30,283,291	40,211,723	40,556,925	40,491,979
Legal Debit Margin	(9,464,068)	(5,903,290)	(2,851,005)	1,063,536	4,773,753	6,310,528	10,277,099	342,817	(215,910)	(290,194)
Total net debt applicable to the limit as a percentage of debt limit	122.6%	114.2%	106.9%	97.4%	88.5%	84.7%	74.7%	99.2%	100.5%	100.7%

Source: Bureau of Economic Analysis, U.S. Census Bureau & Allegany County Finance Office

County debt policy dated May 1996

# **Allegany County, Maryland** **Pledged-Revenue Coverage** **Last Ten Fiscal Years**

## **SANITARY DISTRICTS**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2009	5,981,203	5,114,760	866,443	727,580	283,759	1,011,339	0.86
2008	5,756,775	(4)	535,496	786,386	233,002	1,019,388	0.53
2007	6,800,108	5,835,667	964,441	750,057	233,277	983,334	0.98
2006	6,390,329	5,189,019	1,201,310	436,091	190,715	626,806	1.92
2005	6,138,374	4,705,332	1,433,042	342,541	206,399	548,940	2.61
2004	5,380,331	4,121,055	1,259,276	379,008	(3)	598,149	2.11
2003	5,196,676	4,135,237	1,061,439	534,257	253,771	788,028	1.35
2002	5,322,012	3,870,291	1,451,721	515,979	288,075	804,054	1.81
2001	5,225,033	3,805,192	1,419,841	477,182	301,188	778,370	1.82
2000	4,717,029	3,407,505	1,309,524	504,396	333,245	837,641	1.56

## **WATER DISTRICTS**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2009	2,866,797	2,395,589	471,208	100,967	211,276	312,243	1.51
2008	2,585,222	(4)	485,542	97,009	215,232	312,241	1.56
2007	1,417,547	1,053,569	363,978	60,953	195,878	256,831	1.42
2006	1,430,789	1,068,917	361,872	55,436	181,207	236,643	1.53
2005	1,180,132	833,099	347,033	48,352	158,073	206,425	1.68
2004	1,124,973	909,646	215,327	87,484	144,383	231,867	0.93
2003	1,073,757	878,777	194,980	111,596	150,978	262,574	0.74
2002	1,043,256	826,387	216,869	101,883	139,236	241,119	0.90
2001	754,227	682,149	72,078	81,955	87,478	169,433	0.43
2000	606,260	565,537	40,723	70,515	76,905	147,420	0.28

- 1 - Total revenues includes interest, but does not include capital grants or gain/loss on sale of assets
- 2 - Total operating expenses less depreciation and interest expense
- 3 - Does not include principal payments of \$1,111,052 paid with debt proceeds from current refunding.
- 4 - Beginning FY 08, several combined water/sewer departments were split into separate water districts and separate sewer districts instead of being reported totally as a sewer department, therefore creating large variances when comparing to prior years

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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**Allegany County, Maryland**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

<u>Year</u>	<u>Population</u>	<u>Personal Income In 000s</u>	<u>Per Capita Personal Income</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate</u>
2000	74,819	1,556,953	20,810	10,678	5.90%
2001	74,449	1,623,601	21,808	10,425	6.70%
2002	74,059	1,661,981	22,441	10,180	6.50%
2003	73,867	1,701,416	23,034	10,128	6.30%
2004	73,999	1,785,371	24,127	9,926	6.40%
2005	73,639	1,884,432	25,590	9,840	6.50%
2006	72,613	1,897,150	26,127	9,715	5.59%
2007	72,603	1,974,017	27,189	9,526	5.20%
2008	72,238	2,013,497 (b)	27,873	9,221	5.80%
2009	72,200 (a)	2,053,767 (b)	28,446	9,157	8.90%

Source - Population, personal income and per capita - Bureau of Economic Analysis  
Public School Enrollment - Allegany County Board Of Education  
Unemployment Rate - Maryland Department Of Labor, Licensing and Regulation

(a) Estimated

(b) Estimated based on 2% growth



**Allegany County, Maryland  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2009</b>			<b>2000</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>
Western Maryland Health Systems	2,460	1	7.33%	2,300	1	7.00%
ATK Tactical Systems	1,453	2	4.33%	-		
Allegany County Board Of Education	1,424	3	4.25%	1,233	3	3.75%
New Page Corporation (Westvaco)	994	4	2.96%	1,500	2	4.57%
Frostburg State University	916	5	2.73%	825	5	2.51%
CSX Transportation	800	6	2.38%	1,000	4	3.04%
Allegany County Government	599	7	1.79%			
ACS, Inc.	587	8	1.75%			
Hunter Douglas	558	9	1.66%	487	7	1.48%
Western Correctional Institution	557	10	1.66%	600	6	1.83%
Allegany College				425	9	1.29%
Biederlack				389	10	1.18%
Bayliner Marine Corp				474	8	1.44%
<b>Total</b>	<b>10,348</b>		<b>30.85%</b>	<b>9,233</b>		<b>28.10%</b>

Source: Allegany County Economic Development Office and Maryland Department of Business & Economic Development.

# **OPERATING INFORMATION**

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**Allegany County, Maryland**  
**Full-time Equivalent County Government Employees**  
**by Function/Program**  
**Last Seven Fiscal Years (a)**

Function/Program	Full-time Equivalent Employees as of June 30						
	2003	2004	2005	2006	2007	2008	2009
General Government							
Commissioners & Staff	7.0	7.0	7.0	7.0	8.0	8.0	8.0
Judicial	28.5	26.5	27.3	27.3	28.0	28.6	28.6
Finance	9.3	9.3	9.3	9.6	9.6	9.6	9.6
Tax Office	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Maintenance	16.1	15.5	16.5	16.1	16.4	16.2	15.7
Other	33.3	35.8	28.7	32.1	38.6	40.8	43.7
Public Safety							
Sheriff	27.0	24.0	27.9	31.6	33.2	29.4	28.3
Detention Center	78.5	79.8	84.8	85.3	85.0	85.5	86.0
911	17.2	19.3	21.0	25.0	24.6	25.2	26.2
Other	5.1	1.1	13.9	13.1	13.4	21.9	23.5
Public Works							
Roads division	76.3	76.3	74.5	74.5	74.5	75.7	75.7
Engineering	18.3	18.2	16.7	15.4	16.5	16.3	16.3
Solid Waste	5.5	5.4	5.4	5.4	5.3	5.3	5.3
Transit	27.1	27.1	27.1	29.6	32.7	33.0	31.9
Health and Hospitals	3.3	3.3	3.3	3.3	2.3	2.0	2.0
Social Services	6.0	7.0	7.0	1.0	1.0	1.0	1.0
Recreation, culture, libraries, tourism	1.0	5.0	2.0	2.0	2.0	2.0	2.0
Conservation of natural resources	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Community Development and Housing	5.3	4.3	5.6	5.6	4.3	4.3	4.3
Economic Development	8.2	9.4	9.1	10.1	7.2	7.5	8.3
Sanitary	23.5	23.5	23.0	24.0	25.0	25.0	26.0
Nursing Home	150.0	150.0	161.5	165.5	152.1	150.5	147.5
Total	556.0	557.3	581.1	593.0	589.2	597.3	599.4

(a) Information required upon implementation of GASB Statement No. 34 for fiscal year 2003.

Source: Allegany County Finance Office-Budget

# Allegany County, Maryland

## Operating Indicators By Function/Program

### Last Seven Fiscal Years (a)

Function/Program	2003	2004	2005	2006	2007	2008	2009
General Government							
Average number of tax bills issued	38,000	38,020	38,060	38,130	38,124	38,419	38,454
Number of building permits issued	421	479	469	424	460	410	372
Public Safety							
Total Number of arrests	1,430	1,505	1,341	1,246	608	1,060	1,491
Total Number of traffic stops	1,157	199	613	1,527	1,153	1,167	1,840
Average number of inmates	176	180	180	172	179	203	168
Number of Volunteer Fire Stations	23	23	23	23	23	23	23
Public Works							
Miles of roads maintained	544	544	544	544	544	544	544
Street resurfacing (miles)	56	47	35	23	31	30	30
Recycling, total tons (calendar year)							
Social Services	20,577	20,058	22,468	24,685	23,925	25,121	Not Available
Transit route miles	538,567	470,456	445,957	500,772	675,570	502,317	446,420
Transit passengers	88,650	99,441	94,813	119,027	138,131	179,555	189,004
Community Development and Housing							
Number of families' rent subsidized	253	274	253	262	267	190	198
Low-Income Housing loans issued	42	32	43	36	43	21	35
Sanitary							
Average number of sanitary/water customers	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Nursing Home							
Total Number of Beds Available, Annually	55,845	55,998	55,845	55,845	55,845	55,998	55,845
Number of Beds Occupied Annually	49,660	51,427	48,701	47,422	48,400	47,512	48,692
Occupancy Rate, Annual	89%	92%	87%	85%	86%	85%	87%
Gaming							
Games Sold	N/A	39,935 *	50,870	49,901	48,800	43,056	36,206
Operators Licensed	N/A	79 *	94	100	79	83	85
Inspections Conducted	N/A	1,200 *	1,180	1,035	965	972	921

\*Only in operation for 7 months of the fiscal year

(a) Information required upon implementation of GASB Statement No. 34 for fiscal year 2003.

Source: Various County Departments

# **Allegany County, Maryland** **Capital Asset Statistics by Function/Program** **Last Seven Fiscal Years (a)**

Function/Program	2003	2004	2005	2006	2007	2008	2009
General Government							
Number of major buildings maintained	10	10	10	10	11	11	11
Public Safety							
Number of police stations	1	1	1	1	1	1	2
Number of patrol vehicles	12	13	20	20	20	20	29
Public Works							
Miles of roads maintained	544	544	544	544	544	544	544
Average number of highway vehicles	140	140	140	140	140	140	140
Number of Garages-Roads Dept	4	4	4	4	4	5	5
Number of operating transit buses	9	9	9	10	10	11	14
Economic Development							
Number of Industrial parks	8	8	8	8	8	8	8
Number of Buildings leased	14	14	14	14	15	12	10
Sanitary							
Sanitary/Water (miles)	175	175	175	175	175	175	175
Number of Wastewater Treatment plants	6	6	6	6	6	6	6
Number of Water Storage Tanks	6	6	6	6	6	6	6
Nursing Home							
Number of buildings maintained	1	1	1	1	1	1	1

Source: Various County Departments

(a) Information required upon implementation of GASB Statement No. 34 for fiscal year 2003.

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