Allegany County, Maryland

Comprehesive Annual Financial Report

For the Fiscal Year Ended on June 30, 2014

Allegany County Board of County Commissioners

Michael W. McKay, *President*
Creade V. Brodie, Jr., *Commissioner*
William R. Valentine, *Commissioner*
David A. Eberly, *County Administrator*

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Parris N. Glendening Recreation Complex, Frostburg, Maryland Photograph by Dan Beachy

ALLEGANY COUNTY, MARYLAND

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR
JULY 1, 2013 - JUNE 30, 2014

Prepared by:
The Allegany County Finance Office
Jason M. Bennett, CPA, Director

ALLEGANY COUNTY, MARYLAND
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

ALLEGANY COUNTY, MARYLAND
Finance Office

701 Kelly Road, Suite 205, Cumberland, Maryland 21502
(301) 777-5916 FAX (301) 777-2072
finance@allconet.org www.gov.allconet.org

BOARD OF COMMISSIONERS

Michael W. McKay, ***President***
Creade V. Brodie, Jr.
William R. Valentine

Jason Bennett, CPA, ***Director of Finance***

December 5, 2014

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, 2014, 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, 2014, 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, 2014, 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 2000 census showed a population of 74,930; according to the 2010 Census, the population is 75,087 for the County. The County seat and principal city is Cumberland, with a 2010 population of 20,859.

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 Public Works, the Director of Finance, the Director of Economic and Community 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 decreased from 8.6% at June 30, 2013 to 7.2% at June 30, 2014. 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 35,827. 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 2014 the County borrowed $ 405,511 for water and sewer projects; $17,605 for the Mount Savage Water project, Rawlings Water Project $190,000, and Bedford Road/Jennings Run Sewer Project, $197,906

Major initiatives: As part of the 2014 Capital Improvement Program, the Commissioners approved funding for a new, approximately 800 seat Allegany High School to be constructed beginning in FY 2015, which will replace what is currently the oldest active high school building in the State of Maryland.

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, 2013. This was the twenty-first consecutive year that the government has achieved 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 Pamela S Diaz, 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,

Jason M. Bennett, CPA
Director of Finance

Government Finance Officers Association

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, 2013

Executive Director/CEO

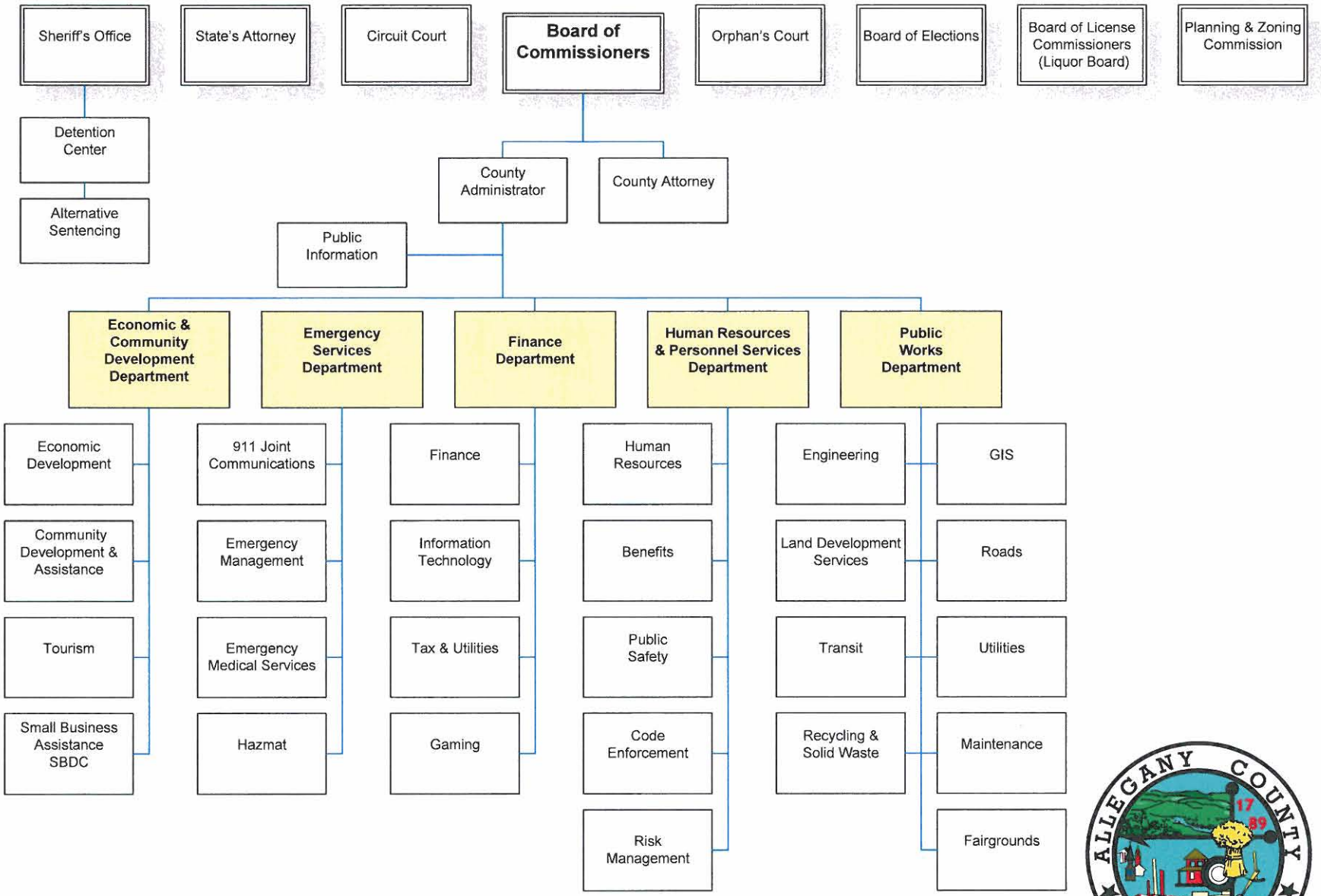
Allegany County, Maryland
Summary of Certain Officials
June 30, 2014

Board of Commissioners

Michael W. McKay, President
Creade V. Brodie Jr., Commissioner
William R. Valentine, Commissioner

County Administrator	David A. Eberly
Clerk of the Board	David A. Eberly
Director of Finance	Jason M. Bennett, CPA
Director of Public Works	Paul F. Kahl, P.E.
Director of Economic & Community Development	Matthew W. Diaz
Director of Interagency Data Processing	Nilufer H. Grove
Director of Human Resources & Personnel Services	Brian P. Westfall
Sheriff	Craig A. Robertson
State's Attorney	Michael O. Twigg, Esquire
County Attorney	William M. Rudd, Esquire
Election Administrator	Diane L. Loibel
Health Officer	Sue V. Raver, M.D., M.P.H.

Allegany County, Maryland 2014 Organization Chart



FINANCIAL SECTION

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 AUDITORS' 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, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Allegany County Board of Education, the LaVale Sanitary Commission, and the Allegany County Library System which represent 70 percent, 69 percent, and 76 percent, respectively, of the assets, net position, and revenues of the component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Allegany County Board of Education, the LaVale Sanitary Commission, and the Allegany County Library System, is based solely on the reports 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 from material misstatement.

MEMBERS: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND MARYLAND ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

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

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

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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages B-1 through B-10, the schedule of funding progress for other post-employment benefits on page D-3, and the budgetary comparison information on pages D-4 through D-12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Allegany County, Maryland's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, 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 nonmajor fund financial statements and budget and actual schedules for nonmajor governmental funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual nonmajor fund financial statements and budget and actual schedules for nonmajor governmental funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 5, 2014, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Allegany County, Maryland's internal control over financial reporting and compliance.

Turnbull, Hoover & Kahl, P.A.

Cumberland, Maryland
December 5, 2014

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, 2014. 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 $194.7 million (*net position*). Of this amount, $166.3 million is net investment in capital assets and $3.3 million is restricted for specific purposes (restricted net position). The County's total unrestricted net position is $25.1 million. This total unrestricted net position amount includes $24.1 million from governmental activities, and unrestricted net position balance from business-type activities of $1 million.
- The government's total net position increased by $10 million or 5.5%. The governmental net position increased $4.7 million (or 4.7%). Business-type net assets increased by $ 5.3 million (or 6%) during the year. Beginning net position for the governmental funds was restated by $ 86,823 for various prior period adjustments, see footnotes for detail.
- As of the close of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of $38.5 million, an increase of $ 4.4 million in comparison with the prior year. The increase was due largely to all departments either staying within budget or under budget. Approximately 48.1% of the ending fund balance, $18.5 million, *is available for spending* at the government's discretion (*unassigned fund balance*), $1.2 million is nonspendable, $3.1 million is restricted, $10.8 million is committed to certain programs and $4.9 million is assigned to specific programs.
- Allegany County's governmental activity outstanding debt decreased by $3.9 million (or 17%) during the current fiscal year. The County's business-type debt decreased by $.9 million (or 3%).

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 position* presents information of all of Allegany County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 and Allconet II.

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 . Detail financial information on the component units can be found on their separately issued financial statements.

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 of 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 sixteen 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 and the revolving building fund, both of which are considered to be major funds. Data from the other fourteen 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-C20 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, loan fund, and the Allconet II 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 and sewer 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 C21-62 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 and the Revolving Building which are reported as major funds. Required supplementary information can be found on pages D3-12 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 E4-50 of this report.

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

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 $194.7 million at the close of the most recent fiscal year.

By far the largest portion of Allegany County's net position ($166.3 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 POSITION

	Governmental Activities		Business-type Activities		Total	
	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013
Assets:						
Current and other assets	$ 49,730,640	$ 46,377,027	$ 4,963,718	$ 5,466,067	$ 54,694,358	$ 51,843,094
Capital assets	83,640,990	86,784,521	118,665,627	113,382,159	202,306,617	200,166,680
Total assets	133,371,630	133,161,548	123,629,345	118,848,226	257,000,975	252,009,774
Liabilities:						
Current and other liabilities	9,526,236	11,302,349	3,808,497	3,497,213	13,334,733	14,799,562
Long-term liabilities outstanding	19,177,529	22,007,100	29,810,534	30,675,739	48,988,063	52,682,839
Total liabilities	28,703,765	33,309,449	33,619,031	34,172,952	62,322,796	67,482,401
Net position:						
Net investment in capital assets	77,576,485	78,548,257	88,732,280	82,603,601	166,308,765	161,151,858
Restricted	3,030,834	3,083,383	261,383	288,615	3,292,217	3,371,998
Unrestricted	24,060,546	18,220,459	1,016,651	1,783,058	25,077,197	20,003,517
Total net position	$ 104,667,865	$ 99,852,099	$ 90,010,314	$ 84,675,274	$ 194,678,179	$ 184,527,373

An additional portion of Allegany County's net position (1.7%) represents resources that are subject to external restrictions on how they may be used. The County has an *unrestricted net position* balance of $25 1 million. The *unrestricted net position* balance for the governmental activities was $24.1 million and the business-type activities have a balance of $1 million.

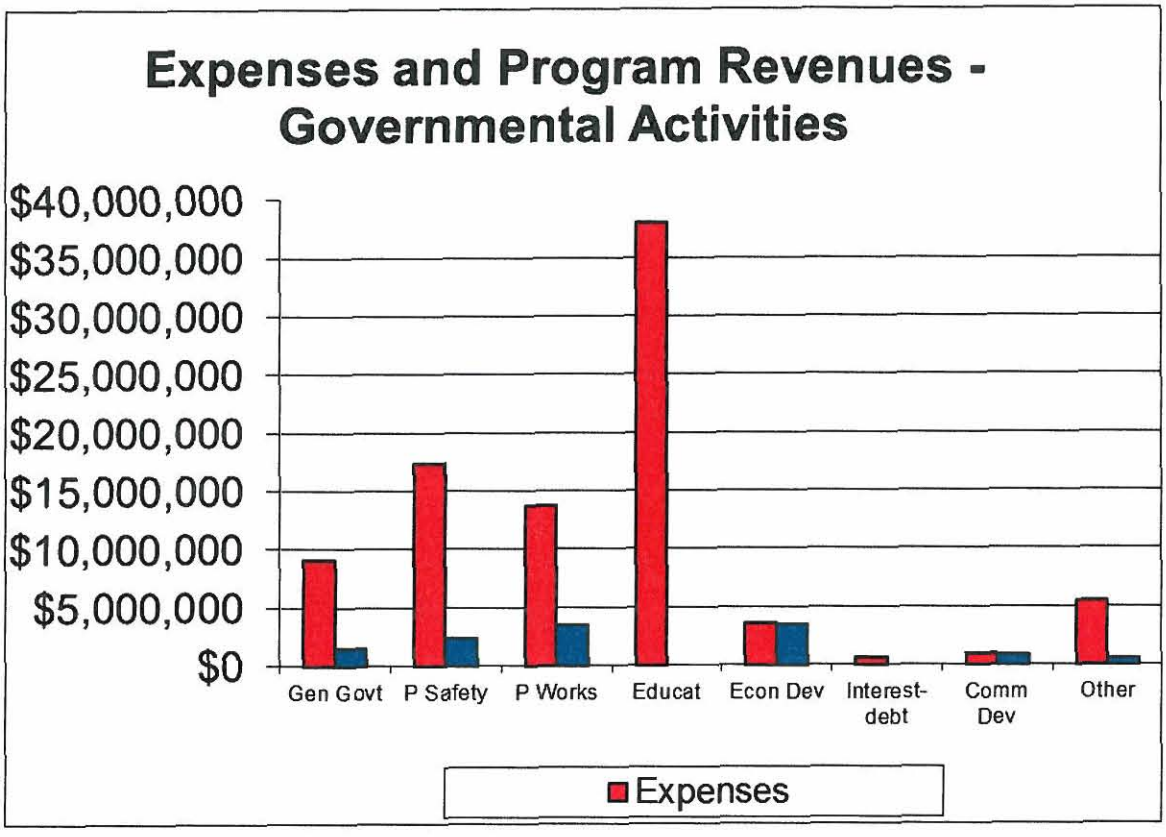
During the current fiscal year, the government's net position increased by $10 million. Revenues increased by approximately $ 5.6 million to $112.3 million while expenses increased by $3.1 million from the prior year to $102.3 million.

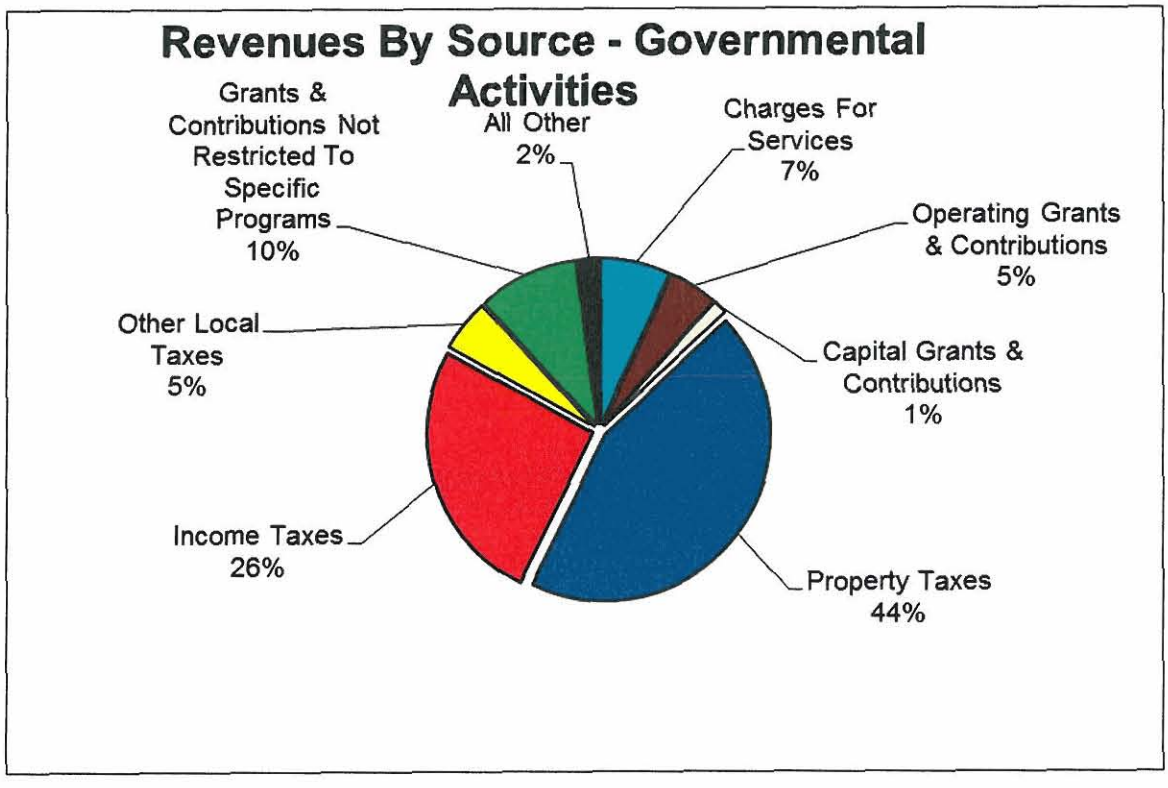
ALLEGANY COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
Revenues:	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013
Program revenues:						
Charges for services	$ 6,387,336	$ 6,402,096	$ 9,961,941	$ 9,413,649	$ 16,349,277	$ 15,815,745
Operating grants and contributions	4,470,054	5,100,079	-	-	4,470,054	5,100,079
Capital grants and contributions	1,296,010	368,323	7,473,345	3,908,635	8,769,355	4,276,958
General revenues:						
Property taxes	41,334,050	40,882,732	1,019,069	986,573	42,353,119	41,869,305
Income taxes	24,169,537	24,460,225	-	-	24,169,537	24,460,225
Other local taxes	4,339,620	4,011,282	-	-	4,339,620	4,011,282
Franchise taxes	414,862	415,158	-	-	414,862	415,158
Grants and contributions not restricted to specific programs	9,172,991	8,940,541	-	-	9,172,991	8,940,541
Unrestricted fees	-	-	-	-	-	-
Unrestricted investment earnings	1,745,196	868,087	208,641	309,448	1,953,837	1,177,535
Gain on sale/retirement of capital assets	18,915	387,597		-	18,915	387,597
Miscellaneous	323,216	208,120	22,533	103,661	345,749	311,781
Total revenues	93,671,787	92,044,240	18,685,529	14,721,966	112,357,316	106,766,206
Expenses:						
General government	8,744,578	9,087,290	-	-	8,744,578	9,087,290
Payment to data processing	332,996	358,754	-	-	332,996	358,754
Public safety	17,406,223	16,640,877	-	-	17,406,223	16,640,877
Public works	13,699,606	12,250,869	-	-	13,699,606	12,250,869
Health	1,967,479	1,966,200	-	-	1,967,479	1,966,200
Social services	1,568,214	1,553,615	-	-	1,568,214	1,553,615
Education	682,409	640,888	-	-	682,409	640,888
Payment to public school system	29,770,045	29,391,958	-	-	29,770,045	29,391,958
Payment to community college	7,555,000	7,425,000	-	-	7,555,000	7,425,000
Recreation, culture & libraries	722,533	884,822	-	-	722,533	884,822
Payment to public library system	940,000	905,000	-	-	940,000	905,000
Conservation of natural resources	287,362	240,204	-	-	287,362	240,204
Community development & housing	915,289	1,033,325	-	-	915,289	1,033,325
Economic development	3,602,112	2,548,509	-	-	3,602,112	2,548,509
Interest on long-term debt	581,199	987,503	-	-	581,199	987,503
Water	-	-	4,344,329	4,270,963	4,344,329	4,270,963
Sewer	-	-	8,986,494	8,622,450	8,986,494	8,622,450
Nursing Home	-	-	-	-	-	-
Other proprietary funds	-	-	187,465	353,648	187,465	353,648
Total expenses	88,775,045	85,914,814	13,518,288	13,247,061	102,293,333	99,161,875
Increase in net position before transfers	4,896,742	6,129,426	5,167,241	1,474,905	10,063,983	7,604,331
Transfers	(167,799)	(93,464)	167,799	93,464	-	-
Increase (decrease) in net position	4,728,943	6,035,962	5,335,040	1,568,369	10,063,983	7,604,331
Net position, beginning, restated	99,938,922	93,816,137	84,675,274	83,106,905	184,614,196	176,923,042
Net position, ending	$ 104,667,865	$ 99,852,099	$ 90,010,314	$ 84,675,274	$ 194,678,179	$ 184,527,373

Governmental activities. Governmental activities increased Allegany County's net assets by $4.7 million. Total revenues increased $ 1.6 million (or 1.7%) and expenses increased $ 2.9 million (or 3.3%). Key elements of the changes in governmental net assets are as follows:

- State grants increased $ 1.1 million largely due to new revenue stream from a casino that started operations in Allegany County in April, 2013.
- Increase in real estate taxes due to huge swing in deferred revenue that was created by having a tax sale based on 4 years past due instead of 3 years. There was not a tax sale in FY 2013.


Expenses and Program Revenues - Governmental Activities
$40,000,000
$35,000,000
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
Gen Govt
P Safety
P Works
Educat
Econ Dev
Interest-debt
Comm Dev
Other
Expenses

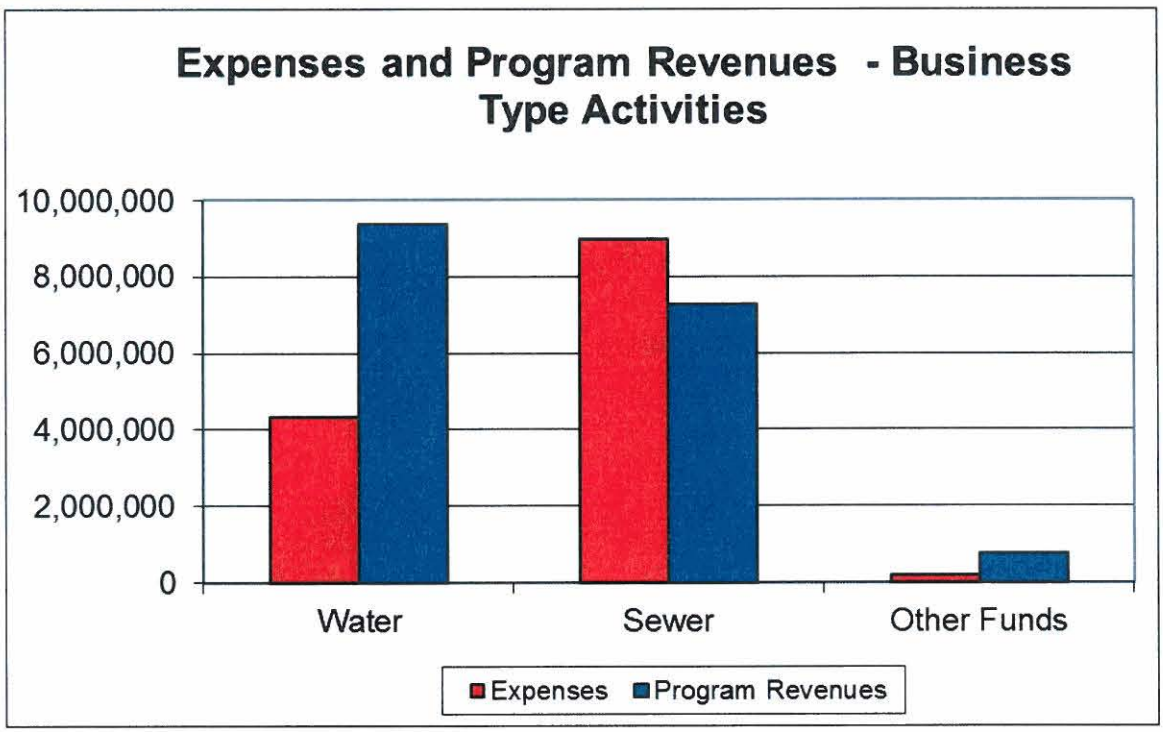

Revenues By Source - Governmental Activities
Grants & Contributions Not Restricted To Specific Programs 10%
All Other 2%
Charges For Services 7%
Operating Grants & Contributions 5%
Other Local Taxes 5%
Capital Grants & Contributions 1%
Income Taxes 26%
Property Taxes 44%

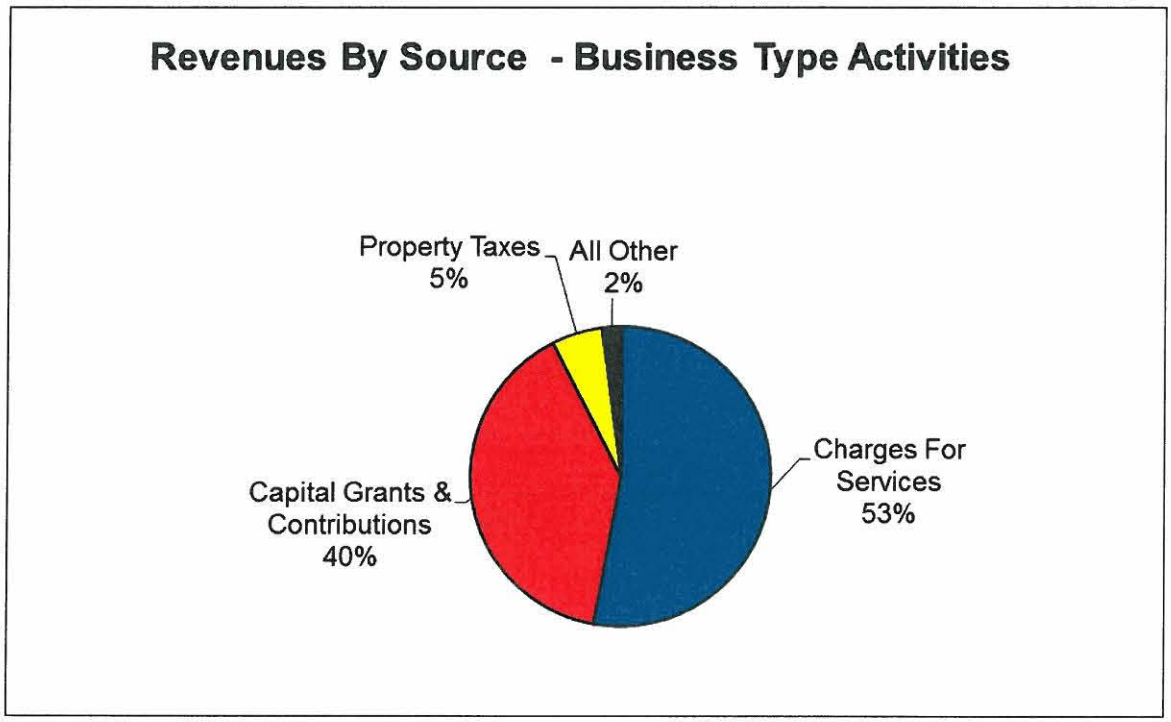
The increase in governmental expenses of $ 2.9 million (or 3.3%) was the result of the following:

- Increase in mandated education funding of $ 400,000 increase to Allegany College of $ 130,000, as well as new education funding from Rocky Gap Slots Revenue Fund in the amount of $ 560,000
- Increase in public works spending largely due to $ 1 million in road repairs and "pot-hole" repairs.

Business-type activities. The net position of the County's business-type activities increased by $ 5.3 million after transfers. Key elements of the increase were:

- Total business-type service charges and related interest income increased approximately $ 450,000. Capital grants increased $ 3.6 million due to new major water/sewer projects.
- Overall expenditures remained relatively the same. Water and sewer costs combined increased $ 393,000 due to increase in treatment costs and repairs and maintenance. At the same time, expenditures in other business type activities decreased $ 166,000 largely due to major assets reaching full deprecation in FY 14 and therefore, depreciation expense dropped $ 110,000 during the current fiscal year.





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, *unassigned* 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 balance of $38.5 million, an increase of $ 4.4 million in comparison with the prior year. Approximately 48.1 percent of this total amount ($18.5 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Other fund balance classifications are;

- Nonspendable – amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact - $1.2 million
- Restricted – amounts restricted to specific purposes by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation - $3.1 million.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County's Board of Commissioners. - $ 10.8 million.
- Assigned – amounts which are intended to be used for specific purposes as constrained by the action of the Board or by the Director of Finance - $4.9 million.

The general fund is the chief operating fund of Allegany County. At the end of the current fiscal year, *unassigned fund balance* of the general fund was $18.7 million, out of a total fund balance of $23.5 million. As a measure of the general fund's liquidity, it may be useful to compare both *unassigned fund balance* and total fund balance to total fund expenditures. *Unassigned fund balance* represents 24.1 percent of total general fund expenditures, while total fund balance represents 30.3 percent of that same amount.

Key factors in the $ 4.4 million increase in the governmental fund balances are:

The fund balance of Allegany County's general fund increased $3.7 million; which was the result of:

- Property tax revenues increased over $ 3 million.
- Expenditures for operating departments of the County saw small increases or, in most cases, realized a decrease in the amounts spent from the previous year. The Board of Commissioners had made a request for all County departments to voluntary reduce their costs which many were able to achieve. The overall increase of expenditures in the amount of $ 834,000 was due in part to increased spending in the roads/highway department in the amount of $ 700,000 for supplies and "pot-hole" repairs.

The Revolving Building Fund, another major fund, reported an increase in fund balance of $1.6 million. Revenues decreased ($ 1.9 million or 30%) due to decrease in sale of building proceeds from $ 2.5 million in FY 2013 to $ 600,000 in FY 2014. Expenditures increased in the amount of $ 341,000. The increase in expenditures was largely the result of land purchases and expenditures for County fiber connection.

The non-major governmental funds fund balance decreased by $ 938,467. Most of the decrease, $ 890,000 was additional spending in the capital project funds for projects such as road paving projects and construction of new public safety-sheriff building.

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 position at year end and the change in net position during the current year are highlighted below:

	Water Districts	Sanitary Districts	Other Enterprise Funds	Totals
Net position:				
Net investment in capital assets	$ 28,689,034	$ 59,317,419	$ 725,827	$ 88,732,280
Restricted for debt service	-	261,383	-	261,383
Unrestricted	1,879,901	(2,261,741)	1,398,492	1,016,652
Total net position	$ 30,568,935	$ 57,317,061	$ 2,124,319	$ 90,010,314
Change in net position during the year, increase (decrease)	$ 5,130,369	$ (454,698)	$ 659,369	$ 5,335,040

Other factors concerning the finances of these three 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 $ 483,157 (includes other sources and uses) to a revised total of $83.1 million, which was the final amended budget. Significant changes between the original budget and the final amended budget are summarized as follows:

- Budget was increased during the year in order to account for $228,151 for pot hole grant/repairs
- The public safety budgets increased $139,915 for grant awards.
- Budget was increased $ 115,088 for increase in receipt of recordation taxes, which was used to pay for employee vacation buy-back program.

Revenues exceeded budgetary estimates by $ 2.5 million and actual expenditures were less than budgetary estimates by $ 1.4 million.

- Property taxes exceeded the budget by $ 2.8 million. The increase was largely due to tax sale and the generation of additional interest collected.

- General government expenditures had a favorable variance of $ 1.2 million. The larger favorable variances were: financial administration - $368,000. Almost all operating departments finished well within budget and overall personnel cuts were made.

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, 2014 was $202 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 1 percent (a 3.1 percent decrease for governmental activities and a 4.6 percent increase for business-type activities).

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

- Design and construction on the Clarysville Water Distribution Water Project with a total cost incurred of $1.1 million was capitalized during the fiscal year.
- Major design and construction began on Braddock Run sewer system during the fiscal year at a cost of $1.1 million and work on Corrigansville Pump Station was completed with a cost of $ 1.1 million which was capitalized during the fiscal year.
- Sale of RBF building, with an adjusted cost basis of $ 1.4 million, was the major reason governmental assets decreased.

Additional information on Allegany County's capital assets can be found in the notes to the financial statements, note 7 on pages C-42 through C-43 of this report.

Long-term debt. At the end of the current fiscal year, Allegany County had total debt outstanding of $49.8 million. Governmental activities debt consists of $18 million in general obligation bonds including premium and $1.8 million of debt incurred with creditors for which the full faith and credit of the County has also been pledged. The $30 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	
	2014	2013	2014	2013	2014	2013
General obligation	$ 17,473,220	$ 20,948,078	$ -	$ -	$ 17,473,220	$ 20,948,078
Notes	212,915	219,629	-	-	212,915	219,629
Capital leases	18,560	36,080	-	-	18,560	36,080
State loans	1,765,300	2,203,357	13,828,902	14,654,179	15,594,202	16,857,536
Federal loans	-	-	15,762,207	15,762,745	15,762,207	15,762,745
Other loans	-	-	342,238	361,631	342,238	361,631
Premium on Bonds	449,048	486,468			449,048	486,468
Total	$ 19,919,043	$ 23,893,612	$ 29,933,347	$ 30,778,555	$ 49,852,390	$ 54,672,167

Allegany County retired $ 3.9 million in total during the current fiscal year as debt outstanding fell 9 percent. No new debt was issued during the year for governmental activities.

Revenue debt in the amount of $ 197,906 was incurred for the sewer districts for the Jennings Run and Braddock Road sewer projects. New debt for the water districts included $207,605 the Rawlings water project. Business type debt retired during the year was $1.25 million.

In March, 2013, Allegany County's rating from Moody's upgraded from "A1" rating to "Aa3". In March of 2013 of Standard & Poor's raised the County's "A" bond rating to "A+", one of the few upgrades nationally for a governmental entity.

Additional information on Allegany County's long-term debt can be found in note 10 on pages C-48 through C-51 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for June 2014 for Allegany County was 7.2 percent, which was a decrease from an 8.6 percent rate for June 2013.

All of these factors were considered in preparing Allegany County's budget for the 2015 fiscal year.

During the current fiscal year, spendable fund balance in the general fund increased to $18.7 million. 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 2015 fiscal year

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.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT WIDE

FINANCIAL

STATEMENTS

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ALLEGANY COUNTY, MARYLAND
STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Board of Education	Allegany College of Maryland	Allegany County Library	LaVale Sanitary Commission
ASSETS:							
Current Assets:							
Cash	$ 32,096,516	$ 581,738	$ 32,678,254	$ 27,300,168	$ 9,928,113	$ 138,618	$ 2,131,550
Investments	3,841,732	409,368	4,251,100	14,000	202,330	728,443	-
Property taxes receivable	4,853,588	-	4,853,588	-	-	-	-
Receivables:							
Accounts	-	2,565,111	2,565,111	6,830,871	282,389	9,155	231,458
Other	6,350,243	1,121,357	7,471,600	2,300	1,936,258	-	182,500
Internal balances	153,940	(153,940)	-	-	-	-	-
Inventory	55,182	51,168	106,350	203,059	571,874	-	230,326
Prepaid expenses	-	-	-	-	243,651		21,125
Deferred charges		-	-	-	-	-	-
Miscellaneous	46,087	-	46,087	-	-	-	-
Restricted Assets:							
Cash	54,792	127,533	182,325	-	375,950	-	306,999
Investments	1,551,236	-	1,551,236	-	11,722,341	-	-
Taxes - receivable	-	135,336	135,336	-	-	-	-
Receivables	-	126,047	126,047	-	-	-	-
Total current assets	49,003,316	4,963,718	53,967,034	34,350,398	25,262,906	876,216	3,103,958
Non-current Assets:							
Long term Investment, Market	-	-	-	180,981	1,126,971	-	-
OPEB Net Asset	727,324		727,324				
Land	21,986,008	192,532	22,178,540	4,208,336	1,697,465	-	234,830
Work In Progress	1,892,137	18,377,476	20,269,613	3,087,183	2,457,742	14,362	68,386
Other non-depreciable assets	-	-	-	171,468	122,087	-	1,078,769
Capital assets subject to depreciation/amortization	133,863,630	160,801,966	294,665,596	182,344,972	60,287,740	8,426,166	25,219,936
Accumulated depreciation	(74,100,785)	(60,706,347)	(134,807,132)	(101,817,415)	(30,448,679)	(5,302,712)	(11,656,942)
Total non-current assets	84,368,314	118,665,627	203,033,941	88,175,525	35,243,326	3,137,816	14,944,979
Total Assets	133,371,630	123,629,345	257,000,975	122,525,923	60,506,232	4,014,032	18,048,937
LIABILITIES:							
Current Liabilities:							
Accounts payable	1,546,946	1,944,107	3,491,053	5,690,343	841,664	55,178	510,072
Accrued wages payable	747,818	60,358	808,176	4,004,271	639,036	59,745	-
Accrued fringe benefits payable	331,539	27,790	359,329	-	205,587	-	-
Accrued interest	117,644	114,135	231,779	-	-	-	21,306
Current portion of long-term debt:							
Bonds and loans	2,955,913	1,273,152	4,229,065	-	941,417	-	116,596
Capital leases	18,560	-	18,560	-	53,748	-	-
Compensated absences	846,176	101,970	948,146	153,300	153,692	-	-
Due to Agency Fund	266,495		266,495				
Due to Trust Fund	878,345	-	878,345	-	-	-	-
Unearned Revenue	472,482	-	472,482	3,147,087	439,361	-	-
Accrued health claims	-	-	-	4,976,345	422,649	-	-
Miscellaneous liabilities	1,344,318	286,985	1,631,303	1,932,884	372,983	-	46,330
Total current liabilities	9,526,236	3,808,497	13,334,733	19,904,230	4,070,137	114,923	694,304
Non-current liabilities:							
Cash advance due general fund	(1,200,000)	1,200,000	-	-	-	-	-
Bonds and loans	16,944,570	28,317,958	45,262,528	-	2,303,915	-	3,341,630
Capital leases	-	-	-	-	125,188	-	-
Annuity payment liability					48,401		
Termination benefits	-	-	-	-	514,933	57,563	-
Compensated absences	3,432,959	292,576	3,725,535	2,463,652	-	61,027	-
Total non-current liabilities	19,177,529	29,810,534	48,988,063	2,463,652	2,992,437	118,590	3,341,630
Total Liabilities	28,703,765	33,619,031	62,322,796	22,367,882	7,062,574	233,513	4,035,934
NET POSITION							
Net investment in Capital Assets	77,576,485	88,732,280	166,308,765	87,823,076	31,466,788	3,137,816	10,407,984
Restricted for:							
Public safety	596,069	-	596,069	-	-	-	-
Highways	722,753	-	722,753	-	-	-	-
Education	64,171	-	64,171	-	-	-	-
Community development & housing	244,507	-	244,507	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capital projects	42,008	-	42,008	5,697,882	-	-	-
Other purposes	1,361,326	261,383	1,622,709	433,002	14,048,483	540,492	755,213
Unrestricted	24,060,546	1,016,651	25,077,197	6,204,081	7,928,387	102,211	2,849,806
Total Net Position	$ 104,667,865	$ 90,010,314	$ 194,678,179	$ 100,158,041	$ 53,443,658	$ 3,780,519	$ 14,013,003

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, 2014

Functions/Programs	Expenses Before Indirect Expense Allocation	Indirect Expense Allocation	Expenses After Indirect Expense Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government::						
Governmental activities:						
General government:	$ 9,327,712	$ (583,134)	$ 8,744,578	$ 416,793	$ 1,051,869	$ -
Payment to data processing	332,996	-	332,996	-	-	-
Public safety	17,555,037	-	17,406,223	1,247,166	1,112,963	20,854
Public works	13,621,406	78,200	13,699,606	999,315	1,177,690	1,275,156
Health	1,967,479	-	1,967,479	-	13,159	-
Social services	1,568,214	-	1,568,214	42,436	90,934	-
Education:	682,409	-	682,409	-	-	-
Payment to public school system	29,770,045	-	29,770,045	-	-	-
Payment to community college	7,555,000	-	7,555,000	-	-	-
Recreation, culture & libraries:	722,533	-	722,533	319,261	43,892	-
Payment to public library system	940,000	-	940,000	-	-	-
Conservation of natural resources	287,362	-	287,362	24,667	21,825	-
Community development and housing	915,289	-	915,289	1,170	842,779	-
Economic development	3,602,112	-	3,602,112	3,336,528	114,943	-
Interest on long term debt	581,199	-	581,199	-	-	-
Total governmental activities	89,428,793	(504,934)	88,775,045	6,387,336	4,470,054	1,296,010
Business-type activities:						
Water	4,193,365	150,964	4,344,329	3,957,267	-	5,424,230
Sewer	8,632,524	353,970	8,986,494	5,735,194	-	1,549,180
Other funds	187,465	-	187,465	269,480	-	499,935
Total business-type activities	13,013,354	504,934	13,518,288	9,961,941	-	7,473,345
Total primary government	$ 102,442,147	$ -	$ 102,293,333	$ 16,349,277	$ 4,470,054	$ 8,769,355
Component units:						
Board of Education			$ 128,035,645	$ 1,475,359	$ 14,196,922	$ 2,795,520
Allegany College of Md.			36,295,980	10,139,371	19,118,977	129,533
County Library			2,335,423	77,793	97,174	141,090
LaVale Sanitary Commission			4,576,290	3,236,619	-	-
Total component units			$ 171,243,338	$ 14,929,142	$ 33,413,073	$ 3,066,143

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 position

Net position - beginning, as restated (Note 18)

Net position - 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, 2014

Net (Expense) Revenue and Changes in Net Position						
Primary Government			Component Units			
Governmental Activities	Business-Type Activities	Total	Board of Education	Allegany College of MD	County Library	LaVale Sanitary Commission
$ (7,275,916)	$ -	$ (7,275,916)	$ -	$ -	$ -	$ -
(332,996)	-	(332,996)	-	-	-	-
(15,025,240)	-	(15,025,240)	-	-	-	-
(10,247,445)	-	(10,247,445)	-	-	-	-
(1,954,320)	-	(1,954,320)	-	-	-	-
(1,434,844)	-	(1,434,844)	-	-	-	-
(682,409)	-	(682,409)	-	-	-	-
(29,770,045)	-	(29,770,045)	-	-	-	-
(7,555,000)	-	(7,555,000)	-	-	-	-
(359,380)	-	(359,380)	-	-	-	-
(940,000)	-	(940,000)	-	-	-	-
(240,870)		(240,870)	-	-	-	-
(71,340)	-	(71,340)	-	-	-	-
(150,641)	-	(150,641)	-	-	-	-
(581,199)	-	(581,199)	-	-	-	-
(76,621,645)	-	(76,621,645)	-	-	-	-
-	5,037,168	5,037,168	-	-	-	-
-	(1,702,120)	(1,702,120)	-	-	-	-
-	581,950	581,950	-	-	-	-
-	3,916,998	3,916,998	-	-	-	-
(76,621,645)	3,916,998	(72,704,647)	-	-	-	-
-	-	-	(109,567,844)	-	-	-
-	-	-	-	(6,908,099)	-	-
-	-	-	-	-	(2,019,366)	-
-	-	-	-	-	-	(1,339,671)
-	-	-	(109,567,844)	(6,908,099)	(2,019,366)	(1,339,671)
41,334,050	1,019,069	42,353,119	-	-	-	297,357
24,169,537	-	24,169,537	-	-	-	500,738
4,339,620	-	4,339,620	-	-	-	-
-	-	-	30,103,041	7,555,000	940,000	-
414,862	-	414,862	-	-	-	-
9,172,991	-	9,172,991	75,274,512	-	786,264	
1,745,196	208,641	1,953,837	103,124	1,494,724	15,907	6,796
18,915	-	18,915			-	14,688
323,216	22,533	345,749	272,867		145,492	1,238
(167,799)	167,799	-	-	-		-
81,350,588	1,418,042	82,768,630	105,753,544	9,049,724	1,887,663	820,817
4,728,943	5,335,040	10,063,983	(3,814,300)	2,141,625	(131,703)	(518,854)
99,938,922	84,675,274	184,614,196	103,972,341	51,302,033	3,912,222	14,531,857
		-				
$ 104,667,865	$ 90,010,314	$ 194,678,179	$ 100,158,041	$ 53,443,658	$ 3,780,519	$ 14,013,003

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

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FINANCIAL

STATEMENTS

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ALLEGANY COUNTY, MARYLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

ASSETS:	General Fund	Revolving Building Fund	Other Governmental Funds	Total
Cash	$ 32,095,366	$ -	$ 1,150	$ 32,096,516
Cash -restricted	-	-	54,792	54,792
Investments	1,000,000	-	2,841,712	3,841,712
Investments-Restricted			1,551,236	1,551,236
Property tax receivable	4,955,588	-	-	4,955,588
Receivables				
Notes and loans	-	-	350,977	350,977
Other receivables	3,871,638	212,629	987,360	5,071,627
Due from other funds	-	10,282,770	1,165,087	11,447,857
Advances to other funds	1,200,000	-	-	1,200,000
Inventory	-	-	55,182	55,182
Prepaids		-	-	-
Miscellaneous assets	46,106	-	-	46,106
Total Assets	$ 43,168,698	$ 10,495,399	$ 7,007,496	$ 60,671,593
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
Liabilities:				
Accounts payable	$ 938,307	$ 55,339	$ 553,300	$ 1,546,946
Accrued payroll	713,043	1,127	33,648	747,818
Accrued payroll fringe	311,831	940	18,768	331,539
Due to other funds	11,978,154	-	460,603	12,438,757
Amounts held in escrow	977,808	-	182,136	1,159,944
Unearned Revenue	31,474	-	791,985	823,459
Miscellaneous liabilities	181,893	2,500	-	184,393
Total Liabilities	15,132,510	59,906	2,040,440	17,232,856
Deferred inflows of resources:				
Unavailable Revenue	4,578,053		390,915	4,968,968
Total Deferred inflows of resources	4,578,053	-	390,915	4,968,968
Fund Balances:				
Nonspendable	1,200,000	-	-	1,200,000
Restricted	148,863		2,966,644	3,115,507
Committed		10,435,493	303,496	10,738,989
Assigned	3,414,000		1,497,237	4,911,237
Unassigned	18,695,272	-	(191,236)	18,504,036
Total Fund Balances	23,458,135	10,435,493	4,576,141	38,469,769
Total Liabilities, deferred inflows of resources and fund balance	$ 43,168,698	$ 10,495,399	$ 7,007,496	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	83,640,992
Other long -term assets are not available to pay current -period expenditures and are deferred in the funds.	1,552,963
Deferred Inflows of Resources	4,968,968
Long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.	(24,198,178)
Other long -term liabilities are not due and payable in the current period and therefore are not reported in the funds.	233,351
Net position of governmental activities	$ 104,667,865

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, 2014

	General Fund	Revolving Building Fund	Other Governmental Funds	Total
REVENUES:				
Taxes:				
Property taxes	$ 43,948,120	$ -	$ -	$ 43,948,120
Income taxes	24,112,733	-	-	24,112,733
Other local taxes	4,322,255	-	437,550	4,759,805
Licenses and permits	686,233	-	-	686,233
Intergovernmental:				
Federal	517,802	-	1,526,436	2,044,238
State	9,656,451	-	2,495,026	12,151,477
Other	485,372	-	(17,811)	467,561
Service charges	1,259,706	-	480,625	1,740,331
Fines and forfeitures	37,527	-	133,400	170,927
Interest	100,728	-	3,020	103,748
Miscellaneous	506,503	3,317,948	125,212	3,949,663
Total Revenues	85,633,430	3,317,948	5,183,458	94,134,836
EXPENDITURES:				
Current:				
General government	7,861,678	-	137,854	7,999,532
Public safety	15,659,972	-	557,000	16,216,972
Public works	9,864,520	-	1,942,188	11,806,708
Health and Hospitals	411,510	-	-	411,510
Social Services	1,483,664	-	-	1,483,664
Education	-	-	-	-
Recreation, culture and libraries	616,169	-	-	616,169
Conservation of natural resources	319,102	-	-	319,102
Community Development and Housing	8,000	-	892,783	900,783
Economic development	1,326,142	758,385	-	2,084,527
Miscellaneous	29,172	-	2,050	31,222
Appropriation to other governments	1,376,033	-	-	1,376,033
Payments to component units	38,598,041	-	-	38,598,041
Debt Service:				
Principal	-	-	3,937,149	3,937,149
Interest	-	-	666,802	666,802
Capital Outlay:				
General government	-	-	617,469	617,469
Public safety	-	-	628,075	628,075
Public works	-	-	1,830,781	1,830,781
Education	-	-		-
Recreation, culture and libraries	-	-	-	-
Economic development	-	-	-	-
Miscellaneous	-	-	-	-
Payments to component units	-		682,409	682,409
Total Expenditures	77,554,003	758,385	11,894,560	90,206,948
Excess (deficiency) of revenues over (under) expenditures	8,079,427	2,559,563	(6,711,102)	3,927,888
OTHER FINANCING SOURCES (USES):				
Transfers in	24,640	-	6,214,537	6,239,177
Transfers out	(4,367,536)	(1,597,538)	(441,902)	(6,406,976)
Debt issued-Refunding Bonds	-	-	-	-
Capital leases	-	-	-	-
Sale of capital assets	21,820	604,277	-	626,097
Total Other Financing Sources and uses	(4,321,076)	(993,261)	5,772,635	458,298
Net change in fund balances	3,758,351	1,566,302	(938,467)	4,386,186
Fund balance, beginning	19,699,784	8,869,191	5,514,608	34,083,583
				-
Fund balance, ending	$ 23,458,135	$ 10,435,493	$ 4,576,141	$ 38,469,769

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, 2014

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)		$ 4,386,186
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	$ 2,267,159	
Depreciation	(3,855,221)	(1,588,062)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(1,400,326)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(486,740)
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.		
Payment of principal	3,937,149	3,937,149
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.		(119,264)
Change in net position of governmental activities (pages C6-C7)		$ 4,728,943

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

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ALLEGANY COUNTY, MARYLAND
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS
June 30, 2014

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total
ASSETS				
Current Assets:				
Cash:				
Cash	$ -	$ 581,738	$ -	$ 581,738
Cash - restricted	-	127,533	-	127,533
Investments	204,684	204,684	-	409,368
Receivables:				
Accounts (net)	1,084,158	1,475,115	5,838	2,565,111
Taxes - restricted	-	135,336	-	135,336
Accounts (net) - restricted		126,047	-	126,047
Other	9,120	1,056,095	56,142	1,121,357
Due from other funds	1,194,759	6,752,366	1,075,355	9,022,480
Prepaid expenses	-	-	-	-
Inventory	-	51,168	-	51,168
Total current assets	2,492,721	10,510,082	1,137,335	14,140,138
Non-current Assets:				
Other receivables	-	-	342,237	342,237
Land	125,250	67,282	-	192,532
Construction in Progress	11,634,467	6,743,009	-	18,377,476
Capital assets subject to depreciation	40,467,917	115,891,646	4,442,403	160,801,966
Accumulated depreciation	(12,222,994)	(44,766,777)	(3,716,576)	(60,706,347)
Total noncurrent assets	40,004,640	77,935,160	1,068,064	119,007,864
Total Assets	42,497,361	88,445,242	2,205,399	133,148,001
LIABILITIES				
Current Liabilities:				
Accounts payable	169,166	1,693,861	81,080	1,944,107
Accrued payroll	-	60,358	-	60,358
Accrued payroll fringe	-	27,790	-	27,790
Accrued interest	43,654	70,481	-	114,135
Current portion of long-term debt				
Revenue debt:				
Bonds and loans	168,863	1,104,289	-	1,273,152
Other loans	19,574		-	19,574
Compensated absences		101,970	-	101,970
Due to other funds	-	9,176,420	-	9,176,420
Miscellaneous liabilities	-	286,985	-	286,985
Total current liabilities	401,257	12,522,154	81,080	13,004,491
Noncurrent Liabilities:				
Cash advance due to General Fund	400,000	800,000	-	1,200,000
Long term debt:				
Revenue debt:				
Bonds and loans	10,821,319	17,496,639	-	28,317,958
Other loans	305,850	16,813	-	322,663
Compensated absences	-	292,575	-	292,575
Total noncurrent liabilities	11,527,169	18,606,027	-	30,133,196
Total Liabilities	11,928,426	31,128,181	81,080	43,137,687
NET POSITION				
Net investment in capital assets	28,689,034	59,317,419	725,827	88,732,280
Restricted for debt service	-	261,383	-	261,383
Unrestricted	1,879,901	(2,261,741)	1,398,492	1,016,651
Total Net Position	$ 30,568,935	$ 57,317,061	$ 2,124,319	$ 90,010,314

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 POSITION
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total
OPERATING REVENUES:				
Service charges	$ 3,955,527	$ 5,721,712	$ 269,480	$ 9,946,719
Federal Grant-ARC				-
Other Agency Revenu				-
Miscellaneous	1,740	13,482		15,222
Total Operating Revenues	3,957,267	5,735,194	269,480	9,961,941
OPERATING EXPENSES:				
Salaries	332,202	829,440	-	1,161,642
Employee benefits	173,702	432,632	-	606,334
Office expenses	1,970	82,827	5,496	90,293
Utilities	2,158,971	365,221	5,865	2,530,057
Repairs & maintenance	205,376	481,528	16,914	703,818
Contractual services	3,050	34,287	-	37,337
Treatment costs		3,020,389	-	3,020,389
Professional services	4,327	26,039	111,495	141,861
Materials and supplies	21,990	398,553	-	420,543
Insurance	316	160,646	1,115	162,077
Indirect cost	150,964	353,968	-	504,932
Miscellaneous	5,675	22,947	176	28,798
Depreciation	951,709	2,423,740	46,404	3,421,853
Total operating expenses	4,010,252	8,632,217	187,465	12,829,934
Operating Income (Loss)	(52,985)	(2,897,023)	82,015	(2,867,993)
NON-OPERATING REVENUE (EXPENSES):				
Real and personal property taxes	-	995,537	-	995,537
Interest & penalties on taxes	-	53,256	-	53,256
Discounts on taxes	-	(4,975)	-	(4,975)
Enterprise/industrial exemptions	-	-	-	-
Collection fees	-	(24,749)	-	(24,749)
Front footage assessments	-	22,533	-	22,533
Interest income	72,887	133,906	1,848	208,641
Interest income, debt service	-		-	-
Interest expense	(335,939)	(352,416)	-	(688,355)
Gain (Loss) on sale of capital assets	-	-	-	-
Total non-operating revenue (expenses)	(263,052)	823,092	1,848	561,888
Income (Loss) before contributions and transfers	(316,037)	(2,073,931)	83,863	(2,306,105)
Capital contributions:				
Federal grants	5,196,840	199,398	299,935	5,696,173
State grants	227,390	1,349,782	-	1,577,172
Other		-	200,000	200,000
Transfers:				
Transfers in	22,177	70,053	100,211	192,441
Transfers out	-		(24,640)	(24,640)
Change in net position	5,130,370	(454,698)	659,369	5,335,041
Total net position - beginning	25,438,565	57,771,759	1,464,950	84,675,274
Prior Period Adjustment				-
Total net position - ending	$ 30,568,935	$ 57,317,061	$ 2,124,319	$ 90,010,314

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, 2014

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total
Cash flows from operating activities:				
Cash received from customers	$ 3,890,097	$ 5,387,556	$ 291,624	$ 9,569,277
Cash payments for goods and services	(2,553,780)	(4,750,136)	(86,412)	(7,390,328)
Cash payments to employees for services	(505,904)	(1,215,974)	-	(1,721,878)
Other operating revenues		-	-	-
Net cash provided (used) by operating activities	830,413	(578,554)	205,212	457,071
Cash flows from noncapital financing activities:				
Advances from other funds	9,958,737	(38,507,200)	607,937	(27,940,526)
Advances to other funds	(10,158,732)	39,614,275	(785,725)	28,669,818
Transfers from other funds	22,177	70,053	100,211	192,441
Transfers to other funds	-	-	(24,640)	(24,640)
Net cash provided (used) by noncapital financing activities	(177,818)	1,177,128	(102,217)	897,093
Cash flows from capital and related financing activities:				
Proceeds from capital debt	207,605	197,906	-	405,511
Acquisition and construction of capital assets	(5,856,020)	(2,244,529)	(604,778)	(8,705,327)
Principal paid on capital debt	(164,640)	(1,086,079)	-	(1,250,719)
Interest paid on capital debt	(335,939)	(352,416)	-	(688,355)
Proceeds from sale of assets	-		-	-
Grant revenues	5,424,530	1,549,180	499,935	7,473,645
Debt fees	-	1,041,602	-	1,041,602
Net cash used for capital and related financing activities	(724,464)	(894,336)	(104,843)	(1,723,643)
Cash flows from investing activities:				
Purchase of investments	(204,684)	(204,684)	-	(409,368)
Sale of investments	203,666	203,666	-	407,332
Interest on investments	72,887	133,906	1,848	208,641
Net cash used in investing activities	71,869	132,888	1,848	206,605
Net increase (decrease) in cash	-	(162,874)	-	(162,874)
Cash at beginning of the year	-	872,145	-	872,145
Cash at end of year	$ -	$ 709,271	$ -	$ 709,271
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	$ (52,985)	$ (2,897,023)	$ 82,015	$ (2,867,993)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	951,709	2,423,740	46,404	3,421,853
Provision for uncollectible accounts		-	-	-
Change in assets & liabilities:				
(Increase) decrease in receivables	(67,170)	(347,638)	22,146	(392,662)
(Increase) decrease in inventory	-	20,383	-	20,383
(Increase) decrease in prepaids	-	-	-	-
Increase (decrease) in acc'ts payable	(1,141)	209,308	54,647	262,814
Increase (decrease) in accrued payroll	-	12,676	-	12,676
Total adjustments	883,398	2,318,469	123,197	3,325,064
Net cash provided (used) by operating activities	$ 830,413	$ (578,554)	$ 205,212	$ 457,071

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

ALLEGANY COUNTY, MARYLAND
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014

ASSETS:	Agency Fund	Health Insurance Trust Fund	Fire and Rescue Pension Trust Length of Service Award Program Fund
Investments-Certificate of Deposit		$ 1,207,082	$ 1,333,825
Accounts receivable	1,087,233	56,990	
Due from other funds	266,495	878,345	
Hospital deposit		241,500	
Total Assets	1,353,728	2,383,917	1,333,825
LIABILITIES:			
Accounts payable	1,353,728	2,028	
Health claim reserves		657,052	
Other Liabilities		158,773	
Total Liabilities	1,353,728	817,853	-
NET POSITION:			
Held in Trust for benefit payments	$ -	$ 1,566,064	$ 1,333,825

ALLEGANY COUNTY, MARYLAND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014

ADDITIONS:	Agency Fund	Health Insurance Trust Fund	Fire and Rescue Pension Trust Length of Service Award Program Fund
Contributions:			
Employer contributions		$ 7,194,644	$ 435,813
Employee contributions		662,313	
Total contributions	-	7,856,957	435,813
Other additions:			
Interest	-	1,031	36,898
Insurance proceeds	-	-	-
Miscellaneous	-	-	-
Total other additions	-	1,031	36,898
Total additions	-	7,857,988	472,711
DEDUCTIONS:			
Benefits	-	7,527,480	
Administrative expenses	-	799,216	
Total deductions	-	8,326,696	-
Change in net position	-	(468,708)	472,711
Net position - beginning	-	2,034,772	861,114
Net position - ending	$ -	$ 1,566,064	$ 1,333,825

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

Notes

to the

Financial Statements

June 30, 2014

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Note 1. Summary of Significant Accounting Policies

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.

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.

Note 1. Summary of Significant Accounting Policies - continued

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

Note 1. Summary of Significant Accounting Policies - continued

C. *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) 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.

Note 1. Summary of Significant Accounting Policies - continued

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 fund is used to account for and report all financial resources not accounted for and reported in another fund.

2. Special revenue funds – are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

3. Capital projects funds – are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. They exclude those types of capital-related outflows financed by proprietary funds or assets that will be held in trust.

4. Debt service funds – are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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 not accounted for and reported in another fund.

The Revolving Building Fund is used to report the activity associated with the construction, operation and maintenance of County buildings used to enhance it economic development activities. The majority of revenue is derived from operating leases.

The government reports the following major proprietary funds:

The Water Districts Fund accounts for the activities of twenty-one 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.

Note 1. Summary of Significant Accounting Policies - continued

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

Additionally, the government reports the following fund types:

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

The Health Insurance Trust Fund which accounts for the self-insurance activities which provides health insurance coverage for County's employees.

The Fire & Rescue Pension Trust Length of Service Award Program Fund which accounts for activities which provides retirement benefits to fire & rescue volunteers.

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 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 then 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. The water and sewer funds recognize 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.

Note 1. Summary of Significant Accounting Policies - continued

E. *Assets, liabilities, Deferred Outflows/Inflows of Resources, and net position 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 account for the loan fund is 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.

Note 1. Summary of Significant Accounting Policies - continued

E. Assets, liabilities, deferred outflows/inflows of resources and net position 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 2014 are as follows:

	Real	Personal Property
Unincorporated	.9800	2.4500
Barton	.8910	2.2275
Cumberland	.8424	2.1059
Frostburg	.8497	2.1243
Lonaconing	.8675	2.1687
Luke	.8645	2.1613
Midland	.8910	2.2275
Westernport	.8745	2.1863

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.

Note 1. Summary of Significant Accounting Policies - continued

E. *Assets, liabilities, deferred outflows/inflows of resources and net position 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.

Sinking fund investment is classified as a restricted investment due to the fact that the investment is to be used for future debt repayment.

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:

Assets	Years
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

Note 1. Summary of Significant Accounting Policies - continued

E. *Assets, liabilities, deferred outflows/inflows of resources and net positions 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 or the transit fund for the governmental funds and the Sanitary Districts for the enterprise funds.
At June 30, 2014, compensated absence liabilities for Allegany County are summarized as follows:

	Current Portion	Long-term Portion	Total Liability
Total Governmental Fund Types	$ 846,176	$ 3,432,959	$ 4,279,135
Sanitary Districts	101,970	292,576	394,546
	$ 948,146	$ 3,725,535	$ 4,673,681

Note 1. Summary of Significant Accounting Policies - continued

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 position. Bond issuance costs incurred in connection with the issuance of debentures are expensed in the year the cost is incurred.

8. Government-wide and Proprietary Fund Net Position:

Government-wide and proprietary fund net position are divided into three components:

- Net investment in capital assets – 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.
- Restricted net position – consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through enabling legislation.
- Unrestricted net position – all other net assets that do not meet the definition of "restricted" or "net investment in capital assets".

9. Governmental Fund Balances:

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted - Amounts that can be spent only for specific purposes because of federal or state laws, or externally imposed conditions by grantors or creditors.
- Committed – Amounts that can be used only for specific purposes determined by a formal resolution or ordinance by the Board of County Commissioners. Funds were committed in accordance with Resolution # 87-12 , # 11-16 and #13-23.
- Assigned – Amounts that are constrained by the Board of County Commissioners or the Director of Finance, as provided by Resolution No. 10-17, for a particular purpose.
- Unassigned – All amounts not included in other spendable classifications.

Note 1. Summary of Significant Accounting Policies - continued

10. Because different measurement focuses and bases of accounting are used in the government-wide statement of net position and in government fund statements, amounts reported as restricted fund balances in governmental funds may be different from amounts reported as restricted net position in the statements of net position.

11. Use of Restricted Resources:

When an expense is incurred that can be paid using either restricted or unrestricted resources (net assets), the County's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the County's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

12. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental funds reports unavailable revenues from the following sources:

	General Fund	NonMajor Governmental Funds	Total
Property taxes	4,435,304		4,435,304
Mass Transit Grant		276,311	276,311
State Highway Grant		114,604	114,604
Public Safety Grants	78,286		78,286
Other Grants	50,069		50,069
Fees-Landfill	6,800		6,800
Other	7,594		7,594
Total	4,578,053	390,915	4,968,968

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

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

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 $24,198,178 are as follows:

Bonds payable	$17,922,268
Notes payable	212,915
State loans	1,765,300
Capital leases	18,560
Compensated absences	4,279,135
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activites	$24,198,178

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 position 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 $(1,588,062) difference are as follows:

Capital outlay	$2,267,159
Depreciation expense	(3,855,221)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	($1,588,062)

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 ($ 1,400,326) differences are as follows:

In the statement of activities, only the *gain* 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 position differs from the change in fund balance by the cost of the capital assets sold.	(1,400,326)
Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net position of governmental activities*.	($1,400,326)

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

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 $3,937,149 difference are as follows:

Principal repayments:	
General obligation debt	3,917,699
Lease payments	19,450
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activites	$3,937,149

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 $ (119,264) difference are as follows:

Compensated absences	($262,718)
OPEB Net Obligation	$57,851
Accrued interest adjustment, net	85,603
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	($119,264)

Note 3. Stewardship, Compliance, and Accountability

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.

Note 3. Stewardship, Compliance, and Accountability - continued

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 2014 were increased by $ 483,157 primarily due to MD 'Pot-Hole" funding in the amount of $ 228,151 that was spent on roads, increase in recordation tax in the amount of $ 115,088 that was spent on various items including employee vacation buy-back and $ 139,915 for various state grants received that was spent on public safety.
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.
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, 2014, expenditures exceeded appropriations for the following funds (the legal level of budgetary control):

Note 3. Stewardship, Compliance, and Accountability - continued

Fund	Excess
Block Grant Fund	$ 50,004
Community Development & Housing Fund	842,779
Debt service Fund	374,696
Drug Task Force Fund	98,811
Rocky Gap Slots Revenue Fund	558,929
Capital Projects Fund	73,590
PIB Funds	4,188

- The expenditures over budget in the Block Grant Fund were funded by revenues that were not budgeted.
- The Community Development & Housing Fund excess expenditures over budget were funded by grant revenues which were not budgeted due to grant approval at year end.
- The Debt Service Fund excess expenditures over budget were funded with RBF additional transfer not budgeted.
- The Drug Task Force and Rocky Gap Slots Funds' excess expenditures over budget were funded by revenues not budgeted.
- The Capital Projects Fund expenditures over budget were funded with unexpended fund balance and revenues not budgeted.
- The PIB fund excess expenditures over budget was funded with unexpended fund balance.

C. Deficit Fund Equity

At June 30, 2014, one governmental fund, the Capital Improvements Project Fund, had a deficit fund balance in the amount of ($ 191,236).

Note 4. Deposits and Investments

Allegany County Primary Government:

As of June 30, 2014, the County had the following investments and maturities:

		Investment Maturity in Months			
Investment Type	Fair Value	Less Than 1	1-6	6-12	Greater than 12
Statement of Net Position					
Certificates of Deposit	$ 4,251,080	$1,053,637	$ 3,197,443	$ -	$ -
U.S. Treasury Obligations	1,551,236	-	1,551,236	-	-
Total Stmt of Net Position	$ 5,802,316	$1,053,637	$ 4,748,679	$ -	$ -
Employee Benefit					
Trust-Cert of Deposit	$ 1,207,082	$ -	$ 1,207,082	$ -	$ -
Fire & Rescue Pension					
Trust LOSAP Fund	$ 1,333,825	$1,333,825	$ -	$ -	-
Group Annuity Fixed	$ 1,333,825	$1,333,825	$ -	$ -	-

In Note 4. Deposits and Investments-continued

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 22of 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. Allegany County has no policy relating to the credit risk of investments.

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 mostly of nonparticipating contracts (nonnegotiable certificates of deposit) with maturities of less than one year. The only other type of investment is U.S. Treasury obligations held by the debt service sinking fund.

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 $28,664,396 and the bank balances were $28,492,214. Of the bank balances, $860,102 was covered by depository insurance; $27,632,112 was covered by collateral held at various banks in the Board's name.

Note 4. Deposits and Investments-continued

Investments - As of June 30, 2014, the Board of Education had the following investments and maturities:

	Investment Maturity (in months)				
Investment Type	Total	Less than 1	1-6	6-12	More than 12
Certificates of Deposit	$ 392,077	$ -	$ 63,371	$ 89,970	$ 238,736
	$ 392,077	$ -	$ 63,371	$ 89,970	$ 238,736

Allegany County Library System

Cash – Risks and Policies

As of June 30, 2014, the carrying amount of the Library's deposits was $138,618 and the bank balances were $ 141,928.

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, 2014 are fully collateralized with securities held by the Library's agent in the Library's name.

Investments – Risks and Policies

As of June 30, 2014, the Library had the following investments and maturities:

	Investment Maturity				
Investment Type	Total	Less than 90 Days	90 Days to One Year	Over One Year	Credit Rating
U.S. Treasury Bonds	$ 19,956	$ -		$ 19,956	N/A
Other Federal Government Obligations	400,280	-	-	400,280	N/A
Investment in MD Local Government Fund Pool	308,207	308,207	-	-	N/A
	$ 728,443	$ 308,207	$ -	$ 420,236	

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 $2,907,929. 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 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 $ 1,173,701.

Note 4. Deposits and Investments - continued

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	$ 202,330	$ -	$ 202,330
Repurchase agreements of U.S. Government obligations	404,836	404,836	-
Maryland Local Government Investment Pool	8,270,645	8,270,645	-
	$ 8,877,811	$ 8,675,481	$ 202,330

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, 2014 was $4,955,588 (before an allowance of $102,000) of which 2,949,305 were current year's taxes receivable and the balance of $2,006,286 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 Position 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	RBF Fund	Non-major Governmental Funds	Total
Receivables:				
Interest	$ 47,403	$ -	$ 576	$ 47,979
Income taxes	2,872,864	-	-	2,872,864
Other taxes	273,289	-	13,422	286,711
Current:				
Accrued revenues	1,598,984	212,629	973,440	2,785,053
Loans, notes	-	4,600	-	4,600
Leases, capital	-	-	-	-
Long-term:				
Accrued revenues	-	-	-	-
Loans, notes	-	2,059	350,977	353,036
Leases, capital	-	-	-	-
Total receivables	$ 4,792,540	$ 219,288	$ 1,338,415	$ 6,350,243

Note 6. Other Receivables-continued

Receivables as reported in the Statement of Net Position 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	Non-Major Enterprise Funds	Total
Receivables:				
Interest		$ 187	$ -	$ 187
Accounts, other	9,120	1,055,908	35,382	1,100,410
Accounts, trade	1,246,405	1,727,003	5,838	2,979,246
Less allowance	(162,247)	(251,888)	-	(414,135)
Net accounts, trade	1,084,158	1,475,115	5,838	2,565,111
Accounts, restricted	-	261,383	-	261,383
Less allowance	-		-	-
Net accounts, restricted	-	261,383	-	261,383
Loans	-	-	370,760	370,760
Less allowance	-	-	(350,000)	(350,000)
Net loans	-	-	20,760	20,760
Total receivables	$ 1,093,278	$ 2,792,593	$ 61,980	$ 3,947,851

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:

	Capital Leases			Operating Leases
Fiscal Year	Principal	Interest	Total	Minimum Payments
2015	-	-	-	3,354,819
2016	-	-	-	3,332,073
2017	-	-	-	3,262,080
2018	-	-	-	1,257,500
2019	-	-	-	434,200
2020-				996,589
Totals	$ -	$ -	$ -	$ 12,637,261

The net book value of buildings with operating leases at June 30, 2014 is $13,103,488.

Unearned Revenue:

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.

Note 6. Other Receivables-continued

At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Unearned revenue recorded as a receivable which are not considered available to liquidate liabilites of the current period:	
Unearned grant revenue	$ 472,482
Long term housing loans receivable	350,977
	$ 823,459

Loans receivable:

The following table summarizes the loan receivable balances in the County Loan Fund at June 30, 2014:

Entity	Source of funds	Balance June 30, 2014
County Loan Fund loans:		
Western Maryland Scenic Railroad	Gen Fund/PIB of 1988	$ 250,000
YMCA	General Fund	100,000
Paving project	General Fund	0
Upper Potomac Industrial Park flood wall loa	General Fund	18,797
County loans		1,963
Allowance for doubtful accounts		(350,000)
Sub-total		$ 20,760
Allconet II Fund loans:		
TWR loan	General Fund	35,382
Total		
Total		$ 56,142

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.

Note 7. Capital Assets

Capital asset activity for the year ended June 30, 2014 for the primary government was as follows:

Primary Government: Governmental activities:	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
Capital assets, not being depreciated:					
Land	$ 21,320,090	$ 291,369	$ -	$ 374,549	$ 21,986,008
Work in Progress	1,689,024	1,201,411	(155,141)	(843,157)	1,892,137
Total capital assets not being depreciated	23,009,114	1,492,780	(155,141)	(468,608)	23,878,145
Capital assets, being depreciated:					
Buildings	61,079,260	7,077	(2,344,804)		58,741,533
Infrastructure	48,673,041		-		48,673,041
Furniture & Fixtures	1,028,733	22,108	-		1,050,841
Equipment	9,883,758	175,826			10,059,584
Vehicles	9,692,442	495,948	(339,347)	127,824	9,976,867
Heavy Equipment	4,022,939	70,319			4,093,258
Other Capital Assets	924,623	3,100	-	340,784	1,268,507
Total capital assets, being depreciated:	135,304,796	774,378	(2,684,151)	468,608	133,863,630
Less accumulated depreciation for:					
Buildings	(21,934,435)	(1,791,013)	951,385	-	(22,774,063)
Infrastructure	(29,985,281)	(725,268)	-	-	(30,710,549)
Furniture & Fixtures	(742,363)	(47,768)	-	-	(790,131)
Equipment	(7,042,059)	(618,530)		-	(7,660,589)
Vehicles	(7,778,060)	(554,162)	332,441	-	(7,999,781)
Heavy Equipment	(3,509,177)	(106,782)		-	(3,615,959)
Other Capital Assets	(538,014)	(11,699)	-	-	(549,713)
Total accumulated depreciation	(71,529,389)	(3,855,222)	1,283,826	-	(74,100,785)
Total capital assets, being depreciated, n	63,775,407	(3,080,844)	(1,400,325)	468,608	59,762,845
Governmental activities capital assets, ne	$ 86,784,521	$ (1,588,064)	$(1,555,466)	$ -	$ 83,640,990

Primary Government: Business-type activities:	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
Capital assets, not being depreciated:					
Land	$ 192,532	$ -	$ -	$ -	$ 192,532
Work in Progress	14,183,618	7,841,406	(9,026)	(3,638,522)	18,377,476
Total capital assets not being depreciated	14,376,150	7,841,406	(9,026)	(3,638,522)	18,570,008
Capital assets, being depreciated:					
Buildings	256,346		-		256,346
Infrastructure	145,875,853	73,620	-	3,638,522	149,587,995
Furniture & Fixtures	17,681	-	-	-	17,681
Equipment	5,424,077	649,143	-		6,073,221
Vehicles	1,103,684	150,191			1,253,875
Heavy Equipment	775,785		-		775,785
Other Capital Assets	2,837,063		-	-	2,837,063
Total capital assets, being depreciated:	156,290,489	872,954	-	3,638,522	160,801,966
Less accumulated depreciation for:					
Buildings	(154,871)	(6,412)	-	-	(161,283)
Infrastructure	(49,220,129)	(3,000,624)	-	-	(52,220,753)
Furniture & Fixtures	(16,756)	(616)	-	-	(17,372)
Equipment	(4,923,699)	(135,529)	-	-	(5,059,228)
Vehicles	(863,839)	(97,329)		-	(961,168)
Heavy Equipment	(581,250)	(54,695)	-	-	(635,945)
Other Capital Assets	(1,523,944)	(126,648)	-	-	(1,650,592)
Total accumulated depreciation	(57,284,488)	(3,421,853)	-	-	(60,706,347)
Total capital assets, being depreciated, n	99,006,001	(2,548,899)	0	3,638,522	100,095,619
Business-type activities capital assets, net	$ 113,382,151	$ 5,292,507	$ (9,026)	$ -	$ 118,665,627

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, 2014 as follows:

Governmental activities:	
General government	$ 289,935
Public safety	1,248,169
Public works	1,015,563
Health	218,440
Social services	118,972
Recreation, culture and libraries	146,363
Community development and housing	14,506
Economic development	803,273
Total depreciation expense - governmental activities	$ 3,855,221
Business type activites:	
Water districts	$ 951,709
Sewer districts	2,423,740
Allconet II	46,404
Total depreciation expense - governmental activities	$ 3,421,853

Construction Commitments

The County has active construction projects as of June 30, 2014. The projects include industrial park infrastructure and water quality and service improvements. At year end the County's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Burbridge building	$ 2,638,825	$ 25,000
Sheriff Building	424,412	4,287
Allegany Co Library Roof	139,940	13,994
Potomac Hollow Bridge	302,570	577,875
Rawlings Water Project	689,964	273,563
Jennings Run Sewer Rehab	1,360,133	50,000
Bald Knob Water	227,390	80,417
Bedford Road Sewer Rehab	615,246	373,836
Mount Savage Water Distribution	5,665,243	459,344
Totals	$ 12,063,723	$ 1,858,316

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.

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, 2014 (not including component units), was as follows:

Board of Education Governmental activities:	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 4,208,336	$ -		$ 4,208,336
Work in process	1,775,245	2,027,045	(715,107)	3,087,183
Total capital assets not being depreciated:	5,983,581	2,027,045	(715,107)	7,295,519
Capital assets, being depreciated:				
Land Improvements	9,051,939	120,277	4,902	9,177,118
Buildings & Improvements	151,246,492	1,484,625	504,256	153,235,373
Furniture, Equipment & Vehicles	18,276,932	1,034,061	29,808	19,340,801
Total capital assets, being depreciated:	178,575,363	2,638,963	538,966	181,753,292
Less accumulated depreciation for:				
Land Improvements	(2,037,437)	(458,948)	-	(2,496,385)
Buildings & Improvements	(82,785,103)	(3,963,698)	-	(86,748,801)
Furniture, Equipment & Vehicles	(10,800,579)	(1,437,257)	159,316	(12,078,520)
Total accumulated depreciation	(95,623,119)	(5,859,903)	159,316	(101,323,706)
Total capital assets, being depreciated, net:	82,952,244	(3,220,940)	698,282	80,429,586
Governmental activities capital assets, net	$88,935,825	$ (1,193,895)	$ (16,825)	87,725,105

Board of Education Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Work in process	$ -	$ -	$ -	$ -
Capital assets, being depreciated:				
Furniture, Equipment & Vehicles	584,605	7,075		591,680
Less accumulated depreciation	(463,806)	(29,903)		(493,709)
Total capital assets, being depreciated, net:	120,799	(22,828)	-	97,971
Business-type activities capital assets, net	$ 120,799	$ (22,828)	$ -	$ 97,971

Capital asset activity for the Library of Allegany County for the year ended June 30, 2014 was as follows:

Library Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable assets:				
Construction in Progress	$ 36,302		$ (21,940)	$ 14,362
Capital assets, being depreciated:				
Buildings & Improvements	$ 3,620,472	$ 143,091	$ -	$ 3,763,563
Furniture & Equipment	761,829	35,646	-	797,475
Vehicles/Bookmobile	130,013	-		130,013
Library Books	3,645,101	201,194	(111,180)	3,735,115
Total capital assets, being depreciated:	8,157,415	379,931	(111,180)	8,426,166
Less accumulated depreciation for:				
Buildings & Improvements	(1,345,143)	(73,837)	-	(1,418,980)
Furniture & Equipment	(508,075)	(43,316)		(551,391)
Vehicles/Bookmobile	(107,464)	(16,251)		(123,715)
Library Books	(3,097,467)	(222,339)	111,180	(3,208,626)
Total accumulated depreciation	(5,058,149)	(355,743)	111,180	(5,302,712)
Total capital assets, being depreciated, net:	$ 3,099,266	$ 24,188	$ -	$ 3,123,454
Governmental activities capital assets, net	$ 3,135,568	$ 24,188	$ (21,940)	$ 3,137,816

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, 2014, were as follows:

Allegany College of Maryland Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 1,697,465	$ -	$ -	$ 1,697,465
Library Collections	107,915	14,172	-	122,087
Work in Progress	120,073	2,337,669	-	2,457,742
Total capital assets not being depreciated:	1,925,453	2,351,841	-	4,277,294
Capital assets, being depreciated:				
Buildings	50,136,564	257,359	-	50,393,923
Equipment	7,500,009	1,087,729	(115,854)	8,471,884
Auxiliary Equipment	219,389	7,285	(16,456)	210,218
Library Books	1,188,390	52,053	(28,728)	1,211,715
Total capital assets, being depreciated:	59,044,352	1,404,426	(161,038)	60,287,740
Less accumulated depreciation :	(28,530,624)	(2,070,063)	152,008	(30,448,679)
Total capital assets, being depreciated, net:	30,513,728	(665,637)	(9,030)	29,839,061
Business-type activities capital assets, net	$32,439,181	$ 1,686,204	$ (9,030)	$34,116,355

Capital asset activity for the LaVale Sanitary Commission for the year ended June 30, 2014, was as follows:

LaVale Sanitary Commission Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 234,830		$ -	$ 234,830
Work in Progress	16,001	52,385		68,386
Total capital assets not being depreciated:	250,831	52,385	-	303,216
Capital assets, being depreciated:				
Buildings	803,233	-	-	803,233
Infrastructure	23,067,432	8,463		23,075,895
Machinery, Vehicles & Equipment, Office Furniture and Eqipment	1,424,477	73,076	(156,745)	1,340,808
Total capital assets, being depreciated:	25,295,142	81,539	(156,745)	25,219,936
Less accumulated depreciation for:	(11,221,818)	(435,124)	-	(11,656,942)
Total capital assets, being depreciated, net:	14,073,324	(353,585)	(156,745)	13,562,994
Business-type activities capital assets, net	$14,324,155	$ (301,200)	$ (156,745)	$13,866,210

Note 8. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2014, is as follows:

A. *Due to/from other funds*

	Due From Other Funds	Due To Other Funds
Governmental funds:		
General Fund	$ -	$ 11,978,154
Revolving Building Fund	10,282,770	-
Non-major Governmental Funds	1,165,087	460,603
Sub-total	11,447,857	12,438,757
Enterprise Funds:		
Water Districts	1,194,759	-
Sanitary Districts	6,752,366	9,176,420
Non-major Enterprise Funds	1,075,355	-
Sub-total	9,022,480	9,176,420
Fudiciary Funds:		
Agency Fund	266,495	-
Health Insurance Trust Fund	878,345	-
Sub-total	1,144,840	-
TOTALS	$ 21,615,177	$ 21,615,177

The interfund balances as of June 30, 2014 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	$ 1,200,000	
Sanitary Districts		$ 800,000
Water Districts		400,000
Loans:		
Loan Fund	342,237	
Allegany County Sanitary Districts:		
Long-term debt		16,813
Allegany County Water Districts:		
Current portion of long-term debt		19,574
Long-term debt		305,850
	$ 1,542,237	$ 1,542,237

Note 8. Interfund Receivables, Payables, and Transfers (continued)

The amounts owed to the General fund from the 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."

C. *Transfers*

Transfers to other funds for the year ending June 30, 2014 are as follows:

Transferred From: Transferred To:	Amount	Total By Fund
From the General Fund to:		
Non-major funds governmental funds	$ 4,201,943	
Enterprise funds:		
Allconet	100,211	
Water/Sewer fund	65,382	$ 4,367,536
From the Revolving Building Fund To:		
General Fund	0	
Water Fund	19,348	
Sewer Fund	7,500	
Non-major funds governmental funds	1,570,690	1,597,538
From the Non-major Governmental Funds to:		
General Fund	-	
Other Non-major governmental fund	441,902	441,902
From the Non-major Enterprise Funds to:		
General Fund	24,640	24,640
TOTALS	$ 6,431,616	$ 6,431,616

General Fund transfers to the non-major governmental funds were to fund the local share of grant funded programs and to pay debt service. Transfers to the enterprise funds were to assist in operating costs and debt service. 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, 2014 are as follows:

Payment From: Payment To:	Amount	Total By Fund Type
From the General Fund (appropriations) to:		
Board of Education	$ 29,770,045	
Board of Education, Data Processing	332,996	
Allegany College of Maryland	7,555,000	
Library	940,000	$ 38,598,041
From the Rocky Gap Slots Fund to:		
Allegany College of Maryland	359,489	
Frostburg State University	199,440	558,929
From the Gaming Fund to:		
Board of Education:		
Central office building roof	12,114	
Washington Middle Roof	5,949	
Westmar Middlee Roof	105,416	123,479
Total	$ 39,280,449	$ 39,280,449

Note 9. Short-term Debt

Allegany County did not issue short-term debt during the fiscal year ending June 30, 2014 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, 2014, was as follows:

Long-term Debt

Governmental Activities

	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
General Obligation	$ 20,948,078	$	$ (3,474,858)	$ 17,473,220	$ 2,611,096
Notes	219,629	-	(6,714)	212,915	7,106
Capital Leases*	36,080	-	(17,519)	18,560	18,560
State Loans	2,203,357	-	(438,057)	1,765,300	300,291
Premium on Bonds Payable	486,468		(37,420)	449,048	37,420
Total	$ 23,893,612	$ 0	$ (3,974,568)	$ 19,919,043	$ 2,974,473

* The net book value of leased vehicles at June 30, 2014 is $ 5,469.

Business-type activities

	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Water districts:					
Rural development loans	$ 10,794,032	$ 207,605	$ (141,720)	$ 10,859,917	$ 164,835
Maryland water quality loans	134,229		(3,964)	130,265	4,028
County loans	344,380	-	(18,956)	325,424	19,574
Total water distrticts	11,272,641	207,605	(164,640)	11,315,606	188,437
Sewer districts:					
Maryland water quality loans	395,838	197,906	(43,544)	550,200	43,169
Maryland environmental loans	14,124,112		(975,675)	13,148,437	987,904
Rural development loans	4,968,713		(66,423)	4,902,290	72,758
Other loans	17,251	-	(437)	16,814	458
Total sewer districts	19,505,914	197,906	(1,086,079)	18,617,741	1,104,289
Total business-type activities:					
Maryland water quality loans	530,067	197,906	(47,508)	680,465	47,197
Maryland environmental loans	14,124,112	-	(975,675)	13,148,437	987,904
Rural development loans	15,762,745	207,605	(208,143)	15,762,207	237,593
Other loans	361,631	-	(19,393)	342,238	20,032
Total business-type activitie	$ 30,778,555	$ 405,511	$ (1,250,719)	$ 29,933,347	$ 1,292,726

Other Long-term Liabilities

Governmental Activities

	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Compensated Absences	$ 4,016,417	$ 455,439	$ (192,721)	$ 4,279,135	$ 846,175

Business-type activities

Water & sewer districts					
Compensated absences	$ 361,123	$ 58,473	$ (25,051)	$ 394,545	$ 101,970

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, 2014 are as follows:

Year Ending	General Obligation Bonds		Notes		Capital Leases		State Loans		Premium	Totals	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Bond Pay	Principal	Interest
2015	$ 2,611,098	$ 495,590	$ 7,106	$ 12,142	$ 18,560	$ 1,102	$ 300,291	$ 35,418	$ 37,420	2,974,475	$ 544,252
2016	3,191,213	428,165	7,520	11,727	-	-	278,247	26,799	37,420	3,514,400	466,691
2017	3,236,447	328,066	7,959	11,288	-	-	248,260	18,607	37,420	3,530,086	357,961
2018	1,393,114	225,254	8,423	10,824	-	-	217,637	13,904	37,420	1,656,594	249,982
2019	1,424,908	190,911	8,915	10,333	-	-	330,655	10,004	37,420	1,801,898	211,248
2020-2024	3,491,440	567,862	52,980	43,233	-	-	390,210	7,420	187,100	4,121,730	618,515
2025-2029	2,125,000	114,338	70,376	25,861	-	-			74,848	2,270,224	140,199
2030-2034	-	-	49,636	5,097	-	-	-	-		49,636	5,097
2035-2039	-	-	0	0	-	-	-	-		0	0
2040-2044	-	-	0	0	-	-	-	-		0	0
	$ 17,473,220	$ 2,350,186	$ 212,915	$ 130,505	$ 18,560	$ 1,102	$ 1,765,300	$ 112,152	$ 449,048	19,919,043	$ 2,593,945

Annual debt service requirements to maturity for Allegany County's business-type activities long-term debt outstanding as of June 30, 2014 are as follows:

The annual debt service requirements to maturity for the Water Districts long-term debt outstanding at June 30, 2014 are:

Year Ending	Farmers Home Admin. Loans		Water Quality/MDE Loans		Other Loans		Totals	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	164,835	336,851	4,028	1,598	19,574	11,912	188,437	350,361
2016	217,326	314,175	4,076	1,548	20,214	11,273	241,616	326,996
2017	224,231	307,270	4,126	1,498	20,875	10,612	249,232	319,380
2018	231,397	300,104	4,176	1,447	21,557	9,929	257,130	311,480
2019	238,835	293,238	4,228	1,396	22,263	9,223	265,326	303,857
2020-2024	1,316,129	1,341,377	21,932	6,186	119,533	34,664	1,457,594	1,382,227
2025-2029	1,550,385	1,072,575	23,316	4,802	24,279	20,652	1,597,980	1,098,029
2030-2034	1,713,336	790,843	24,814	3,327	30,392	14,537	1,768,542	808,707
2035-2039	1,783,222	551,524	26,360	1,765	38,047	6,583	1,847,629	559,872
2040-2044	1,405,223	313,967	13,208	293	8,690	298	1,427,121	314,558
2045-2049	1,215,389	151,006	-	-	0	0	1,215,389	151,006
2050-2054	799,609	28,712	-	-	0	0	799,609	28,712
Totals	$ 10,859,917	$ 5,801,642	$ 130,264	$ 23,860	$ 325,424	$ 129,683	11,315,606	$ 5,955,185

The annual debt service requirements to maturity for the Sanitary Districts long-term debt outstanding at June 30, 2014 are:

Year Ending	Water Quality Loans		Md. Environmental Loans		Farmers Home Admin. Loans		Other Loans		Totals	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	$ 43,169	$ 5,529	$ 987,905	$ 169,468	$ 72,758	$ 167,858	$ 457	$ 758	$ 1,104,289	$ 343,613
2016	45,068	5,958	1,000,308	161,065	87,086	160,984	480	737	1,132,942	328,744
2017	44,173	5,597	1,012,885	148,488	90,063	158,007	501	715	1,147,622	312,807
2018	44,735	5,036	1,025,637	135,735	93,154	154,916	524	692	1,164,050	296,379
2019	33,420	4,467	1,038,569	122,803	96,362	151,708	548	668	1,168,899	279,646
2020-2024	111,829	17,550	5,235,799	414,315	534,383	705,949	3,141	2,939	5,885,152	1,140,753
2025-2029	118,834	10,543	2,847,334	103,828	635,267	591,277	3,933	2,149	3,605,368	707,797
2030-2034	95,949	3,358			757,329	483,021	4,924	1,158	858,202	487,537
2035-2039	13,023	107	-	-	769,979	344,129	2,305	132	785,307	344,368
2040-2044	-	-	-	-	838,984	213,006	-	-	838,984	213,006
2045-2049	-	-	-	-	761,591	69,109	-	-	761,591	69,109
2050-2054	-	-	-	-	165,335	6,413	-	-	165,335	6,413
Totals	$ 550,200	$ 58,145	$ 13,148,437	$ 1,255,702	$ 4,902,291	$ 3,206,377	$ 16,813	$ 9,948	$ 18,617,741	$ 4,530,172

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

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:	Date of	Date of	Interest	June 30,	
Public Improvement Bonds:	Issue	Maturity	Rate (%)	2014	2013
Bonds of 1998	08/15/98	08/01/13	4.375-4.65	0	1,360,000
Bonds of 2004	10/26/04	10/01/19	3.50	934,440	1,105,000
Bonds of 2006	07/21/06	08/01/16	4.24	1,014,897	1,365,000
Bonds of 2008	12/16/08	09/01/18	4.36	2,423,883	2,878,078
Bonds of 2013-Nontax	03/11/13	03/11/27	2.11	9,540,000	9,640,000
Bonds of 2013-Taxable	03/11/13	03/11/17	1.48	3,560,000	4,600,000
Premium on Bonds	03/11/13	03/11/27	n/a	449,048	486,468
Notes:					
Farmers Home Admin	1992	2032	5.75	212,915	219,629
Capital Leases:					
Transit Bus	04/11/06	04/11/13	5.94	18,560	36,080
State Loans:					
Md Industrial Land Act:					
Superfos Expansion	1991	2017	6.90	166,346	225,862
Micro - Integration	1994	2014	5.93		30,053
Superfos III	1995	2014	5.93	30,216	146,953
MICRF Loans:					
PPG Purchase	01/05/96	2020	5.00	981,461	1,157,053
PPG Improvements	2001	2022	4.69	99,317	116,355
MD Historical Trust Loan	2000	2020	1.00	144,000	145,000
Md Environmental Loan	2003	2023	0.89	343,960	382,081
Total Long - Term General Obligation Debt				19,919,043	23,893,612
Compensated Absences				4,279,135	4,016,417
Total long-term liabilities				$ 24,198,178	$ 27,910,029

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014

Schedule of Business-type Debt

	Date of Issue	Date of Maturity	Interest Rate (%)	June 30, 2014	June 30, 2013
Water Districts Debt:					
Eckhart FHA Loan 1991 Series A	02/21/91	2013	6.0	$ 80,236	$ 82,881
Eckhart FHA Loan 1991 Series B	02/21/91	2013	6.0	195,799	202,265
Eckhart/Clarysville RDA Loan	04/17/11	2051	2.5	210,081	213,539
Borden/Zhilman FHA Loan 1998	10/22/97	2037	4.5	264,930	271,180
Carlos/Shaft FHA Loan 2000	12/28/99	12/28/2039	3.25	393,315	403,124
Oldtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	185,581	190,208
Oldtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	189,448	194,171
Grahmtown FHA Loan 2001 R-2	2001	2042	4.5	509,611	518,841
Consol FHA loan	2004	2044	4.5	92,233	93,690
McCoole FHA Loan	1999	2039	4.5	878,587	897,947
Barton Industrial Park	2005	2045	4.5	319,849	324,668
Klondike FHA	2005	2045	4.5	417,132	423,318
Morantown FHA Loan	2005	2046	4.25	153,312	155,599
Mexico Farms	1992	2032	5.5	300,317	309,521
Bowmans Addition RDA Loan	10/01/10	2051	3.75	575,628	582,910
Bowmans Addition Phase 2 RDA	12/16/11	2052	2.00	599,178	609,266
Bedford Rd/Shades Lane MDE	06/28/12	2052	1.00	42,925	44,248
Cresaptown RDA Loan	06/28/12	2052	2.00	1,450,414	1,475,657
Cresaptown RDA Loan 2	06/28/12	2052	2.00	449,505	457,330
Mt Savage-FHA Loan	06/30/13	2053	2.00	3,405,522	3,387,917
Mt Savage-MDE Loan	10/31/12	2042	1.00	87,339	89,981
Rawlings	03/31/14	2054	2.00	189,240	
Sub-total				10,990,182	10,928,261
Carlos/Shaft Loan	2006	2040	4.5	43,522	44,385
Missick Road Loan	2006	2040	4.5	68,574	69,934
Route 51 Loan	2006	2040	4.5	24,201	24,681
PSC Rate case	2007	2024	4.5	189,127	205,380
Sub - total				325,424	344,380
Total debt				11,315,606	11,272,641
Less: Current maturities of long - term debt				(188,437)	(163,890)
Total Water Districts long - term debt				$ 11,127,169	$ 11,108,751
Sanitary Districts Debt:					
Maryland Water Quality Loans					
Bowling Green	1984	2014	8.3	$ 4,651	$ 8,982
Cresaptown	1984	2014	8.3	2,897	5,594
Cresaptown	1986	2015	8.8	2,795	4,032
Bedford Road	2013	2032	1.4	238,159	250,000
Braddock Run	2013	2019	1.0	103,792	127,230
Jennings Run	2014/2015	2036	1.0	197,906	
Sub - total				550,200	395,838
Maryland Department of Environment					
Celanese Treatment Plant	1991	2010	3.705	-	-
Celanese WWTP Upgrade	06/03	2023	0.40	4,566,787	4,963,970
Inflow and Infiltration Study I	12/03	2023	0.40	602,340	674,627
Celanese	2006	2026	0.40	495,947	534,913
Inflow and Infiltration Study II	2008	2028	1.00	861,789	916,504
George Creek WWTP Upgra	2009	2029	0.40	6,365,785	6,761,256
Inflow and Infiltration Study II	2010	2030	1.00	255,789	272,842
Sub - total				13,148,437	14,124,112
Farmers Home Administration Loans					
Georges Creek	2007	2047	4.125	465,539	472,055
Cash Valley Road	1996	2036	4.50	109,636	112,564
Oldtown Road	1996	2036	4.50	415,791	426,894
Bowling Green/Cresaptown A	2007	2047	4.125	1,757,302	1,781,891
Bowling Green/Cresaptown B	2007	2047	4.125	344,987	349,818
Bedford Road	2012	2052	2.000	457,237	465,197
Bedford Road	2013	2052	2.000	497,321	505,816
Jennings Run	2013	2052	2.000	854,478	854,478
Sub - total				4,902,291	4,968,713
Oldtown	2006	2036	4.5	16,813	17,251
Sub - total				16,813	17,251
Total				18,617,741	19,505,914
Less: Current maturities of long - term debt				(1,104,290)	(1,086,079)
Total Sanitary Districts Long - term Debt				$ 17,513,451	$ 18,419,835

Note 10. Long-Term Debt - continued

The following is a summary of debt transactions for the discretely presented component units for the fiscal year ended June 30, 2014

Long-term Liabilities - Component Units

Long-term debt activity for the year ended June 30, 2014:

	Allegany College of Maryland	LaVale Sanitary Commission
Payable at July 1, 2013	$ 175,083	$ 3,547,919
Amount issued	53,980	-
Amount retired	(50,127)	(89,693)
Payable at June 30, 2014	$ 178,936	$ 3,458,226

Annual debt service requirements to maturity:

	Allegany College of Maryland (Capital Leases)			LaVale Sanitary Commission		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 53,748	$ 9,187	$ 62,935	$ 116,596	$ 137,502	$ 254,098
2016	52,380	5,892	58,272	120,732	133,366	254,098
2017	53,773	2,614	56,387	125,042	129,056	254,098
2018	15,131	385	15,516	129,536	124,562	254,098
2019	3,904	29	3,933	134,220	119,879	254,099
2020-2024	-	-	-	724,769	521,869	1,246,638
2025-2029	-	-	-	778,685	372,460	1,151,145
2030-2034	-	-	-	934,129	189,336	1,123,465
2035-2039	-	-	-	394,517	20,724	415,241
	$ 178,936	$ 18,107	$ 197,043	$ 3,458,226	$ 1,748,754	$ 5,206,980

Note 11. Pension and Retirement Systems

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

Note 11. Pension and Retirement Systems-continued

Allegany County has also established one defined contribution plan, the Management Contractual Employees Retirement Plan, to provide retirement benefits to certain contractual employees of the County. The ICMA Retirement Corporation administers the plan. At June 30, 2014, there are 7 members enrolled in the plans.

Funding Policy

Employees covered under the retirement system are required to contribute between five and seven percent of their base salary. The County is required to contribute at an actuarially determined rate and the current rate is 13.89% of covered payroll. Employees belonging to the pension system must contribute seven percent of their base salary and seven 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 10% 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, 2014, 2013 and 2012, were $ 1,418,745, $1,313,060, and $1,583,172 respectively, equal to the required employer contributions for each year.

The defined contribution plan requires the County to contribute 10% to the Management Contractual Employees Retirement Plan of annual covered payroll. The annual covered payroll was $380,402 and the required contribution was $37,766, 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 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 lessor of 5% or the percentage they were contributing prior to July 1, 1973.

Note 11. Pension and Retirement Systems-continued

Members of the contributory pensions are required to make contributions of 7% 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 rate is 10.00%. 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, 2014, 2013 and 2012 were $3,349,990, and $2,886,886, and $1,695,690, 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, 2014. The Library's contributions for the years ended June 30, 2014, 2013 and 2012 were $9,784, $11,656 and $9,996, 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, 2014, 2013 and 2012 in the amounts of $141,657, $119,239, and $120,883 respectively.

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 2014 were $1,770,017.

Note 11. Pension and Retirement Systems - continued

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, 2014. Allegany College's contributions for the years ended June 30, 2014, 2013 and 2012 were $98,663, $85,704 and $118,414, 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, 2014. LaVale Sanitary's contributions for the years ended June 30, 2014, 2013 and 2012 were $ 0, $ 26,299, and $60,353, respectively, equal to or greater than the required employer contributions for each year. Contributions exceeding the required annual contributions are recorded as an asset in the Commission's financial statements; the balance at June 30, 2014 was $ 577,654.

Note 12. Length of Service Award Program

A. Plan Description

On January 1, 2009, the County adopted the Allegany County Emergency Services Length of Service Awards Program for the Allegany County Emergency Service Organizations members which provide fire, rescue, and ambulance services to the residents of Allegany County. The plan is a single employer, defined benefit pension plan which is open to any volunteer over the age of eighteen, who has completed one year of service. Participants vest after ten years of service and earn a fixed dollar benefit based on years of service. No separate financial report is issued for the plan.

At year end, the program membership consisted of 671 eligible members and no retirees.

Note 12. Length of Service Award Program-continued

B. Funding Policy

The plan is available to vested volunteer members with no covered payroll. Benefits amortize on a level dollar basis, and are recognized when due and payable in accordance with the terms of the plan. Benefits accrue per month at the rate of $7 multiplied by years of service, with a maximum benefit of $105 per month. Since the County fully funds the plan, refunds are not paid. The plan does not provide for post-retirement increases. The contribution rate is determined using an Entry Age Normal Cost Method. The actuarial value of the plan assets is equal to the market value of the assets. Present and future assets in the plan are assumed to earn an investment rate of return of 4.75% compounded annually. There is no inflation factor or salary increase factor used since there is no covered payroll.

C. Annual Program Cost

Fiscal Year Ending	Annual Program Cost (APC)	Percentage of APC Contributed	Net Program Obligation
June 30, 2009	$200,000	100%	0
June 30, 2010	$200,000	100%	0
June 30, 2011	$199,000	100%	0
June 30, 2012	$210,240	100%	0
June 30, 2013	$235,805	100%	0
June 30, 2014	$201,986	100%	0

The program's funding provides for periodic County contributions at actuarially determined rates that are sufficient to accumulate adequate assets to pay benefits when due. At year end the plan had net assets available for benefits totaling $1,333,825.

D. Funding Status and Funding Progress

As of January 1, 2013, the most recent actuarial valuation date, the plan was funded 112%. The actuarial accrued liability for benefits was $756,003 resulting in an UAAL of ($91,550).

The schedule of funding progress, presented as required in supplementary information following the Notes to the Financial Statements, presents multi-year information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial liabilities for benefits.

Note 13. Governmental Fund Balance Classifications

Beginning with fiscal year 2012, the County adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions", which redefined how fund balances of governmental funds are presented in the financial statements. Those classifications are:

- Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted - Amounts that can be spent only for specific purposes because of the Allegany County Code, federal or state laws, or externally imposed conditions by grantors or creditors.
- Committed – Amounts that can be used only for specific purposes determined by a formal resolution or ordinance by the Board of County Commissioners.
- Assigned – Amounts that are designated by the Board of Commissioners or the Director of Finance for a particular purpose.
- Unassigned – All amounts not included in other spendable classifications.

Fiscal Year 2014 Fund Balance Classifications

Fund Balances:	General Fund	Major Special Revenue Fund Revolving Building	Other Funds	Total
Nonspendable				
Long term receivables	$ 1,200,000	$ -	$ -	$ 1,200,000
Restricted for:				
Transit bus replacement	148,863	-	-	148,863
Housing programs	-	-	244,507	244,507
Coal Haul Roads	-	-	722,753	722,753
Drug task Force	-	-	53,903	53,903
Inmate activities	-	-	316,582	316,582
Fire Companies	-	-	225,564	225,564
Debt retirement	-	-	1,361,327	1,361,327
Stream restoration,other	-	-	42,008	42,008
Committed to:				
Economic development	-	10,435,493	-	10,435,493
Technology			79,775	79,775
Fire Companies	-	-	79,775	79,775
School capital	-	-	143,946	143,946
Assigned to:				
Election machine replacements	150,000	-	-	150,000
Future Disparity Grant Funding	3,264,000			3,264,000
Debt retirement	-	-	-	-
Technology enhancements	-	-	355,300	355,300
Highway projects	-	-	647,883	647,883
Public safety projects	-	-	195,572	195,572
Library roof repairs			(46,454)	(46,454)
County building improvements	-	-	344,936	344,936
Unassigned:	18,695,272	-	(191,236)	18,504,036
	$ 23,458,135	$ 10,435,493	$ 4,576,141	$ 38,469,766

Note 14. Postemployment Healthcare Plan

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 8% 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 through May 1, 2014. At this time, the over 65 retiree group was moved to a defined contribution plan.

The current ARC rate is 11.36 percent of annual covered payroll.

Annual OPEB Cost and Net OPEB Obligation. The County's annual Other Post Employment Benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal costs each year to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table show the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the county's net OPEB obligation to the retiree health plan:

Annual Required Contribution (ARC)	$ 1,575,207
Interest on Net OPEB Obligation	(46,863)
Adjustment to ARC	40,337
Annual OPEB cost (expense)	1,568,681
Contribution Towards OPEB Cost	(1,626,531)
Increase (Decrease) in Net OPEB Obligation (asset)	(57,851)
Net OPEB Obligation (Asset)-Beginning of the year	(669,473)
Net OPEB Obligation (Asset)-End of the year	$ (727,324)

Note 14. Postemployment Healthcare Plan-continued

For fiscal year 2014, the County's annual OPEB cost (expense) of $1,568,681 for ACBP was less than the ARC. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the preceding fiscal year are as follows:

Fiscal Year Ended	Annual OPEB Costs	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/14	1,568,681	103.7%	$ (727,324)
06/30/13	1,954,347	100.0%	$ (669,473)
06/30/12	1,968,268	100.4%	$ (669,401)

Funding Status and Funding Progress. The funded status of the plan as of July 1, 2013 (the date of the latest actuarial valuation) was as follows:

Actuarial accrued liability (AAL)	$ 20,046,494
Actuarial value of plan assets	2,439,834
Unfunded actuarial accrued liability (UAAL)	$ 17,606,660
Funded ratio (actuarial value of plan assets/AAL)	12.17%
Covered payroll (active plan members)	$ 13,867,239
UAAL as a percentage of covered payroll	127.00%

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.

Note 14. Postemployment Healthcare Plan-continued

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The inflation rate was assumed to be constant at 3% per year. 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 3 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 an open basis. The remaining amortization period at July 1, 2013, was twenty-five years.
The County has elected to apply GASB Statement No. 45 prospectively and as a result the liability at transition was $0.

In May, 2014, Allegany County moved its retirees over 65 from the above defined benefit plan to a defined contribution plan. A total of 141 retirees over 65 were enrolled in the plan as of June 30, 2014. The County contributes $ 150 per retiree per month into a flex plan administered by PayFlex/Towers Watson. Plan provisions and contributions are established and amended by the County Commissioners. Employer contributions are reported in the period the contributions are due. The amount of employer contributions made for FY 14 was $ 39,300.

Note 15. Risk Management

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 County has established a Health Insurance Trust Fund, an employee benefit trust fund, used to account for the activity and assets held in trust for the health insurance benefits of its employees.
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 $200,000 per year and aggregate annual participant claims in excess of $10,009,929.
Third party administrators estimated the non-discounted claims liability reported in the funds at June 30, 2014. 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.

Note 15. Risk Management-continued

Changes in the balance of claims payable relating to the funds for fiscal year 2014 are as follows:

Balance at July 1, 2013	$	573,252
Claims and changes in estimates		83,800
Claim payments		-
Balance at June 30, 2014	$	657,052

Note 16. Pending Claims and Litigation

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. At this time, there are no known claims or judgments due within one year.

Note 17. Contingent Liabilities

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, 2014 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, 2014, such debt includes loans with the U.S. Department of Agriculture of $3,247,611.

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 18. Accounting Changes and Restatement of Net Position

In fiscal year 2013 and 2014, the County implemented Governmental Accounting Standards Board (GASB) Statement 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and Statement 65 "Items Previously Reported as Assets and Liabilities", respectively. Statement 63 will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. The objective of GASB 65 is to either properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or to recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

The implementation of Statement 65 resulted in restatement of the beginning net position of the governmental activities in the government-wide financial statements. The deferred charges for devt issuance costs were reclassed as an expense of prior periods and resulted in the adjustment below.

Also, an adjustment for OPEB Net Asset unrecorded from previous years and an adjustment for construction in progress were reclassed as well:

	Governmental Activities
Net Position at June 30, 2013, as previously stated	$99,852,099
Change in reporting for deferred charges for debt issuance costs	(427,509)
OPEB Net Asset from Prior years	669,473
Change in construction in progress	(155,141)
Net Position at June 30, 2013, restated	$99,938,922

Note 19: Recent Pronouncements

The GASB has issued the following Statement which will become effective in future years as shown below:

Statement No. 68, "*Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27.*" The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. The Statement will become effective for the County in fiscal year 2015. Management has not yet determined the impact of the Statement on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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ALLEGANY COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

NON-PENSION POST EMPLOYMENT BENEFITS TRUST (OPEB)

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
July 1, 2008	-	$25,521,000	0.0%	$25,521,000	$15,952,000	160.0%
July 1, 2010	1,850,589	25,006,403	7.4%	23,155,814	15,070,838	153.6%
July 1, 2012	2,304,271	24,377,567	9.5%	22,073,296	14,024,592	157.4%

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

LENGTH OF SERVICE AWARD PROGRAM TRUST (LOSAP)

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
January 1, 2011	400,000	$315,862	127%	($84,138)	N/A	N/A
January 1, 2012	617,495	520,526	119.0%	(96,969)	N/A	N/A
January 1, 2013	847,553	756,003	112.0%	(91,550)	N/A	N/A

Schedule of Employer Contributions:

Year Ended June 30	Annual Required Contribution	Actual Contribution Made	Percentage Contributed
2011	599,000	599,000	100%
2012	210,240	210,240	100%
2013	235,805	235,805	100%
2014	201,986	201,986	100%

*Note: First contribution was made during FY 2011

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
REVENUES				
Taxes:				
Property Taxes:				
Real and personal property	$ 40,764,629	$ 40,764,629	$ 41,284,815	$ 520,186
Payments in lieu of taxes:				
Coal companies	260,000	260,000	176,630	(83,370)
Housing Authorities	35,000	35,000	37,852	2,852
Rocky Gap	295,000	295,000	292,082	(2,918)
Interest on Delinquent taxes	1,000,000	1,000,000	1,634,450	634,450
Sub-total	42,354,629	42,354,629	43,425,829	1,071,200
Less:				
Prompt payment discounts	185,000	185,000	179,216	5,784
Deferred revenues	500,000	500,000	(997,985)	1,497,985
Industrial exemptions	125,000	125,000	64,410	60,590
Enterprise zone exemptions	175,000	175,000	123,102	51,898
Residential development tax credit	25,000	25,000	-	25,000
Tax increment financing	75,000	75,000	37,568	37,432
Historic tax credit	95,000	95,000	59,998	35,002
Real estate tax set-aside	32,000	32,000	-	32,000
PILOT abatement	11,400	11,400	11,400	-
Sub-total	1,223,400	1,223,400	(522,291)	1,745,691
Total Net Property Taxes	41,131,229	41,131,229	43,948,120	2,816,891
Income Taxes	24,534,600	24,534,600	24,112,733	(421,867)
Other Local Taxes:				
Hotel/motel tax	948,125	948,125	909,959	(38,166)
Admissions	200,000	200,000	164,229	(35,771)
Recordation	1,050,000	1,165,088	1,643,304	478,216
911 Fees	525,000	525,000	420,186	(104,814)
Trailer court	67,000	67,000	74,473	7,473
Transfer tax	350,000	350,000	478,515	128,515
Highway users taxes	461,733	689,884	631,589	(58,295)
Rocky Gap slots revenue			-	-
Total Local Taxes	3,601,858	3,945,097	4,322,255	377,158
Total Taxes	69,267,687	69,610,926	72,383,108	2,772,182
Licenses and Permits				
Alcoholic beverage licenses	100,000	100,000	100,175	175
Amusement licenses	5,000	5,000	5,193	193
Traders licenses	94,000	94,000	98,796	4,796
Occupational licenses	800	800	800	-
Building permits	25,000	25,000	34,280	9,280
Marriage licenses	4,500	4,500	7,460	2,960
Cable franchise fees	375,000	375,000	414,862	39,862
Sediment control permits	24,000	24,000	24,667	667
Total Licenses and Permits	628,300	628,300	686,233	57,933

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
REVENUES (Continued):				
Intergovernmental:				
Federal Funds:				
Homeland security grant	126,873	126,873	206,234	79,361
Civil defense	65,000	65,000	79,341	14,341
FEMA grant	11,200	11,200	9,680	(1,520)
MTA Transportation planning	71,041	71,041	54,402	(16,639)
Railroad grant	19,848	19,848	24,810	4,962
Food distribution to the needy	12,300	12,300	8,166	(4,134)
Emergency shelter grant	57,750	57,750	82,767	25,017
Masters program	62,496	62,496	44,476	(18,020)
Payments in lieu of property taxes	7,500	7,500	7,926	426
Sub-total Federal funds	434,008	434,008	517,802	83,794
State Funds:				
Public Health	14,000	14,000	13,159	(841)
Police protection	130,000	218,193	219,652	1,459
State 911 grant	1,500	1,500	1,700	200
State transportation planning	6,880	6,880	5,295	(1,585)
Maryland Department of Environment grant	1,400	1,400	-	(1,400)
Juvenile services grant	15,130	15,130	9,232	(5,898)
Department of Natural Resources	35,000	35,000	27,272	(7,728)
Conservation aid salary	27,336	27,336	21,825	(5,511)
Program Open Space grant	311,000	311,000	43,892	(267,108)
Disparity grant	8,930,611	8,930,611	8,930,611	-
State Jury Reimbursement	50,000	50,000	42,455	(7,545)
Tourism grant	30,000	30,000	109,943	79,943
Work Crew Supervisor	30,647	30,647	32,881	2,234
Miscellaneous	158,579	146,249	198,534	52,285
Sub-total State Funds	9,742,083	9,817,946	9,656,451	(161,495)
Other Intergovernmental:				
Other agencies	456,376	506,376	485,372	(21,004)
Sub-total Other Intergovernmental:	456,376	506,376	485,372	(21,004)
Total Intergovernmental	10,632,467	10,758,330	10,659,625	(98,705)

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
REVENUES (Continued)				
Service Charges:				
General government charges:				
State civil process	50,000	50,000	44,895	(5,105)
Plans & specifications	5,000	5,000	2,263	(2,737)
Regulation & Maps	2,000	2,000	3,347	1,347
Tax sale fees	22,000	22,000	34,515	12,515
Election filing fees	300	300	795	495
Security interest filing fee	-	-	50	50
License application fees	8,200	8,200	8,701	501
Liquor License transfer fee	4,500	4,500	3,280	(1,220)
Bay restoration collection fee	5,000	5,000	-	(5,000)
Health Ins Admin fee	1,100	1,100	853	(247)
Other general government service charges	5,000	5,000	5,500	500
Tourism promotion charges	92,500	92,500	27,309	(65,191)
Collection fees-special areas	60,000	60,000	61,072	1,072
Liquor License Collection fee	3,600	3,600	3,409	(191)
Hotel/Motel collection fee	19,000	19,000	20,901	1,901
Partial payment fee	1,500	1,500	2,292	792
Engineering fees	40,000	40,000	42,829	2,829
Indirect cost allocation	559,449	559,449	32,776	(526,673)
Sub-total general government charges	879,149	879,149	294,787	(584,362)
Public safety charges:				
Police protection charges	13,500	13,500	41,822	28,322
Fingerprinting fee	200	200	40	(160)
Impound fees			5,274	5,274
Jail work release	12,000	12,000	11,472	(528)
Boarding state prisoners	10,000	10,000	81,990	71,990
Boarding Federal prisoners	15,000	15,000	12,648	(2,352)
Community service fee	22,000	22,000	19,140	(2,860)
Home detention fee	35,000	35,000	29,836	(5,164)
Inmate Medical Copay	4,000	4,000	4,281	281
Building Inspection fees	15,000	15,000	11,170	(3,830)
Ambulance fees	85,000	85,000	125,272	40,272
Sub-total public safety charges	211,700	211,700	342,945	131,245
Sanitation and Waste Removal:				
Landfill fees	175,000	175,000	164,697	(10,303)
Recycling fees	50,000	50,000	107,219	57,219
Recycled material sales	11,000	11,000	35,553	24,553
Sub-total Sanitation and Waste	236,000	236,000	307,469	71,469

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
REVENUES (Continued):				
Service Charges (continued):				
Public service enterprises:				
Upper Potomac River Commission	314,505	314,505	314,505	-
Road closing fees	300	300	-	(300)
Sub-total public service charges	314,805	314,805	314,505	(300)
Total Service Charges	1,641,654	1,641,654	1,259,706	(381,948)
Fines and Forfeitures:				
Circuit court fines	7,000	7,000	4,565	(2,435)
Contraband seizures	-	-	10,074	10,074
Liquor violation fines	7,300	7,300	9,600	2,300
Zoning fines	5,400	5,400	1,121	(4,279)
Fines and forfeitures	2,500	2,500	12,167	9,667
Total Fines and Forfeitures	22,200	22,200	37,527	15,327
Miscellaneous:				
Interest	112,622	112,622	100,728	(11,894)
Rents and concessions	289,394	289,394	351,677	62,283
Miscellaneous	44,500	58,555	154,826	96,271
Total Miscellaneous	446,516	460,571	607,231	146,660
Total Revenues	82,638,824	83,121,981	85,633,430	2,511,449

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
EXPENDITURES:	Original	Final	Amount	(Negative)
General Government:				
Legislative:				
County Commissioners	167,101	167,101	169,421	(2,320)
County Commissioners Office	-	-	-	-
Total legislative	167,101	167,101	169,421	(2,320)
Judicial:				
Family Support Services	154,796	137,426	134,999	2,427
Alternative dispute resolution	5,500	5,720	5,019	701
Circuit court masters program	100,414	101,097	100,737	360
Circuit court	335,556	335,556	309,407	26,149
Orphans court	62,725	62,725	60,952	1,773
Family Law Master	67,484	67,484	67,736	(252)
State's attorney	1,244,949	1,298,490	1,258,079	40,411
Law library	22,000	22,000	22,000	-
Grand and petit juries	70,829	70,829	66,035	4,794
Total Judicial	2,064,253	2,101,327	2,024,964	76,363
Executive:				
Administrator	304,614	306,816	262,172	44,644
Elections:				
Registration and elections	605,434	606,955	420,877	186,078
Financial Administration:				
Finance Office	550,834	556,686	469,174	87,512
Tax Office	601,287	606,483	350,248	256,235
State Assessment Fee	364,792	364,792	346,498	18,294
Professional services	53,500	53,500	47,228	6,272
Total Financial Administration	1,570,413	1,581,461	1,213,148	368,313
Legal:				
Legal counsel	195,885	195,885	164,588	31,297
Other legal/professional	90,240	90,240	34,649	55,591
Total legal	286,125	286,125	199,237	86,888
Personnel Administration:				
Human Resources department	511,217	515,520	431,381	84,139
Human resources board of appeals	3,551	3,551	1,811	1,740
Wellness/Employee recognition	11,013	11,013	5,179	5,834
Total personnel administration	525,781	530,084	438,371	91,713
Planning and Zoning:				
Planning and zoning department	364,717	366,668	328,140	38,528
Land use planning	-	-	-	-
Total Planning and Zoning	364,717	366,668	328,140	38,528
General Services:				
County Building Maintenance	1,193,968	1,196,274	1,098,054	98,220
Data Processing	240,594	240,594	217,675	22,919
Total general services	1,434,562	1,436,868	1,315,729	121,139
Other general government:				
Liquor control board	109,386	110,102	110,261	(159)
Insurance	353,500	353,500	354,105	(605)
Employee benefits	181,955	131,955	122,377	9,578
Post retirement benefits	1,053,843	1,053,843	902,876	150,967
Total Other General Government	1,698,684	1,649,400	1,489,619	159,781
Total General Government	9,021,684	9,032,805	7,861,678	1,171,127

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
EXPENDITURES:	Original	Final	Amount	(Negative)
EXPENDITURES (Continued):				
Public Safety:				
Police:				
Police Department	1,387,256	1,624,468	1,513,152	111,316
Sheriffs department	1,063,357	1,066,440	1,092,196	(25,756)
C3I Unit	13,000	13,000	19,042	(6,042)
Safe School	42,146	42,146	90,033	(47,887)
Juvenile review board	48,494	48,494	46,046	2,448
Truancy Prevention	73,206	73,206	69,697	3,509
Coalition Out of School	44,022	44,022		44,022
Total Police	2,671,481	2,911,776	2,830,166	81,610
Fire and rescue:				
Emergency medical services	624,812	640,151	663,368	(23,217)
Drug Seizures	-	-	19,209	(19,209)
Length of service award	220,000	220,000	206,718	13,282
Volunteer fire companies	1,031,086	1,031,086	975,099	55,987
Total Fire	1,875,898	1,891,237	1,864,394	26,843
Correction:				
County detention center maintenance	185,058	185,876	175,441	10,435
County detention center	6,901,192	6,959,593	6,886,010	73,583
Juvenile service grant	15,030	15,030	13,823	1,207
Alternative sentencing	165,865	168,421	161,497	6,924
Home detention grant	139,815	141,915	137,237	4,678
Total Correction	7,406,960	7,470,835	7,374,008	96,827
Other Protection:				
Permits & enforcement	242,531	242,531	231,481	11,050
Emergency Management Agency	223,332	224,507	239,327	(14,820)
Local emergency planning	1,400	1,400	1,500	(100)
Animal control	315,000	351,918	376,593	(24,675)
911	2,072,394	2,088,138	2,174,162	(86,024)
Hazardous materials operations	69,513	69,513	72,906	(3,393)
Public safety department	162,225	127,866	139,575	(11,709)
Domestic preparedness grant	126,873	126,873	119,226	7,647
Building Codes	44,814	44,814	34,832	9,982
Code Enforcement	123,742	124,220	112,976	11,244
Flood control	4,000	4,000	-	4,000
Transportation planning	102,422	102,422	88,826	13,596
Total Other Protection	3,488,246	3,508,202	3,591,404	(83,202)
Total Public Safety	15,442,585	15,782,050	15,659,972	122,078
Public Works:				
Public Services:				
Highway department	7,576,477	7,819,450	7,773,622	45,828
Airport	240,000	240,000	240,000	-
Waste collection:				
Solid waste disposal	402,585	402,585	396,175	6,410
Solid waste recycling	166,833	166,833	160,617	6,216
UPRC	393,131	393,131	393,131	-
County engineer	958,347	962,687	900,975	61,712
Total Public Works	9,737,373	9,984,686	9,864,520	120,166

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
EXPENDITURES:	Original	Final	Amount	(Negative)
EXPENDITURES (Continued):				
Health and Hospitals:				
Brook Building	150,000	150,000	113,144	36,856
Willowbrook Office	291,000	291,000	259,036	31,964
Health Department supplemental	32,329	32,329	30,400	1,929
Western Maryland Health Planning	9,000	9,000	8,930	70
Prescribed Medication			-	-
Total Health and Hospitals	482,329	482,329	411,510	70,819
Social Services:				
Nursing Home costs	337,657	337,657	441,038	(103,381)
Pauper's burials	1,300	1,300	650	650
Human Resources Devel. Comm.	737,570	737,570	737,568	-
Emergency shelter grant	57,750	57,750	82,767	(25,017)
Child abuse coordinator	104,686	104,686	125,475	(20,789)
Family Crisis Center	88,000	88,000	88,000	-
Food distribution to the needy	12,300	12,300	8,166	4,134
Total Social Services	1,339,263	1,339,263	1,483,664	(144,403)
Recreation and Culture:				
Agriculture Expo	13,000	13,000	13,000	-
Allegany County Arts Council	35,000	35,000	35,000	-
Allegany County fair	365,137	365,137	373,673	(8,536)
Highland trail operations	97,236	97,236	106,017	(8,781)
Cumberland Summer Theatre	8,000	8,000	8,000	-
Program Open Space	311,000	311,000	80,479	230,521
Total Recreation and Culture	829,373	829,373	616,169	213,204
Conservation of Natural Resources:				
Agricultural Extension Service	133,090	133,090	132,324	766
Soil conservation services	117,416	117,416	173,528	(56,112)
Gypsy moth control	10,000	10,000	13,250	(3,250)
Total Conservation of Natural Resources	260,506	260,506	319,102	(58,596)
Community Development & Housing				
Allegany Co. Public Housing Authority	8,000	8,000	8,000	-
Total Community Development & Housing	8,000	8,000	8,000	-
Economic Development:				
Department of Economic Development	475,298	481,817	494,424	(12,607)
Scenic railroad development	140,000	140,000	140,000	-
Tri-County Council	40,000	40,000	40,000	-
Tourism department	508,448	508,448	577,623	(69,175)
Toll House	2,650	2,650	305	2,345
Thrasher Museum	15,000	15,000	26,379	(11,379)
Community promotion	9,000	9,000	5,125	3,875
Canal Place Preservation	26,500	26,500	42,286	(15,786)
Total Economic Development	1,216,896	1,223,415	1,326,142	(102,727)

(continued)

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
EXPENDITURES:	Original	Final	Amount	(Negative)
EXPENDITURES (Continued):				
Appropriations to Other Governmental Units:				
Grants in Lieu of Taxes	28,704	28,704	28,704	-
Health Department	1,309,289	1,370,397	1,337,529	32,868
Department of Social Services	9,800	9,800	9,800	-
Total Appropriations to Other Gov't Units:	1,347,793	1,408,901	1,376,033	32,868
Miscellaneous:				
Miscellaneous	208,507	18,326	29,172	(10,846)
Total Miscellaneous	208,507	18,326	29,172	(10,846)
Payments to Component Units				
Allegany Co. Board of Education	29,770,045	29,770,045	29,770,045	-
Allegany College	7,555,000	7,555,000	7,555,000	-
Allegany County Library	940,000	940,000	940,000	-
Information Technology	332,996	332,996	332,996	-
Total payments to component units	38,598,041	38,598,041	38,598,041	-
Total Expenditures	78,492,350	78,967,695	77,554,003	1,413,690
Excess (deficiency) of revenues over (under) expenditures	4,146,474	4,154,286	8,079,427	3,925,139
OTHER FINANCING SOURCES (USES)				
Unexpended balance - prior years	-	-	-	-
Transfers In from other funds:				
Transfers from special revenue funds	-	-	-	-
Transfers from enterprise funds	28,608	28,605	24,640	(3,965)
Total Transfers In	28,608	28,605	24,640	(3,965)
Operating Transfers to Other Funds:				
Special revenue funds:				
Transit Fund	(321,533)	(322,579)	(638,301)	(315,722)
Housing & Section 8 fund	-	-	-	-
Narcotics Task Force	(6,500)	(6,500)	-	6,500
Gaming fund	-	(765)		765
RBF	-	(551)	-	551
Debt service Fund:				
From General government	(3,000,265)	(3,000,265)	(2,956,415)	43,850
From Bureau of Police				-
Capital Projects Fund				
Pay-Go Fund	(755,000)	(755,000)	(605,000)	150,000
Capital Projects Fund			(2,227)	(2,227)
Enterprise funds:				
Allconet			(100,211)	(100,211)
Sanitary fund/Water fund	(91,784)	(97,231)	(65,382)	31,849
Total operating transfers to other funds	(4,175,082)	(4,182,891)	(4,367,536)	(184,645)
Sale of capital assets	-	-	21,820	21,820
Total Other Financing Sources and Uses	(4,146,474)	(4,154,286)	(4,321,076)	(166,790)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ -	$ -	3,758,351	$ 3,758,351
Fund balance, beginning			19,699,784	
Fund balance, ending			$ 23,458,135	

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
REVOLVING BUILDING FUND SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
REVENUES:				
Intergovernmental:				
State	$ -	$ -	$ -	$ -
Interest	-	-	-	-
Miscellaneous	3,166,604	3,166,604	3,317,948	151,344
Total Revenues	3,166,604	3,166,604	3,317,948	151,344
EXPENDITURES				
Economic development	9,934,072	9,934,623	758,385	9,176,238
Total Expenditures	9,934,072	9,934,623	758,385	9,176,238
Excess (deficiency) of revenues over (under) expenditures	(6,767,468)	(6,768,019)	2,559,563	9,327,582
OTHER FINANCING SOURCES AND USES:				
Unexpended balance - prior years	7,986,347	7,986,347	-	(7,986,347)
Transfer from other funds	-	551	-	(551)
Transfers to other funds	(1,218,879)	(1,218,879)	(1,597,538)	(378,659)
Proceeds from debt issuance	-	-	-	-
Sale of capital assets	-	-	604,277	604,277
Total Other Financing Sources and Uses	6,767,468	6,768,019	(993,261)	(7,761,280)
Net change in fund balances	$ -	$ -	1,566,302	$ 1,566,302
Fund balance, beginning			8,869,191	
Fund balance, ending			$ 10,435,493	

Notes to Required Supplementary Information
June 30, 2014

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.

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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.

Rocky Gap Slots Revenue Fund-this fund accounts for the receipt of slots revenue from the Rocky Gap Casino and the distribution of funds to various agencies.

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 Capital Projects Fund is used to account for capital projects primarily funded by grants and other external sources.

The PAYGO (Pay-As-You-Go) Capital Project Fund is used to segregate 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, 2014

	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	Gaming Fund
ASSETS:							
Cash	$ -	$ 150	$ -	$ -	$ -	$ 1,000	$ -
Cash - restricted	-	-	-	-	54,792	-	-
Investments	753,201	-	-	-	-	100,000	-
Investments-Restricted							
Receivables							
Notes and loans	-	-	-	350,977	-	-	-
Other	191	515,864	-	-	-	11,589	13,422
Due from other funds	-	-	9,065	280,135	-	78,928	180,244
Inventory	-	55,182	-	-	-	-	-
Total Assets	753,392	571,196	9,065	631,112	54,792	191,517	193,666
LIABILITIES:							
Accounts payable	-	7,514	-	44,693	-	10,270	124,395
Accrued payroll	-	29,524	-	-	-	-	4,124
Accrued payroll fringe	-	17,792	-	-	-	-	976
Due to other funds	30,639	240,055	-	-	-	-	-
Amounts held in escrow	-	-	-	-	54,792	127,344	-
Unavailable Revenue	-		-	350,977	-	-	-
Total Liabilities	30,639	294,885	-	395,670	54,792	137,614	129,495
DEFERRED INFLOWS of RESOURCES:							
Grant Reimbursement not Available		276,311					
Total Deferred Inflows of Resources	-	276,311	-	-	-	-	-
FUND BALANCES							
Nonspendable	-		-	-	-	-	-
Restricted	722,753	-	9,065	235,442	-	53,903	-
Committed	-	-	-	-	-	-	64,171
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	722,753	-	9,065	235,442	-	53,903	64,171
Total Liabilities, deferred inflows of resources and fund balances	$ 753,392	$ 571,196	$ 9,065	$ 631,112	$ 54,792	$ 191,517	$ 193,666

ALLEGANY COUNTY, MARYLAND
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

Special Revenue Funds			Debt Service	Capital Project Funds				
State Fire, Rescue & Public Safety Fund	Rocky Gap Slots Revenue Fund	Total	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	Total Nonmajor Governmental Funds
$ -		$ 1,150	$ -	$ -	$ -	$ -	$ -	$ 1,150
-		54,792		-	-	-	-	54,792
300,436		1,153,637		-	1,688,075	-	1,688,075	2,841,712
			1,551,236					1,551,236
-		350,977	-		-	-	-	350,977
6,205	146,812	694,083	-	292,975	302	-	293,277	987,360
240,433	6,651	795,456		230,428	97,195	42,008	369,631	1,165,087
-		55,182	-	-	-	-	-	55,182
547,074	153,463	3,105,277	1,551,236	523,403	1,785,572	42,008	2,350,983	7,007,496
4,928	153,463	345,263	-	159,027	49,010		208,037	553,300
-		33,648	-	-	-	-	-	33,648
-		18,768	-	-	-	-	-	18,768
-		270,694	189,909	-		-	-	460,603
-		182,136	-	-	-	-	-	182,136
-		350,977	-	441,008	-	-	441,008	791,985
4,928	153,463	1,201,486	189,909	600,035	49,010	-	649,045	2,040,440
		276,311		114,604			114,604	390,915
-	-	276,311	-	114,604	-	-	114,604	390,915
-		-	-	-	-	-	-	-
542,146		1,563,309	1,361,327	-	-	42,008	42,008	2,966,644
-		64,171	-	-	239,325	-	239,325	303,496
-		-	-		1,497,237	-	1,497,237	1,497,237
-	-	-	-	(191,236)	-	-	(191,236)	(191,236)
542,146	-	1,627,480	1,361,327	(191,236)	1,736,562	42,008	1,587,334	4,576,141
$ 547,074	$ 153,463	$ 3,105,277	$ 1,551,236	$ 523,403	$ 1,785,572	$ 42,008	$ 2,350,983	$ 7,007,496

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	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	Gaming Fund
REVENUES:							
Other local taxes	$ 79,483	$ -	$ -	$ -	$ -	$ -	$ 318,067
Intergovernmental:							
Federal	-	608,458	1,347	1,171	792,779	7,331	-
State/Other	-	347,177	-	-	50,000	-	-
Service charges	-	367,316	-	-	-	-	33,000
Fines and forfeitures	-	-	-	-	-	133,400	-
Interest	521	-	-	-	-	161	-
Miscellaneous	-	600	-	28,271	-	52,526	-
Total Revenues	80,004	1,323,551	1,347	29,442	842,779	193,418	351,067
EXPENDITURES:							
Current:							
General government	-	-	-	-	-	-	137,854
Public safety	-	-	-	-	-	161,111	58,073
Public works	-	1,942,188	-	-	-	-	-
Highways		-	-	-	-	-	-
Community Development and Housing	-	-	-	50,004	842,779	-	-
Economic development	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital Outlay:							
General government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Recreation & Culture	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Payments to component units:							
Board of Education/ACC	-	-	-	-	-	-	123,480
Total Expenditures	-	1,942,188	-	50,004	842,779	161,111	319,407
Excess (deficiency) of revenues over (under) expenditures	80,004	(618,637)	1,347	(20,562)	-	32,307	31,660
OTHER FINANCING SOURCES (USES):							
Transfers in	-	638,300	-	-	-		-
Transfers out	(110,452)	(19,663)	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Total Other Financing Sources and uses	(110,452)	618,637	-	-	-	-	-
Net change in fund balances	(30,448)	-	1,347	(20,562)	-	32,307	31,660
Fund balance, beginning,	753,201	-	7,718	256,004	-	21,596	32,511
Fund balance, ending	$ 722,753	$ -	$ 9,065	$ 235,442	$ -	$ 53,903	$ 64,171

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

Special Revenue Funds			Debt Service	Capital Project Funds				
State Fire, Rescue & Public Safety Fund	Rocky Gap Slots Revenue Fund	Total Special Revenue Funds	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	Total Nonmajor Governmental Funds
$ -		$ 397,550	$ -		$ 40,000	$ -	$ 40,000	$ 437,550
-		1,411,086	-	115,350		-	115,350	1,526,436
225,564	798,254	1,420,995	-	570,375	485,845		1,056,220	2,477,215
80,309		480,625	-	-	-	-	-	480,625
-		133,400	-	-	-	-	-	133,400
312		994	-	-	1,951	75	2,026	3,020
39,815		121,212	-	-	4,000	-	4,000	125,212
346,000	798,254	3,965,862	-	685,725	531,796	75	1,217,596	5,183,458
-		137,854	-	-	-		-	137,854
337,816		557,000	-	-	-	-	-	557,000
-		1,942,188	-	-	-	-	-	1,942,188
-		-	-	-	-	-	-	-
-		892,783	-	-	-	-	-	892,783
-		-	-	-	-	-	-	-
-		-	2,050	-	-	-	-	2,050
-		-	3,937,149	-	-	-	-	3,937,149
-		-	666,802	-	-	-	-	666,802
-		-	-	227,526	385,834	4,109	617,469	617,469
-		-	-		628,075		628,075	628,075
-		-	-	713,064	1,117,638	79	1,830,781	1,830,781
-		-	-		-		-	-
-		-	-	-	-	-	-	-
-		-	-	-		-	-	-
-		-	-	-	-	-	-	-
-		-	-	-	-		-	-
-	558,929	682,409	-	-	-	-	-	682,409
337,816	558,929	4,212,234	4,606,001	940,590	2,131,547	4,188	3,076,325	11,894,560
8,184	239,325	(246,372)	(4,606,001)	(254,865)	(1,599,751)	(4,113)	(1,858,729)	(6,711,102)
-		638,300	4,535,058	74,689	966,490	-	1,041,179	6,214,537
-	(239,325)	(369,440)	-		(72,462)	-	(72,462)	(441,902)
-	-	-		-	-		-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	(239,325)	268,860	4,535,058	74,689	894,028	-	968,717	5,772,635
8,184	-	22,488	(70,943)	(180,176)	(705,723)	(4,113)	(890,012)	(938,467)
533,962	-	1,604,992	1,432,270	(11,060)	2,442,285	46,121	2,477,346	5,514,608
$ 542,146	$ -	$ 1,627,480	$ 1,361,327	$ (191,236)	$ 1,736,562	$ 42,008	$ 1,587,334	$ 4,576,141

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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 also includes loans to the County's enterprise funds.

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS
June 30, 2014

	Allconet II	Allegany County Loan Fund	Total
ASSETS			
Current Assets:			
Cash:			
Cash	$ -	$ -	$ -
Receivables:			
Accounts (net)	5,838		5,838
Other	35,382	20,760	56,142
Due from other funds	382,943	692,412	1,075,355
Miscellaneous assets	-	-	-
Total current assets	424,163	713,172	1,137,335
Non-current Assets:			
Advances to other funds	-	342,237	342,237
Capital assets subject to depreciation	4,442,403	-	4,442,403
Accumulated depreciation	(3,716,576)	-	(3,716,576)
Total noncurrent assets	725,827	342,237	1,068,064
Total Assets	1,149,990	1,055,409	2,205,399
LIABILITIES			
Current Liabilities:			
Accounts payable	81,080	-	81,080
Due to other funds	-	-	-
Miscellaneous liabilities	-	-	-
Total current liabilities	81,080	-	81,080
Noncurrent Liabilities:			
Long term debt:			
Compensated absences	-	-	-
Total noncurrent liabilities	-	-	-
Total Liabilities	81,080	-	81,080
NET POSITION			
Net investment in capital assets	725,827	-	725,827
Unrestricted	343,083	1,055,409	1,398,492
Total Net Position	$ 1,068,910	$ 1,055,409	$ 2,124,319

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Allconet II	Allegany County Loan Fund	Total
OPERATING REVENUES:			
Service charges	269,480	-	269,480
Total operating Revenues	269,480	-	269,480
OPERATING EXPENSES:			
Office expenses	5,496	-	5,496
Utilities	5,865	-	5,865
Repairs & maintenance	16,914	-	16,914
Professional services	111,495	-	111,495
Materials and supplies	-	-	-
Insurance	1,115	-	1,115
Miscellaneous	176		176
Depreciation	46,404	-	46,404
Total operating expenses	187,465	-	187,465
Operating Income (Loss)	82,015	-	82,015
NON-OPERATING REVENUE (EXPENSES):			
Interest income	1,848	-	1,848
Other income (expense)	-	-	-
Total non-operating revenue (expenses)	1,848	-	1,848
Income (Loss) before contributions and transfers	83,863	-	83,863
Federal grants	299,935		299,935
Other agency grants	200,000		200,000
Transfer in	100,211	-	100,211
Transfer out	-	(24,640)	(24,640)
Change in net position	684,009	(24,640)	659,369
Total net position - beginning	384,901	1,080,049	1,464,950
Total net position - ending	$ 1,068,910	$ 1,055,409	$ 2,124,319

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Allconet II	Allegany County Loan Fund	Total
Cash flows from operating activities:			
Cash received from customers	$ 266,984	$ 24,640	$ 291,624
Cash payments for goods and services	(86,412)		(86,412)
Other operating revenues	-	-	-
Net cash provided by operating activities	180,572	24,640	205,212
Cash flows from noncapital financing activities:			
Advances from other funds	601,588	6,349	607,937
Advances to other funds	(779,376)	(6,349)	(785,725)
Transfers from other funds	100,211	-	100,211
Transfers to other funds	-	(24,640)	(24,640)
Net cash provided by noncapital financing activities	(77,577)	(24,640)	(102,217)
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(604,778)	-	(604,778)
Grant Revenue/Other agency revenue	499,935	-	499,935
Net cash used for capital and related financing activities	(104,843)	-	(104,843)
Cash flows from investing activities:			
Purchase of investments	-	-	-
Sale of investments	-	-	-
Interest on investments	1,848	-	1,848
Net cash used in investing activities	1,848	-	1,848
Net increase (decrease) in cash	-	-	-
Cash at beginning of the year	-	-	-
Cash at end of year	$ -	$ -	$ -
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	$ 82,015	$ -	$ 82,015
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	46,404	-	46,404
Provision for uncollectible accounts	-	-	-
Change in assets & liabilities:			
(Increase) decrease in receivables	(2,494)	24,640	22,146
(Increase) decrease in prepaids	-	-	-
Increase (decrease) in acc'ts payable	54,647	-	54,647
Increase (decrease) in accrued payroll	-	-	-
Total adjustments	98,557	24,640	123,197
Net cash provided by operating activities	$ 180,572	$ 24,640	$ 205,212

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, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Expenditures:				
Current:				
Miscellaneous:				
Paying agent fees	$ 175,000	$ 175,000	$ 2,050	$ 172,950
Debt Service:				
Principal payments on :				
General obligation debt	2,978,455	2,978,455	3,499,093	(520,638)
State loans	482,353	482,353	438,056	44,297
Total principal payments	3,460,808	3,460,808	3,937,149	(476,341)
Interest payments on:				
General obligation debt	510,933	510,933	611,651	(100,718)
State loans	84,565	84,565	55,151	29,414
Total interest payments	595,498	595,498	666,802	(71,304)
Total Expenditures	4,231,306	4,231,306	4,606,001	(374,695)
Deficiency of revenues under expenditures	(4,231,306)	(4,231,306)	(4,606,001)	374,695
Other Financing Sources and (Uses):				
Bond Proceeds	-	-		-
Transfers from other funds:				
From the General Fund	3,000,264	3,000,264	2,956,416	(43,848)
From the Transit Fund	19,663	19,663	19,663	-
From the Revolving Building Fund	1,211,379	1,211,379	1,558,979	347,600
Total Other Financing Sources and Uses	4,231,306	4,231,306	4,535,058	303,752
Net change in fund balances	$ -	$ -	(70,943)	$ (70,943)
Fund balance, beginning			1,432,270	
Fund balance, ending			$ 1,361,327	

ALLEGANY COUNTY, MARYLAND

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

	Coal Haul Roads Fund				Transit Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:								
Taxes - State Shared	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other local taxes	100,000	100,000	79,483	(20,517)	-	-	-	-
Intergovernmental:	-							
Federal	-	-	-	-	874,206	874,206	608,458	(265,748)
State	-	-	-	-	428,310	428,310	347,177	(81,133)
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	387,517	387,517	367,316	(20,201)
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	2,500	2,500	521	(1,979)	-	-	-	-
Miscellaneous	-	-	-	-	-	-	600	600
Total Revenues	102,500	102,500	80,004	(22,496)	1,690,033	1,690,033	1,323,551	(366,482)
EXPENDITURES:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	102,500	102,500	-	(102,500)	1,969,155	1,970,201	1,942,188	28,013
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
Total Expenditures	102,500	102,500	-	(102,500)	1,969,155	1,970,201	1,942,188	28,013
Excess (deficiency) of revenues over (under) expenditures	-	-	80,004	(124,996)	(279,122)	(280,168)	(618,637)	(338,469)
OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	321,533	322,579	638,300	315,721
Transfers to other funds	-	-	(110,452)	(110,452)	(42,411)	(42,411)	(19,663)	22,748
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	(110,452)	(110,452)	279,122	280,168	618,637	338,469
Net change in fund balances	$ -	$ -	(30,448)	$ (235,448)	$ -	$ -	-	$ -
Fund balance, beginning,			753,201				-	
Fund balance, ending			$ 722,753				$ -	

ALLEGANY COUNTY, MARYLAND

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

	Community Development Block Grant Fund				Block Grant Program Income Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:								
Taxes - State Shared	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	1,347	1,347	-	-	1,171	1,171
State	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	28,271	28,271
Total Revenues	-	-	1,347	1,347	-	-	29,442	29,442
EXPENDITURES:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	50,004	(50,004)
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	50,004	(50,004)
Excess (deficiency) of revenues over (under) expenditures	-	-	1,347	1,347	-	-	(20,562)	(20,562)
OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-	-	-	-	-
Net change in fund balances	$ -	$ -	1,347	$ 1,347	$ -	$ -	(20,562)	$ (20,562)
Fund balance, beginning,			7,718				256,004	
Fund balance, ending			$ 9,065				$ 235,442	

ALLEGANY COUNTY, MARYLAND

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

	Community Development & Housing Fund				Drug Task Force Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:								
Taxes - State Shared	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	792,779	792,779	-	-	7,331	7,331
State	-	-	50,000	50,000	-	-	-	-
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	55,800	55,800	133,400	77,600
Interest	-	-	-	-	-	-	161	161
Miscellaneous	-	-	-	-	-	-	52,526	52,526
Total Revenues	-	-	842,779	842,779	55,800	55,800	193,418	137,618
EXPENDITURES:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	62,300	62,300	161,111	(98,811)
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	842,779	(842,779)	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Unit	-	-	-	-	-	-	-	-
Total Expenditures	-	-	842,779	(842,779)	62,300	62,300	161,111	(98,811)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(6,500)	(6,500)	32,307	38,807
OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	6,500	6,500		(6,500)
Transfers to other funds	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-	6,500	6,500	-	(6,500)
Net change in fund balances	$ -	$ -	-	$ -	$ -	$ -	32,307	$ 32,307
Fund balance, beginning,			-				21,596	
Fund balance, ending			$ -				$ 53,903	

(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, 2014

	Gaming Fund				Revolving Building Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:								
Taxes - State Shared	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other local taxes	366,000	366,000	318,067	(47,933)	-	-	-	-
Intergovernmental:				-				
Federal	-	-	-	-	-	-	-	-
State	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Service charges	33,000	33,000	33,000	-	-	-	-	-
Fines and forfeitures	-	-		-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	3,166,604	3,166,604	3,317,948	151,344
Total Revenues	399,000	399,000	351,067	(47,933)	3,166,604	3,166,604	3,317,948	151,344
EXPENDITURES:								
General government	147,314	148,080	137,854	10,226	-	-	-	-
Public safety	62,347	62,347	58,073	4,274	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	9,934,072	9,934,623	758,385	9,176,238
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Unit	189,339	189,339	123,480	65,859	-	-	-	-
Total Expenditures	399,000	399,766	319,407	80,359	9,934,072	9,934,623	758,385	9,176,238
Excess (deficiency) of revenues over (under) expenditures	-	(766)	31,660	32,426	(6,767,468)	(6,768,019)	2,559,563	9,327,582
OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior y	-	-	-	-	7,986,347	7,986,347	-	(7,986,347)
Transfer from other funds	-	766		(766)	-	551	-	(551)
Transfers to other funds	-	-	-	-	(1,218,879)	(1,218,879)	(1,597,538)	(378,659)
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	604,277	604,277
Total Other Financing Sources and Uses	-	766	-	(766)	6,767,468	6,768,019	(993,261)	(7,761,280)
Net change in fund balances	$ -	$ -	31,660	$ 31,660	$ -	$ -	1,566,302	$ 1,566,302
Fund balance, beginning,			32,511				8,869,191	
Fund balance, ending			$ 64,171				$ 10,435,493	

ALLEGANY COUNTY, MARYLAND

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

	Fire, Rescue & Public Safety Fund				Rocky Gap Slots Revenue Fund				Total Special Revenue Funds			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:												
Taxes - State Shared	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-	-	-	-	-	466,000	466,000	397,550	(68,450)
Intergovernmental:												
Federal	-	-	-	-	-	-	-	-	874,206	874,206	1,411,086	536,880
State	237,988	237,988	225,564	(12,424)			798,254	798,254	666,298	666,298	1,420,995	754,697
Other	-	-	-	-	-	-	-	-	-	-	-	-
Service charges	95,000	95,000	80,309	(14,691)				-	515,517	515,517	480,625	(34,892)
Fines and forfeitures	-	-	-	-	-	-	-	-	55,800	55,800	133,400	77,600
Interest	400	400	312	(88)				-	2,900	2,900	994	(1,906)
Miscellaneous	53,000	53,000	39,815	(13,185)				-	3,219,604	3,219,604	3,439,160	219,556
Total Revenues	386,388	386,388	346,000	(40,388)	-	-	798,254	798,254	5,800,325	5,800,325	7,283,810	1,483,485
EXPENDITURES:												
General government	-	-	-	-	-	-	-	-	147,314	148,080	137,854	(10,226)
Public safety	704,376	704,376	337,816	366,560				-	829,023	829,023	557,000	(272,023)
Public works	-	-	-	-	-	-	-	-	2,071,655	2,072,701	1,942,188	(130,513)
Health & hospitals	-	-	-	-	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-	-	-	892,783	892,783
Economic development	-	-	-	-	-	-	-	-	9,934,072	9,934,623	758,385	(9,176,238)
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Payments to Component Unit	-	-	-	-	-	-	558,929	558,929	189,339	189,339	682,409	493,070
Total Expenditures	704,376	704,376	337,816	366,560	-	-	558,929	558,929	13,171,403	13,173,766	4,970,619	(8,203,147)
Excess (deficiency) of revenues over (under) expenditures	(317,988)	(317,988)	8,184	326,172	-	-	239,325	1,357,183	(7,371,078)	(7,373,441)	2,313,191	(6,719,662)
OTHER FINANCING SOURCES AND (USES):												
Unexpended balance - prior y	317,988	317,988	-	(317,988)			-	-	8,304,335	8,304,335	-	(8,304,335)
Transfer from other funds	-	-	-	-	-	-	-	-	328,033	330,396	638,300	307,904
Transfers to other funds	-	-	-	-	-	-	(239,325)	(239,325)	(1,261,290)	(1,261,290)	(1,966,978)	(705,688)
Debt issued	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	604,277	604,277
Total Other Financing Sources and Uses	317,988	317,988	-	(317,988)	-	-	(239,325)	(239,325)	7,371,078	7,373,441	(724,401)	(8,097,842)
Net change in fund balances	$ -	$ -	8,184	$ 8,184	$ -	$ -	-	$ 1,117,858	$ -	$ -	$ 1,588,790	$ (14,817,504)
Fund balance, beginning,			533,962				-				10,474,183	
Fund balance, ending			$ 542,146				$ -				$ 12,062,973	

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014

	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)
REVENUES:								
Intergovernmental								
Federal grants			$ 115,350	$ 115,350	$ 300,000	$ 300,000		$ (300,000)
State grants	58,000	58,000	588,186	530,186	800,000	800,000	485,845	(314,155)
Other			(17,811)	(17,811)	200,000	200,000	-	(200,000)
Other Taxes				-	-	-	40,000	40,000
Miscellaneous:								
Interest	-	-	-	-	-	-	1,951	1,951
Miscellaneous	-	-		-	-	-	4,000	4,000
Total Revenues	58,000	58,000	685,725	627,725	1,300,000	1,300,000	531,796	(768,204)
EXPENDITURES:								
General Government			227,526	(227,526)	1,344,835	1,344,835	385,834	959,001
Public Safety			-	-	15,000	15,000	628,075	(613,075)
Public Works	867,000	867,000	713,064	153,936	1,142,500	1,142,500	1,117,638	24,862
Health	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Education				-	-	-		-
Recreation, Culture & Libraries	-	-	-	-	100,000	100,000		100,000
Conservation of Natural Resourc	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to component units	-	-	-	-	-	-	-	-
Total Expenditures	867,000	867,000	940,590	(73,590)	2,602,335	2,602,335	2,131,547	470,788
Excess (deficiency) of revenues over (under) expenditures	(809,000)	(809,000)	(254,865)	554,135	(1,302,335)	(1,302,335)	(1,599,751)	(297,416)
OTHER FINANCING SOURCES AND USES:								
Unexpended fund balance	174,000	174,000	-	(174,000)	547,335	547,335	-	(547,335)
Transfers In:								
From other funds	-	-	74,689	74,689	755,000	755,000	966,490	211,490
Transfers Out:								
To other funds	-	-		-	-	-	(72,462)	(72,462)
Debt issued	635,000	635,000	-	(635,000)	-	-	-	-
Capital leases	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Uses	809,000	809,000	74,689	(734,311)	1,302,335	1,302,335	894,028	(408,307)
Net change in fund balances	$ -	$ -	(180,176)	$ (180,176)	$ -	$ -	(705,723)	$ (705,723)
Fund balance, beginning			(11,060)				2,442,285	
Fund balance, ending			$ (191,236)				$ 1,736,562	

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014

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)
$ -	$ -	$ -	$ -	$ 300,000	$ 300,000	$ 115,350	$ (184,650)
-	-	-	-	858,000	858,000	1,074,031	216,031
-	-	-	-	200,000	200,000	(17,811)	(217,811)
-	-	-	-	-	-	40,000	40,000
					-	-	
-	-	75	75	-	-	2,026	2,026
-	-	-	-	-	-	4,000	4,000
-	-	75	75	1,358,000	1,358,000	1,217,596	(140,404)
-	-	4,109	(4,109)	1,344,835	1,344,835	617,469	727,366
-	-		-	15,000	15,000	628,075	(613,075)
-	-	79	(79)	2,009,500	2,009,500	1,830,781	178,719
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-		-	-	-	-	-
-	-	-	-	100,000	100,000	-	100,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-		-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	4,188	(4,188)	3,469,335	3,469,335	3,076,325	393,010
-	-	(4,113)	(4,113)	(2,111,335)	(2,111,335)	(1,858,729)	252,606
-	-	-	-	721,335	721,335	-	(721,335)
-	-	-	-	755,000	755,000	1,041,179	286,179
-	-	-	-	-	-	(72,462)	(72,462)
-	-		-	635,000	635,000	-	(635,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,111,335	2,111,335	968,717	(1,142,618)
$ -	$ -	(4,113)	$ (4,113)	$ -	$ -	(890,012)	$ (890,012)
		46,121				2,477,346	
		$ 42,008				$ 1,587,334	

CAPITAL PROJECT FUNDS

SCHEDULES OF REVENUES, EXPENDITURES AND PROJECT BALANCES FROM INCEPTION TO JUNE 30, 2014

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Project	Revenues and other Sources					Re
	Proj.	Length	Federal	State	Other	Service	Miscellaneous.	Debt
Capital Improvement Projects Fund	No.	Budget	Grants	Grants	Intergov'l	Charges	Revenues	Proceeds
New Hope Bridge	4083	130,000	121,853	-	-	-	-	-
Cash Valley Road	4084	675,100	674,237	-	-	-	-	-
AC Auto Tech Building	4086	500,000	-	-	-	-	-	-
Flood buyouts	4087	10,797	-	-	-	-	-	-
Detention Center HVAC	408A	435,000	433,692					
Orleans Road Bridge	408B	6,939,000	-	-	-	-	69,893	-
Allegany High School	408H	11,200,000						
Potomac Hollow Road Bridge	408P	795,000	115,350					
Takoma Drainage	408T	375,000		384,864				
Tree Planting Grant	408U	125,000		160,788				
Emergency Watershed	408V	50,000		127,591				
Rural Legacy	408W	227,526		227,526				
Dry Run Phase II	409L	520,000	292,086	-	-	-	-	-
Flood Gate, Savage Dam	409S	3,715,000	3,265,061	401,372		328,590	-	-
Potomac River Water	409T	70,000	15,000	-	-	-	-	-
Flood Mitigation, PDM Scattered	409X	211,247	158,247	-	-	-	-	-
Highland Trail	410X	10,606,000	3,224,644	5,829,521	6,772	-	215,706	-
			8,300,170	7,131,662	6,772	328,590	285,599	-
Pay-As-You-Go Capital Project Fund								
Computer Network	418I	350,000	-	-	-	-	-	-
Roads Paving Program	418R	4,581,608	-	485,845		40,000	-	-
LaVale Blvd Storm Drain	420O	1,500,000	-	110,435	-	-	132,813	-
Software upgrade	420S	805,309	230,856	-	-	-	-	-
Disaster Emergency Capital	420V	200,000	-	-	-	-	-	-
Animal Shelter Quarantine Addn	420X	271,084	-	-	-	-	64,460	-
Caretaker House	420Y	50,000						
OP Roads Improvements	4203	733,123	-	-	-	16,392	-	-
Bridge Street bridge	4207	416,000	-	-	-	-	-	-
Drainage improvements	4208	25,000	-	-	-	-	-	-
Fiber infrastructure	421A	200,000	-	-	-	-	-	-
Library Repairs	421F	100,000						
Sheriff Building	421H	800,000					4,000	
Rocky Gap Slots-Fire Companies	421L	79,775					79,775	
Rocky Gap Slots-Bd of ED	421M	79,775					79,775	
Rocky Gap Slots-County	421N	79,775					79,775	
County bldg improvements	4181	106,681	18,981	-	-	-	118,332	-
			249,837	596,280	-	56,392	558,930	-
Public Improvement Bonds Capital Project Fund								
Computer aided dispatcher	432B	702,000	-	21,363	-	-	-	702,000
BOE Central Office Roof	432D	273,000						
Bond Interest	432Z	15,444	-	-	-	-	21,513	-
Library - LaVale parking lot	4322	34,000	-	-	-	-	-	33,588
Braddock Run Restoration	4323	800,000	82,500	500,000	-	-	500	300,000
Jennings Run Restoration	4324	800,000	-	500,000	-	-	-	300,000
AC Geothermal Project	4327	327,000	-	-	-	-	-	326,800
2013 PIB Closing Costs	4331							226,935
2013 Taxable Bond Closing Costs	4333							56,017
2013 PIB Bond Interest	433Y							
Courthouse roof	4239	342,000	-	-	-	-	-	250,000
			82,500	1,021,363	-	-	22,013	2,195,340
Total Capital Project Funds			$ 8,632,507	$ 8,749,305	$ 6,772	$ 384,982	$ 866,542	$ 2,195,340

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

venues and other Sources		Expenditures and other Uses				Remaining
Transfers In	Total Sources	Expenditures	Transfers Out	Total Uses	Project Balance	Project Budget
46,613	168,466	168,467	-	168,467	(1)	(38,467)
863	675,100	675,100	-	675,100	-	-
500,000	500,000	439,197	-	439,197	60,803	60,803
11,591	11,591	378	11,213	11,591	-	(794)
2,227	435,919	435,919		435,919	-	(919)
-	69,893	322,708	-	322,708	(252,815)	6,616,292
	-	1,941		1,941	(1,941)	11,198,059
159,000	274,350	356,553		356,553	(82,203)	438,447
	384,864	374,653		374,653	10,211	347
	160,788	160,964		160,964	(176)	(35,964)
72,462	200,053	200,053		200,053	-	(150,053)
	227,526	227,526		227,526	-	-
94,527	386,613	387,328	-	387,328	(715)	132,672
220,000	4,215,023	4,079,612	80,112	4,159,724	55,299	(444,724)
123,360	138,360	118,773	-	118,773	19,587	(48,773)
53,000	211,247	209,738	794	210,532	715	715
376,791	9,653,434	9,653,434	-	9,653,434	-	952,566
1,660,434	17,713,227	17,812,344	92,119	17,904,463	(191,236)	18,680,207
365,039	365,039	159,314	5,725	165,039	200,000	184,961
5,818,772	6,344,617	4,870,191	893,533	5,763,724	580,893	(1,182,116)
722,400	965,648	870,351	-	870,351	95,297	629,649
805,309	1,036,165	1,049,831	-	1,049,831	(13,666)	(244,522)
400,000	400,000	4,428	200,000	204,428	195,572	(4,428)
206,624	271,084	271,084	-	271,084	-	-
100,000	100,000	-	-	-	100,000	50,000
767,818	784,210	784,210	-	784,210	-	(51,087)
416,000	416,000	445,672	-	445,672	(29,672)	(29,672)
48,913	48,913	33,882	-	33,882	15,031	(8,882)
200,000	200,000	44,700	-	44,700	155,300	155,300
100,000	100,000	146,454		146,454	(46,454)	(46,454)
880,000	884,000	673,983		673,983	210,017	126,017
	79,775			-	79,775	79,775
	79,775			-	79,775	79,775
	79,775			-	79,775	79,775
200,000	337,313	302,395	-	302,395	34,918	(195,714)
11,030,875	12,492,314	9,656,495	1,099,258	10,755,753	1,736,562	(377,623)
-	723,363	691,319	-	691,319	32,044	10,681
	-	273,000		273,000	(273,000)	-
-	21,513	20,449	-	20,449	1,064	(5,005)
-	33,588	33,588	-	33,588	-	412
-	883,000	677,587	-	677,587	205,413	122,413
-	800,000	656,647	-	656,647	143,353	143,353
-	326,800	326,800	-	326,800	-	200
	226,935	225,456	-	225,456	1,479	(225,456)
	56,017	52,109	-	52,109	3,908	(52,109)
1,096	1,096	-	-	-	1,096	-
92,000	342,000	415,349	-	415,349	(73,349)	(73,349)
93,096	3,414,312	3,372,304	-	3,372,304	42,008	(78,860)
$ 12,784,405	$ 33,619,853	$ 30,841,143	$ 1,191,377	$ 32,032,520	$ 1,587,334	$ 18,223,724

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CAPITAL PROJECT FUNDS

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

FOR THE YEAR ENDED JUNE 30, 2014

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, 2014

	Detention Center HVAC (408A)	Orleans Rd Bridge (408B)	Potomac Hollow Rd Bridge (408P)	Takoma Drainage (408T)	New Hope Road (4083)	Allegany High School (408H)	AC Auto Tech Bldg (4086)
REVENUES:							
Intergovernmental:							
Federal:							
Dept of Natural Resources	$ -	$ -	$ 115,350	$ -	$ -	$ -	$ -
EPA							
State:							
Dept of Natural Resources							
Dept of Environment	-	-	-	167,433	-	-	-
Service charges	-	-	-	-	-	-	-
Miscellaneous:							
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	-	-	115,350	167,433	-	-	-
EXPENDITURES:							
Public Safety	-	-	-	-	-	-	-
Public Works		5,339	308,931	135,669	-	-	-
General Govt	-	-	-	-			
Economic Development	-	-	-	-	-	-	-
Total Expenditures	-	5,339	308,931	135,669	-	-	-
OTHER FINANCING SOURCES and (USES):							
Transfers-in from:							
General Fund	2,227	-	-	-	-	-	-
Other funds		-	-	-		-	-
Transfer Out		-	-	-	-	-	-
Total Other Financing Sources and Uses	2,227	-	-	-	-	-	-
Net change in fund balances	2,227	(5,339)	(193,581)	31,764	-	-	-
Fund Balance, beginning	(2,227)	(247,476)	111,378	(21,553)	(1)	(1,941)	60,803
Fund Balance, Ending	$ -	$ (252,815)	$ (82,203)	$ 10,211	$ (1)	$ (1,941)	$ 60,803

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, 2014

Flood Buyout (4087)	Emergency Watershed (408V)	UPRC Flood Gate (409S)	Potomac River Water Study (409T)	Tree Planting Grant (408U)	Rural Legacy (408W)	Dry Run (409L)	Flood Mitigation PDM Sites (409X)	Highland Trail (410X)	Fund Total
$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ 115,350
									-
	127,591			65,636	227,526				420,753
-	-	-	-	-		-	-	-	167,433
-	-	-	-	-		-	-	-	-
-	-	-	-	-		-	-	-	-
-	-	(17,811)	-	-		-	-	-	(17,811)
-	127,591	(17,811)	-	65,636	227,526	-	-	-	685,725
-	-	-	-	-	-	-	-	-	-
-	199,928	-	-	63,197	-	-	-	-	713,064
-	-				227,526				227,526
-	-	-	-	-	-	-	-	-	-
-	199,928	-	-	63,197	227,526	-	-	-	940,590
-	-	-	-	-	-	-	-	-	2,227
-	72,462	-	-	-	-	-	-	-	72,462
		(80,112)	-	-	-	-	-	80,112	-
-	72,462	(80,112)	-	-	-	-	-	80,112	74,689
-	125	(97,923)	-	2,439	-	-	-	80,112	(180,176)
-	(125)	153,222	19,587	(2,615)	-	(715)	715	(80,112)	(11,060)
$ -	$ -	$ 55,299	$ 19,587	$ (176)	$ -	$ (715)	$ 715	$ -	$ (191,236)

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, 2014

REVENUES:	Computer Network (418I)	Roads Paving Program (418R)	LaVale Storm Drains (420O)	Gen Ledger Software Upgrades (420S)	Public Safety Emergency Capital (420V)	Caretaker House (420Y)	Road Improv (4203)
Intergovernmental:							
Federal grants:							
RDA grant	$ -	$ -	$ -		$ -	$ -	$ -
Homeland Security							
State grants:							
Maryland highway grant	-	485,845	-	-	-	-	-
Maryland envirnomental grant	-	-	-	-	-	-	-
State Highway Users Tax		40,000					
Other Agency	-	-	-	-	-	-	-
Miscellaneous:							
Interest		-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	-	525,845	-	-	-	-	-
EXPENDITURES:							
General Government	6,203	-	-	28,490	-	-	-
Public safety	-	-	-	-	4,428	-	-
Public works	-	1,064,947	17,206	-	-	-	32,018
Recreation & culture	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Expenditures	6,203	1,064,947	17,206	28,490	4,428	-	32,018
OTHER FINANCING SOURCES and (USES):							
Transfers-in from:							
General fund	-	150,000		-	-	50,000	25,000
Other funds	-	122,164	-	-	-	-	1,087
Transfers -out to:							
Other funds	-	(72,462)	-	-	-	-	-
Debt proceeds, capital lease	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	199,702	-	-	-	50,000	26,087
Net change in fund balances	(6,203)	(339,400)	(17,206)	(28,490)	(4,428)	50,000	(5,931)
Fund Balance, beginning	206,203	920,293	112,503	14,824	200,000	50,000	5,931
Fund Balance, Ending	$200,000	$ 580,893	$ 95,297	$ (13,666)	$ 195,572	$100,000	$ -

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, 2014

Bridge St Bridge (4207)	Drainage Improvements (4208)	Fiber Infrastructure (421A)	Library (421F)	Sheriff Bldg (421H)	County Building Improv (4181)	Rocky Gap Slots Fire Co (421L)	Rocky Gap Slots Bd of Ed (421M)	Rocky Gap Slots County (421N)	Total PAYGO Capital Projects Fund
$ -	$ -	$ -	$ -		$ -				$ -
									-
-	-	-	-		-				485,845
-	-	-	-		-				-
-	-	-	-		-				40,000
			-						-
-	-	-	-		1,951				1,951
-	-	-	-	4,000	-				4,000
-	-	-	-	4,000	1,951	-	-	-	531,796
-	-		140,128	-	211,013	-	-	-	385,834
-	-	-	-	623,647	-	-	-	-	628,075
	3,467	-	-	-	-	-	-	-	1,117,638
			-	-					-
-	-	-	-	-	-	-	-	-	-
-	3,467	-	140,128	623,647	211,013	-	-	-	2,131,547
-	-	-	-	380,000					605,000
-	(1,087)	-	-	-		79,775	79,775	79,775	361,490
-	-	-	-	-	-	-	-	-	(72,462)
-	-	-	-	-	-	-	-	-	-
-	(1,087)	-	-	380,000	-	79,775	79,775	79,775	894,028
-	(4,554)	-	(140,128)	(239,647)	(209,062)	79,775	79,775	79,775	(705,723)
(29,672)	19,585	155,300	93,674	449,664	243,980	-	-	-	2,442,285
$ (29,672)	$ 15,031	$ 155,300	$ (46,454)	$ 210,017	$ 34,918	$ 79,775	$ 79,775	$ 79,775	$ 1,736,562

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, 2014

	2008 Public Improvement Bond							2013 PIB			Totals
	Computer Aided Dispatcher (432B)	Bond Interest (432Z)	Braddock Run Restoration (4323)	Jennings Run Restoration (4324)	BOE Central Office Roof (432D)	Court House Roof (4329)	Total 2008 Public Improvement Bond	Bond Closing Costs (4331)	Taxable Bond Closing Costs (4333)	Bond Interest (433Y)	PIB Fund
REVENUES:											
Intergovernmental:											
State grants:											
MD Emergency Mgmt	$ -	$ -	$ -	$ -		$ -	$ -				$ -
MD Dept of Environment			-				-				-
Miscellaneous:											-
Interest	-	75	-	-		-	75				75
Miscellaneous:	-	-	-	-	-	-	-				-
Total Revenues	-	75	-	-	-	-	75	-	-	-	75
EXPENDITURES:											
General government	-	-	-	-	-		-		4,109		4,109
Public Works	-	-	79	-		-	79			-	79
Miscellaneous	-	-	-	-	-	-	-				
Total Expenditures	-	-	79	-	-	-	79	-	4,109	-	4,188
OTHER FINANCING SOURCES and (USES):											
Bond Proceeds	-	-	-	-	-	-	-			-	-
Total Other Financing Sources and Uses	-	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	75	(79)	-	-	-	(4)	-	(4,109)	-	(4,113)
Fund Balance, beginning	32,044	989	205,492	143,353	(273,000)	(73,349)	35,529	1,479	8,017	1,096	46,121
Fund Balance, Ending	$ 32,044	$ 1,064	$ 205,413	$ 143,353	$ (273,000)	$ (73,349)	$ 35,525	$ 1,479	$ 3,908	$ 1,096	$ 42,008

ENTERPRISE FUNDS
COMBINING SCHEDULES

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

SANITARY DISTRICTS COMBINING SCHEDULE OF NET POSITION

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

ALLEGANY COUNTY, MARYLAND
ALLEGANY COUNTY WATER DISTRICTS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)
FOR THE YEAR ENDED JUNE 30, 2014

	General Operating 5011	Grahamtown 501A	Consol 501B	Barton Ind. Park 501C	Mexico Farms 501D	Franklin/ Brophytown 501E	Bowling Green 501F	Bowman's Addition 501G	Cresaptown 501H
OPERATING REVENUES:									
Service charges	$ 23,974	$ 139,319	$ 36,363	$ 13,079	$ 86,490	$ 48,366	$ 434,587	$ 154,282	$ 727,294
Miscellaneous	-	-		-					
Total Operating Revenues	23,974	139,319	36,363	13,079	86,490	48,366	434,587	154,282	727,294
OPERATING EXPENSES:									
Salaries	-	16,615	4,398	-	11,142	782	52,582	16,224	50,237
Fringe benefits	-	8,688	2,299	-	5,826	409	27,494	8,483	26,268
Office expenses	-			-	345		750		
Utilities	-	55,277	14,096	12,191	57,443	22,763	188,362	79,114	539,606
Repairs and maintenance	-	661	177	500	2,407	9,351	22,707	644	11,667
Contractual	-	-	-	-	-	-	-		-
Professional fees	-	179	48	-	120	8	567	175	541
Materials and supplies	-	866	232	-	1,179	65	2,739	844	6,055
Insurance	-	-	-	-	-	-	-	-	-
Indirect cost	-	6,240	1,734	2,737	28,085	1,171	16,107	7,562	25,246
Miscellaneous	-			-			5,675		
Depreciation	-	39,486	18,186	44,422	53,001	-	38,927	72,632	42,886
Total Operating Expenses	-	128,012	41,170	59,850	159,548	34,549	355,910	185,678	702,506
Operating Income (Loss)	23,974	11,307	(4,807)	(46,771)	(73,058)	13,817	78,677	(31,396)	24,788
NON-OPERATING REVENUE (EXPENSES):									
Interest income	-	3,618	968	-	2,418	171	11,439	3,524	10,919
Interest expense	(6,247)	(23,117)	(4,184)	(14,522)	(16,799)	-	-	(35,305)	(38,473)
Total Non-operating Revenue (Expenses)	(6,247)	(19,499)	(3,216)	(14,522)	(14,381)	171	11,439	(31,781)	(27,554)
Income Before Contributions and Transfers	17,727	(8,192)	(8,023)	(61,293)	(87,439)	13,988	90,116	(63,177)	(2,766)
Capital Contributions:									
Federal grants	-	-	-	-	-	-	-		
State grants	-	-	-	-	-	-	-	-	-
Other governments	-	-	-	-	-	-	-	-	-
Transfers in:									
General fund	-	-	-	2,829	-	-	-	-	-
Revolving Building Fund	-	-	-	19,348	-	-	-	-	-
Change in Net Position	$ 17,727	$ (8,192)	$ (8,023)	$ (39,116)	$ (87,439)	$ 13,988	$ 90,116	(63,177)	$ (2,766)

ALLEGANY COUNTY, MARYLAND
ALLEGANY COUNTY WATER DISTRICTS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)
FOR THE YEAR ENDED JUNE 30, 2014

Mt. Savage 501J	Bedford Road 501K	MF Industrial 501P	Rawlings Water 501R	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
$ 49,978	$ 27,969	805,883	$ 6,867	186,119	$ 147,294	$ 361,451	$ 297,104	$ 8,231	$ 68,231	$ 135,977	$ 196,669	$ 3,955,527
-			1,740									1,740
49,978	27,969	805,883	8,607	186,119	147,294	361,451	297,104	8,231	68,231	135,977	196,669	3,957,267
11,434	2,639		879	20,915	20,915	44,959	32,448	1,075	6,646	15,833	22,479	332,202
5,979	1,379		460	10,936	10,936	23,508	16,967	562	3,475	8,279	11,754	173,702
-	-	-	-			875		-	-			1,970
34,676	16,006	570,966		66,345	45,266	145,679	99,307	3,263	47,153	60,370	101,088	2,158,971
554	104		203	19,017	4,200	93,676	32,811	41	2,021	628	4,007	205,376
-	-	-	-	-	-	3,050	-	-	-	-	-	3,050
123	28		10	225	226	484	1,099	11	71	170	242	4,327
595	136		177	1,209	1,091	2,414	1,998	53	347	823	1,167	21,990
-	-	-	-	-	-	158	158	-	-	-	-	316
555	1,132			7,566	8,844	14,336	11,603	279	3,473	5,056	9,238	150,964
-			-									5,675
	11,881			73,783	97,588	216,256	90,149	2,330	28,569	34,537	87,076	951,709
53,916	33,305	570,966	1,729	199,996	189,066	545,395	286,540	7,614	91,755	125,696	237,051	4,010,252
(3,938)	(5,336)	234,917	6,878	(13,877)	(41,772)	(183,944)	10,564	617	(23,524)	10,281	(40,382)	(52,985)
2,484	570		190	4,542	4,557	10,201	7,299	224	1,451	3,438	4,874	72,887
(64,269)	(619)		(998)	(16,655)	(39,996)	-	(22,217)	-	-	(18,625)	(33,913)	(335,939)
(61,785)	(49)	-	(808)	(12,113)	(35,439)	10,201	(14,918)	224	1,451	(15,187)	(29,039)	(263,052)
(65,723)	(5,385)	234,917	6,070	(25,990)	(77,211)	(173,743)	(4,354)	841	(22,073)	(4,906)	(69,421)	(316,037)
3,916,483	15,075		1,256,336	-	-	-	8,946	-	-	-	-	5,196,840
227,390				-	-	-	-	-	-	-	-	227,390
-				-	-	-	-	-	-	-	-	0
-	-	-	-	-	-	-	-	-	-	-	-	2,829
-	-	-	-	-	-	-	-	-	-	-	-	19,348
$ 4,078,150	$ 9,690	234,917	$ 1,262,406	(25,990)	$ (77,211)	$ (173,743)	$ 4,592	$ 841	$ (22,073)	$ (4,906)	$ (69,421)	5,130,370
									Total net position - beginning			25,438,565
									Total net position - ending			$ 30,568,935

ALLEGANY COUNTY, MARYLAND
ALLEGANY COUNTY SANITARY DISTRICTS
COMBINING SCHEDULE OF NET POSITION
PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)
June 30, 2014

ASSETS	General Fund 511	Bowling Green 516	Cresaptown 517	Braddock Run 518	Bedford Road 519	Jennings Run/Wills Creek 520	McCoole 521
Current Assets:							
Cash:							
Cash	$ 581,738	$ -	$ -	$ -	$ -	$ -	$ -
Cash - Restricted	-	-	-	127,533	-	-	-
Investments	204,684	-	-	-	-	-	-
Receivables:							
Accounts (net)	9,250	100,583	90,470	421,822	126,671	127,966	21,110
Taxes - restricted	-	25,656	19,655	2,790	16,246	6,366	1,433
Accounts (net) - restricted	123,768	-	-	-	-	2,276	-
Other	1,035,767	-	-	-	-	-	-
Due from other funds		215,366	1,000,489	-	466,462	-	-
Inventory	51,168	-	-	-	-	-	-
Total current assets	2,006,375	341,605	1,110,614	552,145	609,379	136,608	22,543
Noncurrent Assets:							
Land	5,000	1,000	5,000	500	1,000	1,500	-
Construction in progress	6,669,205	-	-	-	-	-	-
Capital assets subject to depreciation	3,598,768	4,828,368	4,100,180	6,111,151	5,397,683	7,293,079	2,289,639
Less: Accumulated depreciation	(2,682,638)	(2,524,199)	(1,982,483)	(3,052,021)	(3,659,704)	(4,490,309)	(1,469,572)
Total noncurrent assets	7,590,335	2,305,169	2,122,697	3,059,630	1,738,979	2,804,270	820,067
Total Assets	9,596,710	2,646,774	3,233,311	3,611,775	2,348,358	2,940,878	842,610
LIABILITIES							
Current liabilities:							
Accounts payable	1,276,104	36,058	33,042	83,586	88,413	67,698	7,055
Accrued wages payable	44,881	-	-	-	-	-	-
Accrued payroll fringe benefits	19,466	-	-	-	-	-	-
Accrued interest payable	8,288	1,493	1,546	730	2,639	4,270	-
Current portion of long term debt							
Bonds & loans	145,560	20,591	18,956	22,533	28,529	3,856	-
Other loans	-	-	-		-	-	-
Compensated absences	101,970	-	-	-	-	-	-
Due to other funds	4,725,921		-	2,054,852		121,254	835,715
Accrued health claims	-	-	-	-	-	-	-
Miscellaneous liabilities	162,533	-	-	96,268	-	-	-
Total current liabilities	6,484,723	58,142	53,544	2,257,969	119,581	197,078	842,770
Noncurrent Liabilities:							
Cash advance due General Fund	-	-	-	-	-	800,000	-
Long term debt:							
Bonds & loans	1,574,358	1,077,250	995,834	81,259	1,203,736	1,008,982	-
Other loans	-	-	-	-	-	-	-
Compensated absences	292,575	-	-	-	-	-	-
Total noncurrent liabilities	1,866,933	1,077,250	995,834	81,259	1,203,736	1,808,982	-
Total Liabilities	8,351,656	1,135,392	1,049,378	2,339,228	1,323,317	2,006,060	842,770
NET POSITION							
Net investment in capital assets	5,870,417	1,207,328	1,107,907	2,955,838	506,714	1,791,432	820,067
Restricted for debt service	123,768	25,656	19,655	2,790	16,246	8,642	1,433
Unrestricted	(4,749,131)	278,398	1,056,371	(1,686,081)	502,081	(865,256)	(821,660)
Total Net Position	$ 1,245,054	$ 1,511,382	$ 2,183,933	$ 1,272,547	$ 1,025,041	$ 934,818	$ (160)

ALLEGANY COUNTY, MARYLAND
ALLEGANY COUNTY SANITARY DISTRICTS
COMBINING SCHEDULE OF NET POSITION
PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)
June 30, 2014

Oldtown 522	Flintstone 523	Georges Creek 524	Franklin/ Brophytown 525	Celanese Treatment Plant 526	Mexico Farms 527	Cash Valley Road 528	Oldtown Road 529	Barton Industrial Park 530	Total All Districts
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 581,738
-	-	-	-	-	-	-	-	-	127,533
-	-	-	-	-	-	-	-	-	204,684
6,246	12,627	357,553	12,340	75,371	78,432	7,433	26,441	800	1,475,115
51	2,185	55,861	169	-	572	1,666	2,686	-	135,336
		3	-	-		-	-	-	126,047
-	-		-		20,328	-	-	-	1,056,095
-	-	2,215,336	514,060	774,350	1,459,991	-	106,312	-	6,752,366
-	-	-	-	-	-	-	-	-	51,168
6,297	14,812	2,628,753	526,569	849,721	1,559,323	9,099	135,439	800	10,510,082
500	3,000	46,282	-	-	2,500	-	1,000	-	67,282
-	-	73,804	-	-	-	-	-	-	6,743,009
892,947	1,279,023	49,677,042	561,727	21,749,196	2,051,939	813,331	2,816,920	2,430,653	115,891,646
(571,276)	(779,400)	(15,182,380)	(356,041)	(5,170,408)	(892,976)	(365,999)	(1,192,111)	(395,260)	(44,766,777)
322,171	502,623	34,614,748	205,686	16,578,788	1,161,463	447,332	1,625,809	2,035,393	77,935,160
328,468	517,435	37,243,501	732,255	17,428,509	2,720,786	456,431	1,761,248	2,036,193	88,445,242
915	2,427	3,809	3	48,893	43,801	-	1,176	881	1,693,861
-	-	6,469	-	9,008	-	-	-	-	60,358
-	-	3,587	-	4,737	-	-	-	-	27,790
-	-	26,032	-	21,856	-	757	2,870	-	70,481
-	-	409,033	-	440,100	-	3,061	12,070	-	1,104,289
-	-	-	-	-	-	-		-	0
-	-	-	-	-	-	-	-	-	101,970
361,341	479,285	-	-	-	-	67,467	-	530,585	9,176,420
-	-	-	-	-	-	-	-	-	0
-	-	-	-	28,184	-	-	-	-	286,985
362,256	481,712	448,930	3	552,778	43,801	71,285	16,116	531,466	12,522,154
-	-	-	-	-	-	-	-	-	800,000
-	-	6,422,294	-	4,622,629	-	106,576	403,721	-	17,496,639
-	-	-	-	-	-	-	16,813	-	16,813
-	-	-	-	-	-	-	-	-	292,575
-	-	6,422,294	-	4,622,629	-	106,576	420,534	-	18,606,027
362,256	481,712	6,871,224	3	5,175,407	43,801	177,861	436,650	531,466	31,128,181
322,171	502,623	27,783,421	205,686	11,516,059	1,161,463	337,695	1,193,205	2,035,393	59,317,419
51	2,185	55,864	169	-	572	1,666	2,686	-	261,383
(356,010)	(469,085)	2,532,992	526,397	737,043	1,514,950	(60,791)	128,707	(530,666)	(2,261,741)
$ (33,788)	$ 35,723	$ 30,372,277	$ 732,252	$ 12,253,102	$ 2,676,985	$ 278,570	$ 1,324,598	$ 1,504,727	$ 57,317,061

ALLEGANY COUNTY, MARYLAND
ALLEGANY COUNTY SANITARY DISTRICTS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund 511	Bowling Green 516	Cresaptown 517	Braddock Run 518	Bedford Road 519	Jennings Run/Wills Creek 520	McCoole 521
OPERATING REVENUES:							
Service charges	$ 12,068	$ 392,316	$ 361,470	$ 1,118,960	$ 483,977	$ 427,926	$ 67,003
Miscellaneous	4	103	85	2,349	154	280	22
Total Operating Revenues	12,072	392,419	361,555	1,121,309	484,131	428,206	67,025
OPERATING EXPENSES:							
Wages and salaries	2,052	59,033	48,966	176,315	88,255	68,708	12,901
Employee benefits	1,073	30,868	25,603	92,192	46,147	35,926	6,746
Office expenses	254	7,279	6,023	21,247	10,983	8,462	1,581
Utilities	828	18,215	11,364	37,183	16,112	12,004	4,120
Repairs and maintenance	6,209	54,336	54,005	45,288	30,172	32,295	5,890
Contractual services	106	3,030	2,507	9,040	4,528	3,522	658
Water/Sewage treatment costs	-	207,040	172,015	850,685	616,062	343,831	70,936
Professional fees	68	1,954	1,617	5,830	4,170	2,272	424
Materials and supplies	2,289	26,428	20,741	80,668	37,726	30,639	8,817
Insurance	433	12,407	10,267	37,019	18,544	19,183	2,696
Indirect cost	1,133	32,423	26,831	96,740	48,458	37,698	7,044
Miscellaneous	24	1,523	3,680	3,288	5,957	4,521	224
Depreciation	3,163	99,815	97,035	148,483	139,063	147,640	51,478
Total Operating Expenses	17,632	554,351	480,654	1,603,978	1,066,177	746,701	173,515
Operating Income (Loss)	(5,560)	(161,932)	(119,099)	(482,669)	(582,046)	(318,495)	(106,490)
NON-OPERATING REVENUE (EXPENSES):							
Real and personal property taxes	-	203,599	186,628	30,528	133,918	51,596	4,646
Interest & Penalties, taxes	-	8,173	6,803	1,139	6,709	2,823	364
Discounts, taxes	-	(1,091)	(849)	(166)	(717)	(265)	(19)
Enterprise/industrial exemptions	-	-	-	-	-	-	-
Collection fees	-	(4,857)	(4,482)	(733)	(3,328)	(1,292)	(110)
Front footage assessments	-	-	-	-	-	15,733	66
Interest income	336	9,800	8,109	29,259	14,646	11,394	2,129
Interest income, debt service	-			-	-		
Interest expense	(18,891)	(45,982)	(42,541)	(1,729)	(23,574)	(14,700)	-
Allocated debt service revenue	162,948	(15,016)	(12,377)	(44,707)	(22,378)	(17,378)	(3,257)
Gain (Loss) on disposal of assets		-					
Total Nonoperating revenue (expenses)	144,393	154,626	141,291	13,591	105,276	47,911	3,819
Income Before Contributions and Transfers	138,833	(7,306)	22,192	(469,078)	(476,770)	(270,584)	(102,671)
Capital Contributions:							
Federal	-	-	-	-	104,798	94,600	-
State	-	-	-		338,734	951,048	-
Other	-	-	-		-	-	-
Transfers in:							
General Fund							
Revolving Building Fund	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-	-
Change in Net Position	138,833	(7,306)	22,192	(469,078)	(33,238)	775,064	(102,671)
Net position - beginning	1,106,221	1,518,688	2,161,741	1,741,625	1,058,279	159,754	102,511
Net position - ending	$ 1,245,054	$ 1,511,382	$ 2,183,933	$ 1,272,547	$ 1,025,041	$ 934,818	$ (160)

ALLEGANY COUNTY, MARYLAND
ALLEGANY COUNTY SANITARY DISTRICTS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)
FOR THE YEAR ENDED JUNE 30, 2014

Oldtown 522	Flintstone 523	Georges Creek 524	Franklin/ Brophytown 525	Celanese Treatment Plant 526	Mexico Farms 527	Cash Valley Road 528	Oldtown Road 529	Barton Industrial Park 530	Total All Districts
$ 16,446	$ 35,245	$ 995,441	$ 56,192	$ 1,114,243	$ 498,474	$ 24,839	$ 109,963	$ 7,149	$ 5,721,712
5	8	227	16	10,158	30	8	33	-	13,482
16,451	35,253	995,668	56,208	1,124,401	498,504	24,847	109,996	7,149	5,735,194
2,834	4,789	129,891	9,284	166,293	17,690	4,984	19,449	17,996	829,440
1,482	2,504	67,917	4,855	85,417	9,250	2,606	10,169	9,877	432,632
364	588	16,446	1,136	3,008	2,177	620	2,391	268	82,827
6,446	11,315	59,097	368	166,702	12,463	179	7,514	1,311	365,221
921	1,489	41,437	1,913	168,235	13,578	1,043	13,250	11,467	481,528
146	245	6,663	474	1,208	906	258	996	-	34,287
26,115	27,635	367,183	2,334	-	253,262	25,086	3,304	54,901	3,020,389
94	158	4,297	305	2,595	1,447	166	642		26,039
1,204	2,025	55,152	4,313	105,471	9,889	2,134	11,057		398,553
596	3,253	43,216	1,937	-	3,711	1,056	6,328	-	160,646
1,557	2,619	71,289	5,062	-	9,699	2,761	10,654	-	353,968
30	51	2,724	327	138	193	56	211	-	22,947
20,236	34,898	1,034,757	13,630	444,722	44,584	21,648	73,932	48,656	2,423,740
62,025	91,569	1,900,069	45,938	1,143,789	378,849	62,597	159,897	144,476	8,632,217
(45,574)	(56,316)	(904,401)	10,270	(19,388)	119,655	(37,750)	(49,901)	(137,327)	(2,897,023)
1,043	11,200	320,158	1,716	-	9,497	12,652	28,356	-	995,537
10	763	24,640	41	-	466	747	578	-	53,256
	(59)	(1,541)	(17)	-	(48)	(48)	(155)	-	(4,975)
-		-	-	-	-	-	-	-	0
(28)	(271)	(8,409)	(39)	-	(246)	(321)	(633)	-	(24,749)
79	182	6,473	-	-	-	-	-	-	22,533
471	791	21,547	1,530	26,909	2,932	834	3,219	-	133,906
			-	-	-	-	-	-	0
-	-	(132,628)	-	(47,649)	-	(4,996)	(19,726)	-	(352,416)
(717)	(1,205)	(33,145)	(2,182)	-	(4,430)	(1,270)	(4,886)	-	-
				-				-	-
858	11,401	197,095	1,049	(20,740)	8,171	7,598	6,753	-	823,092
(44,716)	(44,915)	(707,306)	11,319	(40,128)	127,826	(30,152)	(43,148)	(137,327)	(2,073,931)
-	-	-	-	-	-	-	-	-	199,398
-	-	-	-	60,000	-	-	-	-	1,349,782
-	-	-	-	-	-	-	-	-	0
				43,784				18,769	62,553
-	-	-	-	-	-	-	-	7,500	7,500
-	-	-	-	-	-	-	-	-	-
(44,716)	(44,915)	(707,306)	11,319	63,656	127,826	(30,152)	(43,148)	(111,058)	(454,698)
10,928	80,638	31,079,583	720,933	12,189,446	2,549,159	308,722	1,367,746	1,615,785	57,771,759
$ (33,788)	$ 35,723	$ 30,372,277	$ 732,252	$ 12,253,102	$ 2,676,985	$ 278,570	$ 1,324,598	$ 1,504,727	$ 57,317,061

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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, 2014

ASSETS:	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Taxes levied for State:				
Taxes receivable - State	$ 625,247	$ 4,054,068	$ 4,186,901	$ 492,414
Bay restoration fee	321,109	935,078	875,276	380,911
Other receivables	2	13,654	-	13,656
Taxes levied for Special Areas:				
Lonaconing, Town of	26,054	122,655	128,944	19,765
Midland, Town of	7,071	37,898	39,590	5,379
Westernport, Town of	85,148	380,238	398,658	66,728
Cumberland differential	738	-	-	738
Bel Air Special Tax Area	2,379	31,638	32,268	1,749
Bowling Green Fire Co.	5,251	33,465	34,370	4,346
Bedford Road Fire Co.	8,261	42,775	45,837	5,199
Bowling Green Special Tax Area	4,390	26,318	26,545	4,163
Cresaptown Ambulance	15,946	141,499	144,829	12,616
Cresaptown Civic Imp. Assoc.	5,135	32,617	33,558	4,194
Cresaptown Fire Co.	17,750	188,152	192,308	13,594
Corriganville Light & Imp.	2,371	19,205	19,607	1,969
Ellerslie Special Tax Area	1,881	8,909	9,823	967
LaVale Volunteer Fire Dept.	19,270	171,065	175,170	15,165
LaVale Rescue Squad	9,635	85,532	87,575	7,592
LaVale Sanitary District	40,609	298,068	314,034	24,643
McCoole Special Tax Area	1,297	4,548	4,495	1,350
Moscow Light	909	3,855	3,952	812
Mt. Savage Special Tax Area	2,451	10,488	11,012	1,927
Potomac Park Special Tax Area	2,651	16,121	16,683	2,089
Rawlings Fire Co.	5,591	42,623	42,949	5,265
Sub-total special areas	264,788	1,697,671	1,762,207	200,249
Due from other funds	494,099	9,174,837	9,402,440	266,495
Total Assets	$ 1,705,245	$ 15,875,308	$ 16,226,824	$ 1,353,728
LIABILITIES:				
Accounts payable	$ 494,102	$ 8,101,365	$ 8,315,314	$ 280,154
A/P Special Areas	264,787	1,769,238	1,833,776	200,249
Taxes payable - State	625,247	4,221,461	4,354,294	492,414
A/P Bay restoration fee	321,109	1,015,256	955,454	380,911
Total Liabilities	$ 1,705,245	$ 15,107,320	$ 15,458,838	$ 1,353,728

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, 2014 and 2013

	Primary Government			
	At June 30, 2014			Net
ASSETS	Cost	Accumulated Depreciation	Net Book Value	Book Value June 30, 2013
Land	$ 21,986,008	$ -	$ 21,986,008	$ 21,320,090
Construction in progress	1,892,137	-	1,892,137	1,689,024
Buildings	58,741,533	22,774,063	35,967,470	39,144,823
Infrastructure	48,673,041	30,710,550	17,962,491	18,687,759
Furniture & fixtures	1,050,841	790,131	260,710	286,371
Machinery & equipment	10,059,584	7,660,589	2,398,995	2,841,698
Vehicles	9,976,867	7,999,781	1,977,086	1,914,383
Heavy equipment	4,093,257	3,615,959	477,298	513,761
Other capital assets	1,268,507	549,712	718,795	386,612
Total Assets	$ 157,741,775	$ 74,100,785	$ 83,640,990	$ 86,784,521
FUND EQUITY				
Investment in general capital assets acquired before July 1, 1993 - source unidentified			$ 8,229,732	$ 8,414,008
Investment in construction in progress			1,892,137	1,689,024
Investment in general capital assets by source:				
General Fund:				
General revenues			10,535,561	9,604,088
Federal grants			3,901,254	3,772,896
State grants			2,799,871	2,863,999
Miscellaneous revenues			739,643	739,643
Debt proceeds			1,084,903	1,106,155
Special Revenue Funds:				
General revenues			44,361,089	45,055,478
Federal grants			5,856,426	7,458,518
State grants			8,011,429	8,008,234
Miscellaneous revenues			194,574	194,574
Debt proceeds			8,926,043	8,926,043
Capital Project Funds:				
General revenues			15,834,997	15,697,054
Federal grants			9,439,893	9,439,893
State grants			22,589,934	22,009,139
Miscellaneous revenues			1,082,823	1,082,823
Debt proceeds			10,889,879	10,889,879
Other			1,371,590	1,371,590
Less:				
Accumulated depreciation			(74,100,785)	(71,538,514)
Total Fund Equity			$ 83,640,990	$ 86,784,521

ALLEGANY COUNTY, MARYLAND
CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS
SCHEDULE OF ASSETS BY FUNCTION
June 30, 2014

Function	Land	Buildings	Infrastructure	Furniture & Fixtures	Equipment	Vehicles	Other Capital Assets	Construction In Progress	Total Cost	Less Depreciation	Total
General Government	$ 2,415,871	$ 4,949,223	$ 39,776	$ 186,623	$ 1,616,906	$ 393,133	$ 557,317	$ 142,221	$ 10,301,070	$ (6,195,332)	$ 4,105,738
Public Safety	2,045,433	18,799,969	2,647,358	330,345	7,337,338	1,708,950	175,857	673,983	33,719,233	(13,036,532)	20,682,701
Public Works	1,833,836	1,492,971	40,149,991	305,788	848,617	6,553,926	4,046,991	1,075,933	56,308,053	(40,158,373)	16,149,680
Health	575,119	6,553,202	-	-	-	-	4,121	-	7,132,442	(1,551,404)	5,581,038
Social Services	116	3,250	24,331	199,288	89,080	1,157,993	39,200	-	1,513,258	(1,076,446)	436,812
Recreation & Culture	583,119	2,627,765	214,288	18,642	6,528	39,246	451,948	-	3,941,536	(1,531,397)	2,410,139
Libraries	6,000	1,631,033	-	-	-	-	-	-	1,637,033	(766,717)	870,316
Natural Resources	-	-	-	-	15,839	15,999	-	-	31,838	(31,838)	-
Urban Development & Housing	56,637	426,508	-	4,160	35,846	9,302	-	-	532,453	(383,861)	148,592
Economic Development	14,469,877	22,257,612	5,597,297	5,995	109,430	98,318	86,330	-	42,624,859	(9,368,885)	33,255,974
Total General Capital Assets	$ 21,986,008	$ 58,741,533	$ 48,673,041	$ 1,050,841	$ 10,059,584	$ 9,976,867	$ 5,361,764	$ 1,892,137	$ 157,741,775	$ (74,100,785)	$ 83,640,990

ALLEGANY COUNTY, MARYLAND
CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Function	General Capital Assets June 30, 2013	Transfers to Other Funds	Asset Reclass	Additions	Deductions	Total Cost	Accumulated Depreciation June 30, 2013	Less Current Year Depreciation	Add Depreciation on Disposals	General Capital Assets June 30, 2014
General Government	$ 10,084,509	$ -	$ -	$ 585,146	$ (368,585)	$ 10,301,070	$ (5,926,870)	$ (289,935)	$ 21,473	$ 4,105,738
Public Safety	33,056,217	-	-	753,319	(90,303)	33,719,233	(11,878,666)	(1,248,169)	90,303	20,682,701
Public Works	55,580,082	-	-	955,542	(227,571)	56,308,053	(39,363,476)	(1,015,563)	220,666	16,149,680
Health	7,132,442	-	-	-	-	7,132,442	(1,332,964)	(218,440)	-	5,581,038
Social Services	1,481,292	-	-	31,966	-	1,513,258	(957,474)	(118,972)	-	436,812
Recreation & Culture	3,902,860	-	-	38,676	-	3,941,536	(1,428,209)	(103,188)	-	2,410,139
Libraries	1,637,033	-	-	-	-	1,637,033	(723,541)	(43,175)	-	870,317
Natural Resources	31,838	-	-	-	-	31,838	(31,838)	-	-	-
Urban Development & Housing	532,453	-	-	-	-	532,453	(369,355)	(14,506)	-	148,592
Economic Development	44,875,184	-	-	94,478	(2,344,803)	42,624,859	(9,516,996)	(803,273)	951,383	33,255,973
Total General Capital Assets	$ 158,313,910	$ -	$ -	$ 2,459,127	$ (3,031,262)	$ 157,741,775	$ (71,529,389)	$ (3,855,221)	$ 1,283,825	$ 83,640,990

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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**

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Net Position by Component, Last Ten Fiscal Years F-5
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Fund Balances, Governmental Funds, Last Ten Years F-9
Changes in Fund Balances, Governmental Funds, Last Ten Years F-10

Revenue Capacity

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
Principal Property Tax Payers F-15
Property Tax Levies and Collections F-16

Debt Capacity

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

Ratios of Outstanding Debt by Type, Last Ten Fiscal Years F-19
Ratios of General Obligation Debt Outstanding, Last Ten Fiscal Years F-20
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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Demographic and Economic Statistics, Last Ten Calendar Years F-25
Principal Employers, Current Year and Nine Years Ago F-26

Operating Information

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.

Full-time Equivalents County Government Employees by Function/Program, Last Ten Fiscal Ye F-29
Operating Indicators by Function/Program, Last Ten Fiscal Years F-30
Capital Asset Statistics by Function/Program, Last Ten 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 Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net Investment in Capital Assets	$ 60,161,453	$ 66,160,686	$ 70,105,110	$ 76,516,700	78,593,428	79,922,549	81,231,372	82,834,048	78,548,257	77,576,485
Restricted	3,021,117	2,277,836	13,043,675	5,939,861	4,418,898	3,963,136	3,009,835	1,921,413	3,083,383	3,030,834
Unrestricted	(4,128,194)	3,048,018	(4,635,623)	(6,346,388)	(2,368,710)	2,817,886	4,485,252	9,060,676	18,220,459	24,060,546
Total governmental activities net position	$ 59,054,376	$ 71,486,540	$ 78,513,162	$ 76,110,173	$ 80,643,616	$ 86,703,571	$ 88,726,459	$ 93,816,137	$ 99,852,099	$ 104,667,865
Business-type actvities										
Net Investment in Capital Assets	$ 59,474,528	$ 67,030,468	$ 62,978,258	$ 64,244,563	76,553,963	80,104,054	82,056,523	81,346,531	82,603,601	88,732,280
Restricted	172,797	167,898	170,832	175,654	184,204	198,240	246,463	239,902	288,615	261,383
Unrestricted	1,552,398	(1,694,100)	878,952	(20,398)	(3,714,137)	(307,597)	723,061	1,520,472	1,783,058	1,016,651
Total business-type actvities net position	$ 61,199,723	$ 65,504,266	$ 64,028,042	$ 64,399,819	$ 73,024,030	$ 79,994,697	$ 83,026,047	$ 83,106,905	$ 84,675,274	$ 90,010,314
Primary Government										
Net Investment in Capital Assets	$ 119,635,981	$ 133,191,154	$ 133,083,368	$ 140,761,263	$ 155,147,391	$ 160,026,603	$ 163,287,895	$ 164,180,579	$ 161,151,858	$ 166,308,765
Restricted	3,193,914	2,445,734	13,214,507	6,115,515	4,603,102	4,161,376	3,256,298	2,161,315	3,371,998	3,292,217
Unrestricted	(2,575,796)	1,353,918	(3,756,671)	(6,366,786)	(6,082,847)	2,510,289	5,208,313	10,581,148	20,003,517	25,077,197
Total primary government net position	$ 120,254,099	$ 136,990,806	$ 142,541,204	$ 140,509,992	$ 153,667,646	$ 166,698,268	$ 171,752,506	$ 176,923,042	$ 184,527,373	$ 194,678,179

Allegany County, Maryland
Changes In Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General Government:	$ 6,863,528	$ 7,046,308	$ 7,517,730	$ 9,121,475	$ 9,072,487	8,846,071	8,485,854	9,275,767	9,087,290	8,745,293
Payment to data processing	279,661	294,847	311,568	328,464	350,334	348,334	348,334	358,754	358,754	332,996
Public Safety	13,320,579	14,571,046	13,998,396	15,612,059	16,626,793 k	18,650,183	17,290,112	16,887,997	16,640,877	17,406,223
Public Works	9,691,963	11,176,350	11,366,688	12,280,040	12,000,493	15,378,566	13,596,902	12,565,697	12,250,869	13,699,606 aa
Health	1,422,154	1,610,957	1,778,704	2,083,410	1,902,151	1,902,425	1,452,867	2,279,912	1,966,200	1,967,479
Social Services	3,220,006	1,987,579	2,371,360	2,312,169	1,932,208	2,285,943	1,497,708	1,682,412	1,553,615	1,568,214
Education:	796,573 a	709,684	437,620	1,274,899	317,766	207,903	417,181	562,642	640,888	682,409
Payment to public school system	27,638,498	27,262,735	29,699,591	36,171,292 g	28,883,694	28,518,587	29,005,829	28,240,000	29,391,958	29,770,045
Payments to community college	5,575,000	6,010,000	6,382,000	7,175,000	7,425,000	7,425,000	7,425,000	7,425,000	7,425,000	7,555,000
Recreation, culture & libraries:	637,904	720,024	1,072,292	1,050,609	1,041,683	712,201	1,078,718	868,620	884,822	722,533
Payment to public library system	794,000	835,000	875,000	905,000	905,000	905,000	905,000	905,000	905,000	940,000
Conservation of natural resources	264,776	230,040	293,066	327,747	506,897	289,487	309,166	201,107	240,204	287,362
Community development & housing	2,031,225	1,666,691	1,556,909	1,774,905	2,002,596	1,527,343	1,260,818	884,528	1,033,325	915,289
Economic Development	3,487,397	2,487,755	3,083,041	4,113,586	2,407,460 l	2,296,740	3,099,936	2,879,427	2,548,509	3,602,112
Interest on long term debt	1,582,097	1,377,559	1,351,127	1,810,725	1,810,688	1,678,376	1,438,754	1,290,789	987,503	581,199
Total governmental activities expenses	$ 77,605,361	$ 77,986,575	$ 82,095,092	$ 96,341,380	$ 87,185,250	$ 90,972,159	$ 87,612,179	$ 86,307,652	$ 85,914,814	$ 88,775,760
Business-type activities:										
Water	1,448,043	1,751,458	1,798,200	2,977,733 h	3,272,629	3,699,321	4,184,704	4,018,864	4,270,963	4,344,329
Sewer	6,398,687	7,137,019	7,900,344	7,249,045 h	7,220,779	7,251,103	7,914,948	8,485,797	8,622,450	8,986,494
Nursing Home	9,550,145 b	9,657,283	10,292,274	10,425,903	11,034,410	- p				
Other Funds	-	487,108	446,058	578,996	597,356	613,458	716,643	749,976	353,648	187,465
Total business-type activities expenses	17,396,875	19,032,868	20,436,876	21,231,677	22,125,174	11,563,882	12,816,295	13,254,637	13,247,061	13,518,288
Total primary government expenses	$ 95,002,236	$ 97,019,443	$ 102,531,968	$ 117,573,057	$ 109,310,424	$ 102,536,041	$ 100,428,474	$ 99,562,289	$ 99,161,875	$ 102,294,048
Program Revenues										
Governmental activities:										
Charges For services:										
Public safety	$ 2,210,969	$ 2,585,073	$ 2,385,029	$ 2,230,875	$ 2,193,379	1,854,301	1,503,049	1,394,969	1,263,372	1,247,166
Public works	834,819	850,935	957,924	940,444	874,542	1,002,656	842,854	931,374	952,807	999,315
Economic development	1,956,832	2,472,961	2,179,128	2,090,151	2,976,731	3,208,431	3,368,034	3,458,473	3,446,157	3,336,528
Other activities	626,097	935,592	783,227	898,153	819,558	756,974	781,680	779,869	739,760	804,327
Operating grants and contributions	6,549,718	6,162,976	5,564,276	5,130,297	5,111,876	5,468,828	4,309,939	4,123,606	5,100,079	4,470,054
Capital grants and contributions	10,626,139 c	4,861,929	5,205,639	6,009,919	2,193,383 m	6,597,432	480,667 u	2,770,368 w	368,323 y	1,296,010
Total governmental activities program revenues	22,804,574	17,869,466	17,075,223	17,299,839	14,169,469	18,888,622	11,286,223	13,458,659	11,870,498	12,153,400
Business-type activities:										
Charges For services:										
Water	1,152,638	1,379,464	1,313,974	2,530,078	2,809,168	3,385,635	3,792,949	3,646,217	3,688,155	3,957,267
Sanitary	5,142,139	5,488,342	5,671,545	4,653,216	4,835,519	5,007,377	5,265,246	5,411,747	5,444,477	5,735,194
Nursing Home	8,464,607	9,030,901	9,455,148	9,922,523	10,900,432	- p				
Other Funds	163,815	53,667	13,448	439,381 l	62,018	124,134	271,440	255,457	281,017	269,480
Operating grants and contributions	-	-	-	-	-	-				
Capital grants and contributions	3,320,783	3,560,637	803,391	3,290,107	10,872,588 n	7,412,463 r	4,545,246 V	2,547,845 x	3,908,635 z	7,473,345 ab
Total business-type activities program revenues	18,243,982	19,513,011	17,257,506	20,835,305	29,479,725	15,929,609	13,874,881	11,861,266	13,322,284	17,435,286
Total primary government program revenues	$ 41,048,556	$ 37,382,477	$ 34,332,729	$ 38,135,144	$ 43,649,194	$ 34,818,231	$ 25,161,104	$ 25,319,925	$ 25,192,782	$ 29,588,686

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

Allegany County, Maryland
Changes In Net Position, Last Ten Fiscal Years (a)
(accrual basis of accounting)

Net (Expense)/Revenue	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities	$ (54,800,787)	$ (60,117,109)	$ (65,019,869)	$ (79,041,541)	$ (73,015,781)	$ (72,083,537)	$ (76,325,956)	$ (72,848,993)	$ (74,044,316)	$ (76,622,360)
Business-type activities	847,107	480,143	(3,179,370)	(396,372)	7,354,551	4,365,727	1,058,586	(1,393,371)	75,223	3,916,998
Total primary government net expense	$ (53,953,680)	$ (59,636,966)	$ (68,199,239)	$ (79,437,913)	$ (65,661,230)	$ (67,717,810)	$ (75,267,370)	$ (74,242,364)	$ (73,969,093)	$ (72,705,362)
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Taxes										
Property taxes	$ 27,060,585	$ 29,094,141	$ 30,141,707	$ 32,492,011	$ 34,266,623	39,552,052	41,236,282	41,271,372	40,882,732	41,334,050
Income taxes	21,472,667	23,407,305	23,177,237	24,990,613	26,338,493	22,821,267	24,239,325	24,657,767	24,460,225	24,169,537
Other local taxes	7,132,917	8,769,370	8,975,907	8,752,593	7,160,132	o 3,260,020	s 3,360,863	2,965,592	4,011,282	4,339,620
Licenses	410,720	308,405	323,025	332,774	342,819	353,375	355,176	415,086	415,158	414,862
Unrestricted grants	6,252,618	6,300,447	7,570,738	7,173,715	6,966,889	7,341,783	7,346,258	7,359,609	8,940,541	9,172,991
Investment earnings	1,046,600	1,436,172	1,634,969	1,923,408	1,303,210	1,082,485	1,184,451	1,163,443	868,087	1,745,196
Gain/(loss) on sale/retirement of capital assets	(112,531)	2,876,383	707,145			-	243,845	81,820	387,597	18,915
Miscellaneous	505,188	393,305	392,063	1,288,442 j	1,259,689	573,688	591,353	191,234	208,120	323,216
Transfers	551,293	96,895	(430,187)	(315,004)	(88,631)	3,158,822 t	(208,709)	(167,252)	(93,464)	(167,799)
Special item	-	-	-	-	-	-				
Total governmental activities	$ 64,320,057	$ 72,682,423	$ 72,492,604	$ 76,638,552	$ 77,549,224	$ 78,143,492	$ 78,348,844	$ 77,938,671	$ 80,080,278	$ 81,350,588
Business-type activities:										
Property taxes	$ 684,529	$ 732,367	$ 884,340	$ 819,542	$ 891,363	901,613	1,414,497	996,575	986,573	1,019,069
Investment earnings	159,528	181,098	196,246	202,249	179,171	183,601	183,350	175,200	309,448	208,641
Miscellaneous	49,342	78,326	192,372	116,816	110,495	108,761	166,208	5,924	103,661	22,533
Gain/(loss) on sale/retirement of capital assets	-	-	-	(685,462)	-	4,569,787 p		129,278	-	-
Transfers	(551,293)	(96,895)	430,187	315,004	88,631	(3,158,822) t	208,709	167,252	93,464	167,799
Total business-type activities	$ 342,106	$ 894,896	$ 1,703,145	$ 768,149	$ 1,269,660	$ 2,604,940	$ 1,972,764	$ 1,474,229	$ 1,493,146	$ 1,418,042
Total primary government	$ 64,662,163	$ 73,577,319	$ 74,195,749	$ 77,406,701	$ 78,818,884	$ 80,748,432	$ 80,321,608	$ 79,412,900	$ 81,573,424	$ 82,768,630
Change In Net Position										
Governmental activities, restated	$ 9,519,270	$ 12,565,314	$ 7,472,735	$ (2,402,989)	$ 4,533,443	$ 6,059,955	$ 2,022,888	$ 5,089,678	$ 6,035,962	$ 4,728,943
Business-type activities	1,189,213	1,375,039	(1,476,225)	371,777	8,624,211	6,970,667	3,031,350	80,858	1,568,369	5,335,040
Total primary government	$ 10,708,483	$ 13,940,353	$ 5,996,510	$ (2,031,212)	$ 13,157,654	$ 13,030,622	$ 5,054,238	$ 5,170,536	$ 7,604,331	$ 10,063,983

Note: Expenses include indirect cost allocation.

(Continued)

Allegany County, Maryland
Changes In Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

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.
p	Sold County owned Nursing Home.
q	Increase due to over $ 4 million in ARRA federal grant money received
r	Decrease due to less grant money received in FY 2010 for the Georges Creek WWTP Upgrade which is near completion
s	Decrease due to dramatic decrease in highway users revenue and recordation/transfer taxes.
t	Increase due to decrease in highway users tax revenue therefore transfers to highway fund increased.
u	Decrease in grants largely due to the decrease in Amercian Recovery & Reinvestment Act Grants that were received in 2010
v	Decrease largely due to a large construction project being completed (Georges Creek Wastewater Plant)
	Increase largely due to contribution related to dontation of buidling
x	Decrease due to grant related projects being completed and projects financed more with loans
y	Decrease due to donation of building in FY 2012 in the amount of $ 1.6 million and no such donation in FY 13
z	Increase due to increase in federal and state funding for the Mount Savage Water/Sewer project
aa	Increase due to expenditures largely due to additional road and "Pot-hole" work
ab	Increase due to increase in federal and state funding for the Mt Savage & Rawlings Water projects and Jennings Run Sewer project

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Nonspendable							1,202,021	1,200,453	1,201,255	1,200,000
Restricted							110,767	129,902	148,863	148,863
Committed							2,649,697	-	-	-
Assigned							1,868,295	881,313	447,970	3,414,000
Unassigned							11,394,352	15,679,397	17,901,696	18,695,272
Reserved	$ 3,302,308	$ 3,586,015	$ 3,825,655	$ 3,907,309	$ 3,916,618	1,210,859				
Unreserved	9,399,968	10,361,286	11,675,991	11,892,393	11,862,655	15,761,591				
Total General Fund	$ 12,702,276	$ 13,947,301	$ 15,501,646	$ 15,799,702	$ 15,779,273	$ 16,972,450	$ 17,225,132	$ 17,891,065	$19,699,784	$23,458,135
All Other Governmental Funds										
Restricted							1,217,476	1,719,061	3,050,872	2,966,644
Committed							6,714,291	5,458,432	8,901,702	10,738,989
Assigned							2,340,790	2,695,550	2,442,285	1,497,237
Unassigned							(551,089)	43,002	(11,060)	(191,236)
Reserved	$ 1,294,529	$424,349	$10,240,090	$3,778,869	$703,075	1,209,131				
Unreserved, reported in:										
Special revenue funds	5,102,167	5,001,124	5,182,529	5,890,017	7,231,010	8,196,602				
Capital project funds	1,220,786	2,487,471	2,817,863	1,148,208	4,083,957	3,015,176				
Debt service funds	1,175,000	1,517,200	1,687,610	1,654,049	613,929	315,232				
Total all other governmental funds	$ 8,792,482	$ 9,430,144	$ 19,928,092	$ 12,471,143	$ 12,631,971	$ 12,736,141	$ 9,721,468	$ 9,916,045	$14,383,799	$15,011,634

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Property taxes	$ 28,460,485	$ 29,786,204	30,740,703	32,434,205	35,262,339	39,691,592	42,100,002	42,049,578	40,302,290	43,948,120
Income taxes	21,472,667	22,103,548	23,977,520	24,859,124	25,429,319	23,824,268	24,248,781	24,854,127	24,249,252	24,112,733
Highway user taxes	3,688,177	4,813,872	4,823,654	4,643,174	4,023,284	227,622	317,590	229,448	424,914	671,589
Other local taxes	3,912,061	4,709,748	4,837,769	4,622,525	3,529,059	3,669,846	3,539,070	3,223,768	4,087,133	4,088,216
Licenses and permits	583,575	586,286	616,222	621,136	611,328	609,877	613,729	659,513	664,287	686,233
Intergovernmental:										
Federal	7,136,309	6,784,009	5,206,553	4,889,944	4,046,367	8,381,233	2,892,586	3,617,971	2,991,120	2,044,238
State	13,829,081	10,779,726	14,134,749	13,132,681	9,961,957	10,014,893	9,518,068	8,681,983	10,909,579	12,151,477
Other	495,599	561,733	399,757	328,351	354,708	362,352	515,474	514,765	537,554	467,561
Service charges	3,397,304	3,136,916	2,878,752	3,245,344	2,875,791	2,602,221	2,000,673	2,232,599	1,758,235	1,740,331
Fines and forfeitures	91,420	79,618	109,022	71,133	98,463	114,372	74,177	141,890	96,119	170,927
Interest	402,229	752,182	948,856	1,215,979	440,827	247,564	162,578	121,670	126,522	103,748
Miscellaneous	2,584,812	3,047,951	2,908,467	2,504,957	3,469,990	3,832,288	4,005,045	3,644,693	3,902,225	3,949,663
Total revenues	$ 86,053,719	$ 87,141,793	$ 91,582,024	$ 92,568,553	$ 90,103,432	$ 93,578,128	$ 89,987,773	$89,972,005	$ 90,049,230	$94,134,836
Expenditures										
General government	6,081,966	6,403,875	7,203,861	7,394,222	8,507,964	8,368,897	8,277,780	8,622,096	8,436,402	7,999,532
Public safety	11,845,960	13,162,203	13,340,006	14,769,517	15,177,619	14,903,570	16,224,735	16,110,171	16,144,972	16,216,972
Public works	9,318,237	11,014,386	10,483,049	12,772,343	11,598,782	11,752,219	12,123,968	11,496,843	11,118,747	11,806,708
Health and Hospitals	365,730	547,635	668,436	639,555	477,204	479,537	460,030	425,309	438,291	411,510
Social Services	3,153,780	2,481,137	2,267,955	2,199,074	1,825,634	2,911,063	1,449,501	1,497,113	1,378,693	1,483,664
Education	6,487	6,788	296,339	33,511	28,261	25,261	24,511	23,761	29,754	-
Recreation, culture and libraries	525,238	557,173	785,391	785,287	818,848	555,124	863,290	712,577	736,413	616,169
Conservation of natural resources	254,764	222,849	286,942	321,258	505,126	286,273	353,689	201,090	239,976	319,102
Community Development and Housi	1,981,444	1,666,589	1,535,517	1,790,426	1,987,093	1,566,289	1,299,107	870,841	1,018,262	900,783
Economic development	5,244,944	4,313,128	4,093,940	9,649,364	5,048,205	2,017,520	3,774,604	3,260,393	1,690,366	2,084,527
Miscellaneous	13,991	17,671	25,749	28,742	27,755	20,869	114,855	27,089	34,803	31,222
Appropriation to other governments	1,017,170	1,044,128	1,162,444	1,243,264	1,245,011	1,242,952	1,242,369	1,245,199	1,347,973	1,376,033
Capital Outlay	10,838,212	8,594,428	10,789,035	11,882,463	3,704,254	8,092,983	3,209,772	1,741,884	2,320,671	3,076,325
Debt Service:										
Interest	1,624,695	1,442,163	1,317,568	1,791,147	1,830,204	1,732,167	1,491,130	1,271,904	1,083,631	666,802
Principal	4,005,632	4,716,262	4,213,086	4,892,495	4,728,665	4,887,794	5,082,830	4,593,988	16,833,941	3,937,149
Payments to Component Units	32,278,661	33,734,847	34,948,568	36,788,464	37,130,334	36,878,334	36,918,334	36,928,754	38,080,712	39,280,450
Total expenditures	$ 88,556,911	$ 89,925,262	$ 93,417,886	$ 106,981,132	$ 94,640,959	$ 95,720,852	$ 92,910,505	$89,029,012	$ 100,933,607	$90,206,948
Excess of revenues over (under) Expenditures	$ (2,503,192)	$ (2,783,469)	$ (1,835,862)	$ (14,412,579)	$ (4,537,527)	$ (2,142,724)	$ (2,922,732)	$ 942,993	$ (10,884,377)	$ 3,927,888
Other Financing Sources (Uses)										
Proceeds from borrowing	$ 2,258,256	$ 149,483	$ 14,141,516	$ 5,237,697	4,663,719	63,719				
Proceeds from refinancing	-	-	-	-	-	-			14,736,467	
Payments to escrow agent	-	-	-	-	-	-				
Transfers in	14,107,776	10,558,497	12,204,383	11,082,801	13,684,810	19,552,823	7,823,754	7,293,320	5,877,961	6,239,177
Transfers from component units	390,603	-	-	-	-	-				
Transfers out	(13,556,482)	(10,461,602)	(12,634,570)	(11,397,805)	(13,773,441)	(16,393,999)	(8,032,465)	(7,460,574)	(5,971,428)	(6,406,976)
Sale of capital assets	298,110	4,552,930	358,874	2,330,993	102,838	217,528	369,452	84,771	2,517,850	626,097
Total Other Financing Sources (Uses)	$ 3,498,263	$ 4,799,308	$ 14,070,203	$ 7,253,686	$ 4,677,926	$ 3,440,071	$ 160,741	$ (82,483)	$ 17,160,850	$ 458,298
Net Change in fund balances	$ 995,071	$ 2,015,839	$ 12,234,341	$ (7,158,893)	$ 140,399	$ 1,297,347	$ (2,761,991)	$ 860,510	$ 6,276,473	$ 4,386,186
Debt service as a percentage of noncapital expenditures	7.2%	7.8%	6.7%	6.9%	7.4%	7.2%	7.4%	6.8%	18.1%	5.2%

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 Market Value	Real Property Assessed Value	Real Property Total Direct Tax Rate	Personal Property Market Value	Personal Property Assessed Value	Corporate Personal Property Market Value	Corporate Personal Property Assessed Value	Totals Market Value	Totals Assessed Value	Personal & Corporate Personal Total Direct Tax Rate
2005	2,346,218,412	2,346,218,412	1.0401	10,253,280	10,253,280	351,375,290	351,375,290	2,707,846,982	2,707,846,982	2.6003
2006	2,439,119,223	2,439,119,223	1.0445	9,047,760	9,047,760	344,568,390	344,568,390	2,792,735,373	2,792,735,373	2.6113
2007	2,542,803,943	2,542,803,943	1.0233	8,701,450	8,701,450	358,861,080	358,861,080	2,910,366,473	2,910,366,473	2.5583
2008	2,762,960,350	2,762,960,350	1.0275	9,994,750	9,994,750	329,523,214	329,523,214	3,102,478,314	3,102,478,314	2.5688
2009	3,014,146,982	3,014,146,982	1.0249	6,519,060	6,519,060	320,952,870	320,952,870	3,341,618,912	3,341,618,912	2.5623
2010	3,141,346,303	3,141,346,303	1.0191	6,100,480	6,100,480	424,375,697	424,375,697	3,571,822,480	3,571,822,480	2.5478
2011	3,360,795,103	3,360,795,103	1.0305	6,596,150	6,596,150	347,045,160	347,045,160	3,714,436,413	3,714,436,413	2.5763
2012	3,547,448,518	3,547,448,518	0.9997	5,747,720	5,747,720	353,272,590	353,272,590	3,906,468,828	3,906,468,828	2.4993
2013	3,532,084,432	3,532,084,432	0.9877	5,694,540	5,694,540	346,092,240	346,092,240	3,883,871,212	3,883,871,212	2.4693
2014	3,511,729,354	3,511,729,354	0.9880	5,028,930	5,028,930	358,164,980	358,164,980	3,874,923,264	3,874,923,264	2.4700

Source: Allegany County Finance Office & Allegany Tax Office

Note: Tax rates expressed in $100 of assessed value

Allegany County, Maryland

Schedule Of Real Property Tax Rates - Direct And Overlapping and the County Direct Rate
Last Ten Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Municipal Direct Tax Rates (1.2)										
Barton	0.1649	0.1662	0.1709	0.1699	0.1835	0.1981	0.2156	0.2220	0.2220	0.2220
Cumberland	0.9654	0.9654	0.9654	0.9654	0.9654	0.9654	0.9479	0.9479	0.9479	0.9479
Frostburg	0.5665	0.5665	0.5665	0.5500	0.5500	0.5540	0.5500	0.5500	0.5500	0.5500
Lonaconing	0.3400	0.3400	0.3400	0.3700	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400
Luke	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5000	0.5000	0.5000	0.3500
Midland	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2708	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
Allegany County Direct Tax Rates (1.3)										
Barton	0.8910	0.8892	0.9038	0.9475	0.9545	0.9552	0.9551	0.9494	0.9727	0.9724
Cumberland	0.8424	0.8371	0.8519	0.8999	0.9016	0.9074	0.9090	0.9087	0.9309	0.9248
Frostburg	0.8497	0.8436	0.8579	0.9065	0.9086	0.9107	0.9136	0.9111	0.9366	0.9305
Lonaconing	0.8675	0.8655	0.8834	0.9328	0.9305	0.9336	0.9333	0.9283	0.9548	0.9517
Luke	0.8645	0.8620	0.8799	0.9289	0.9266	0.9304	0.9302	0.9227	0.9516	0.9484
Midland	0.8910	0.8892	0.9038	0.9475	0.9545	0.9552	0.9551	0.9474	0.9727	0.9724
Westernport	0.8745	0.8702	0.8854	0.9328	0.9305	0.9336	0.9333	0.9263	0.9548	0.9517
Unicorporated	0.9800	0.9810	0.9820	0.9829	0.9829	0.9829	0.9829	0.9829	1.0007	1.0007
Special Taxing Areas (1.4)										
Sanitary Districts										
Bedford Road	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Bowling Green	0.2500	0.2500	0.2500	0.2900	0.2900	0.2530	0.2530	0.2530	0.2530	0.2530
Braddock Run	0.0070	0.0070	0.0070	0.0070	0.0070	0.0040	0.0040	0.0040	0.0040	0.0040
Cresaptown	0.2500	0.2500	0.2500	0.2900	0.2900	0.3000	0.3000	0.3000	0.3000	0.3000
Jennings Run - Wills Creek	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Cash Valley Subdistrict	0.1860	0.1860	0.1860	0.1860	0.1860	0.2200	0.2200	0.2200	0.2200	0.2440
McCoole	0.0310	0.0310	0.0310	0.0700	0.0700	0.1400	0.1400	0.1400	0.1400	0.1400
Flintstone/ Gilpin	0.1500	0.1500	0.1500	0.1700	0.1700	0.2000	0.2000	0.2000	0.2000	0.2000
Franklin/ Brophytown	0.0190	0.0190	0.0190	0.0190	0.0190	0.0920	0.0920	0.0920	0.0920	0.0920
Oldtown	0.0330	0.0330	0.0330	0.0800	0.0800	0.0960	0.0960	0.0960	0.0960	0.0960
George's Creek	0.2100	0.2100	0.2100	0.4700	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Mexico Farms	0.0510	0.0510	0.0510	0.0600	0.0600	0.1840	0.1840	0.1840	0.1840	0.1840
Oldtown Road	0.1040	0.0770	0.0770	0.0770	0.0770	0.2400	0.2400	0.2400	0.2400	0.2600
Other Special Districts										
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	0.0650	0.0650	0.0650	0.0650	0.0650	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	0.0500	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400
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	0.0300	0.0300	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
LaVale Sanitary Commission	0.0520	0.0530	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	0.0450	0.0450	0.0450	0.0450	0.0450	0.0320	0.0320	0.0320	0.0320
Rawlings Special Fire Tax Area	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0600	0.0600	0.0600	0.0600
Total County Direct Rate (1.5)	0.9880	0.9877	0.9997	1.0305	1.0191	1.0249	1.0275	1.0233	1.0445	1.0401

Notes:

(1) All tax rates are per $ 100 of assessed value

(2) Municipal tax rates are presented for informative purpose only and are not included in the Total County Direct Rate

(3) County tax rates vary as a result of tax differentials provided to taxpayers residing in municipal jurisdictions.

(4) 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 the protection, street lighting and other civil services.

(5) County direct rate includes County taxes levied for the County and the special taxing areas, it does not include taxes levied by the municipalities. For taxes levied on behalf of special taxing districts, the direct rate includes a prorated portion of the tax rate that corresponds to the portion of the County's assessable base against which the tax is levied. Therefore, the total County direct rate presented above is not a mathematical sum of all of the individual rates presented.

Source: Allegany County Finance Department; Maryland State Assessment Office

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

	2014			2005		
Taxpayer	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value
AES WR Limited Partnership	$ 71,135,837	1	1.84%	$ 144,160,426	1	5.32%
New Page (Mead/Westvaco)	62,652,700	2	1.62%	81,162,770	2	3.00%
Potomac Edison Co	47,394,530	3	1.22%	45,600,920	3	1.68%
Trans-Allegheny Interstate Line	37,950,090	4	0.98%	-		
CSX Transportation	37,048,850	5	0.96%	16,041,780	7	0.59%
LaVale Associates	33,247,630	6	0.86%	29,633,766	5	1.09%
Columbia Gas of Maryland	24,972,720	7	0.64%	20,288,580	6	0.75%
Verizon-Maryland (Bell Atlantic)	20,483,000	8	0.53%	34,428,620	4	1.27%
Hunter Douglas Northeast, Inc.	15,714,140	9	0.41%	8,417,240	10	0.31%
Allegany Coal-Land	13,943,150	10	0.36%			
Memorial Hospital				8,868,990	8	0.33%
American Woodmark Corp				8,506,300	9	0.31%
Total	**$ 364,542,647**		**9.41%**	**$ 397,109,392**		**14.65%**

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
2005	22,263,407	20,665,094	92.82%	(50,087)	1,548,005	22,213,320	22,213,099	100.00%
2006	23,311,852	21,694,064	93.06%	(23,499)	1,594,051	23,288,353	23,288,115	100.00%
2007	24,152,164	22,574,066	93.47%	(37,176)	1,540,453	24,114,988	24,114,519	100.00%
2008	26,296,828	24,418,173	92.86%	(53,594)	1,823,805	26,243,234	26,241,978	100.00%
2009	28,732,488	26,710,075	92.96%	(53,749)	1,969,409	28,678,739	28,679,484	100.00%
2010	31,122,925	28,546,101	91.72%	(39,862)	2,534,230	31,083,063	31,080,331	99.99%
2011	32,868,341	30,352,908	92.35%	(49,557)	2,428,338	32,818,784	32,781,246	99.89%
2012	33,037,418	30,557,037	92.49%	(28,570)	2,386,711	33,008,848	32,943,748	99.80%
2013	32,760,110	30,023,529	91.65%	(1,514)	1,484,163	32,758,596	31,507,692	96.18%
2014	32,615,476	30,189,373	92.56%			32,615,476	30,189,373	92.56%

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
2005	249,585	217,982	87.34%	(12,750)	15,467	236,835	233,449	98.57%
2006	221,878	201,105	90.64%	(10,295)	6,591	211,583	207,696	98.16%
2007	208,932	186,368	89.20%	(7,244)	9,289	201,688	195,657	97.01%
2008	240,950	143,066	59.38%	(69,162)	21,204	171,788	164,270	95.62%
2009	156,136	131,719	84.36%	(762)	12,286	155,374	144,005	92.68%
2010	145,616	119,211	81.87%	(6,980)	11,343	138,636	130,554	94.17%
2011	157,764	119,985	76.05%	(13,839)	9,917	143,925	129,902	90.26%
2012	134,221	117,375	87.45%	(1,272)	2,925	132,949	120,300	90.49%
2013	133,495	114,347	85.66%	(2,493)	2,322	131,002	116,669	89.06%
2014	115,658	104,621	90.46%			115,658	104,621	90.46%

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
2005	8,501,900	8,407,644	98.89%	(115,503)	(32,395)	8,386,397	8,375,249	99.87%
2006	8,408,395	8,276,381	98.43%	(34,960)	85,499	8,373,435	8,361,880	99.86%
2007	8,210,266	8,094,923	98.60%	(16,650)	52,378	8,193,616	8,147,301	99.43%
2008	7,921,091	7,814,936	98.66%	272,369	328,284	8,193,460	8,143,219	99.39%
2009	7,710,088	7,559,542	98.05%	1,241,442	1,335,898	8,951,530	8,895,440	99.37%
2010	9,076,556	8,244,551	90.83%	(93,328)	686,391	8,983,228	8,930,942	99.42%
2011	8,147,312	7,948,859	97.56%	(70,045)	102,155	8,077,267	8,051,014	99.67%
2012	8,147,310	7,377,461	90.55%	(28,445)	642,319	8,118,865	8,019,780	98.78%
2013	7,893,890	7,089,831	89.81%	24,296	696,822	7,918,186	7,786,653	98.34%
2014	8,178,512	7,666,345	93.74%			8,178,512	7,666,345	93.74%

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
2005	31,014,892	29,290,720	94.44%	(178,340)	1,531,077	30,836,552	30,821,797	99.95%
2006	31,942,125	30,171,550	94.46%	(68,754)	1,686,141	31,873,371	31,857,691	99.95%
2007	32,571,362	30,855,357	94.73%	(61,071)	1,602,120	32,510,291	32,457,477	99.84%
2008	34,458,868	32,376,175	93.96%	149,613	2,173,292	34,608,482	34,549,467	99.83%
2009	36,598,711	34,401,336	94.00%	1,186,931	3,317,593	37,785,642	37,718,929	99.82%
2010	40,345,097	36,909,863	91.49%	(140,170)	3,231,964	40,204,927	40,141,827	99.84%
2011	41,173,417	38,421,752	93.32%	(133,441)	2,540,410	41,039,976	40,962,162	99.81%
2012	41,318,949	38,051,873	92.09%	(58,287)	3,031,955	41,260,662	41,083,828	99.57%
2013	40,787,495	37,227,707	91.27%	20,289	2,183,307	40,807,784	39,411,014	96.58%
2014	40,909,646	37,960,339	92.79%			40,909,646	37,960,339	92.79%

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

	Governmental Activities				Business -Type Activities									
Fiscal Year	General Obligation Bonds	Term Notes	Capital Leases	State Loans	Water Term Notes	Water Federal Loans	Water State Loans	Sanitary Term Notes	Sanitary State Loans	Sanitary Federal Loans	Nursing Home Loans	Total Primary Government	Percentage of Personal Income	Debt Per Capita
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	2.70%	809
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	2.70%	859
2010	21,920,544	9,365,495	206,094	4,175,771	397,734	4,306,768	-	18,453	15,666,339	3,281,112	-	59,338,310	2.60%	790
2011	17,861,152	8,895,326	131,177	3,697,419	380,516	5,047,339		18,070	15,840,547	3,237,076		55,108,622	2.30%	734
2012	14,215,926	8,502,021	74,090	3,199,049	362,737	7,588,062		17,670	15,108,960	3,664,134		52,732,649	2.10%	706
2013	20,948,078	219,629	36,080	2,203,357	344,380	10,928,261		17,251	14,519,950	4,968,713		54,185,699	2.10%	732
2014	17,473,220	212,915	18,560	1,765,300	325,424	10,859,917	130,265	16,814	13,698,637	4,902,290		49,403,342	1.90%	672

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
Table above does not include premium on bonds payable in the amount of $ 449,048 for FY 14

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	Taxable Value of Property	Percentage of Actual Taxable Value of Property	Population	Debt Per Capita
2005	26,596,000	2,707,846,982	0.98%	73,639	361.17
2006	22,944,000	2,792,735,373	0.82%	72,613	315.98
2007	28,532,000	2,910,366,473	0.98%	72,603	392.99
2008	24,949,597	3,102,478,314	0.80%	72,658	343.38
2009	25,787,011	3,341,618,912	0.77%	72,532	355.53
2010	21,920,544	3,571,822,480	0.61%	75,101	291.88
2011	17,861,152	3,714,436,413	0.48%	75,059	237.96
2012	14,215,926	3,906,468,828	0.36%	74,692	190.33
2013	20,948,078	3,883,871,212	0.54%	74,012	283.04
2014	17,473,220	3,874,923,264	0.45%	73,521	237.66

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
Table above does not include premium on bond payable in the amount of $ 449,048 for FY 14

Source: Allegany County Finance Office and Bureau Of Economic Analysis

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Population	73,639	72,613	72,603	72,658	72,532	75,101	75,059	74,692	74,012	73,521
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	70,360	69,334	69,324	69,379	69,253	71,822	71,780	71,413	70,733	70,242
Debt Per Capita	585	585	585	585	585	585	585	585	585	585
Debt Limit	41,160,600	40,560,390	40,554,540	40,586,715	40,513,005	42,015,870	41,991,300	41,776,605	41,378,805	41,091,570
Total Net Debt applicable to limit	34,850,072	30,283,291	40,211,723	40,556,925	40,491,979	35,667,904	30,585,074	25,991,086	23,407,144	19,469,995
Legal Debit Margin	6,310,528	10,277,099	342,817	29,790	21,026	6,347,966	11,406,226	15,785,519	17,971,661	21,621,575
Total net debt applicable to the limit as a percentage of debt limit	84.7%	74.7%	99.2%	99.9%	99.9%	84.9%	72.8%	62.2%	56.6%	47.4%

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
2014	6,910,702		6,208,477		702,225	1,086,079	352,416	1,438,495	0.49
2013	6,710,671		5,793,480		917,191	1,117,642	352,578	1,470,220	0.62
2012	6,663,036		5,697,183		965,853	1,112,180	321,865	1,434,045	0.67
2011	6,944,595		5,641,225		1,303,370	1,113,166	336,551	1,449,717	0.90
2010	6,166,813		5,053,655		1,113,158	725,634	315,904	1,041,538	1.07
2009	5,947,874		5,114,760		833,114	727,580	283,759	1,011,339	0.82
2008	5,756,775	(4)	5,221,279	(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

WATER DISTRICTS

Fiscal Year	Gross Revenues (1)		Operating Expenses (2)		Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2014	4,030,154		3,058,543		971,611	164,640	335,939	500,579	1.94
2013	3,819,651		3,095,376		724,275	158,655	290,816	449,471	1.61
2012	3,708,484		2,960,296		748,188	112,458	235,508	347,966	2.15
2011	3,863,485		3,194,883		668,602	97,647	221,780	319,427	2.09
2010	3,442,520		2,805,180		637,340	89,693	207,391	297,084	2.15
2009	2,866,797		2,395,589		471,208	100,967	211,276	312,243	1.51
2008	2,585,222	(4)	2,099,680	(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

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 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

Year	Population	Personal Income In 000s	Per Capita Personal Income	Public School Enrollment	Unemployment Rate
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	72,658	2,204,237	30,337	9,221	5.80%
2009	72,532	2,310,845	31,860	9,157	8.90%
2010	75,101	2,292,903	30,531	9,152	8.93%
2011	75,059	2,352,416	31,341	9,022	8.88%
2012	74,692	2,453,991	32,855	8,913	8.02%
2013	74,012	2,556,902	34,547	8,929	8.60%
2014	73,521	2,659,178	35,929	8,872	7.20%

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

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

	2014			2005		
Employer	**Employees**	**Rank**	**Percentage Of Total County Employment**	**Employees**	**Rank**	**Percentage Of Total County Employment**
Western Maryland Health Systems	2,200	1	6.14%	2,338	1	7.12%
Allegany County Board Of Education	1,346	2	3.76%	1,335	2	4.06%
ATK Tactical Systems	1,164	3	3.25%			
Frostburg State University	939	4	2.62%	925	5	2.82%
CSX Transportation	900	5	2.51%	925	4	2.82%
Hunter Douglas	860	6	2.40%	540	10	1.64%
New Page Corporation (Westvaco)	820	7	2.29%	1,150	3	3.50%
Allegany College	800	8	2.23%	700	7	2.13%
Western Correctional Institution	588	9	1.64%	798	6	2.43%
North Branch Correctional Institution	574	10	1.60%			
Allegany County Government				560	8	1.70%
ACS				550	9	1.67%
Total	**10,191**		**28.45%**	**9,821**		**29.89%**

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 Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Commissioners & Staff	7.0	7.0	8.0	8.0	8.0	8.0	7	6	5	5
Judicial	27.3	27.3	28.0	28.6	28.6	29.1	28.1	27.9	27.9	29.05
Finance	9.3	9.6	9.6	9.6	9.6	9.6	9.3	9.0	8	6
Tax Office	7.5	7.5	7.5	7.5	7.5	7.7	7.7	7.7	7.7	7.7
Maintenance	16.5	16.1	16.4	16.2	15.7	15.7	14.7	15	14	13.9
Other	28.7	32.1	38.6	40.8	43.7	42.6	39.7	38.3	36.9	37.45
Public Safety										
Sheriff\Bureau of Police	27.9	31.6	33.2	29.4	28.3	32.4	34.4	34.4	34.4	34.5
Detention Center	84.8	85.3	85.0	85.5	86.0	85.4	84	85.8	85.8	85.8
911	21.0	25.0	24.6	25.2	26.2	25.9	25.9	25.9	25.9	26.55
Other	13.9	13.1	13.4	21.9	23.5	31.3	32.3	31.1	30.1	26.6
Public Works										
Roads division	74.5	74.5	74.5	75.7	75.7	74.7	74.4	68.4	67.4	67.4
Engineering	16.7	15.4	16.5	16.3	16.3	14.5	13.5	12	12	9.9
Solid Waste	5.4	5.4	5.3	5.3	5.3	5.3	5.3	4.3	4.3	5.05
Transit	27.1	29.6	32.7	33.0	31.9	30.2	29	27.9	27.9	27.9
Health and Hospitals	3.3	3.3	2.3	2.0	2.0	2.0	2	2.0	2	2.0
Social Services	7.0	1.0	1.0	1.0	1.0	1.0	1	1.0	1	1.0
Recreation, culture, libraries, tourism	2.0	2.0	2.0	2.0	2.0	2.0	1.4	1.4	1.4	1.4
Conservation of natural resources	2.0	2.0	2.0	2.0	2.0	2.0	2	1.0	1	1.0
Community Development and Housing	5.6	5.6	4.3	4.3	4.3	3.7	2.3	-		
Economic Development	9.1	10.1	7.2	7.5	8.3	7.7	7.5	7.7	6.25	5.7
Sanitary	23.0	24.0	25.0	25.0	26.0	31.8	33.8	34.0	34	34.0
Nursing Home	161.5	165.5	152.1	150.5	147.5	-				
Total	581.1	593.0	589.2	597.3	599.4	462.6	455.3	440.8	433.0	427.9

Source: Allegany County Finance Office-Budget

Allegany County, Maryland
Operating Indicators By Function/Program
Last Ten Fiscal Years

Function/Program		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government											
Average number of tax bills issued		38,060	38,130	38,124	38,419	38,454	38,532	38,518	38,529	38,530	38,535
Number of building permits issued		469	424	460	410	372	312	328	325	285	267
Public Safety											
Total Number of arrests		1,341	1,246	608	1,060	1,491	1,608	1,285	1,593	1,860	1,792
Total Number of traffic stops		613	1,527	1,153	1,167	1,840	1,640	1,579	1,782	1,492	1,558
Average number of inmates		180	172	179	203	168	157	170	150	153	150
Number of Volunteer Fire Stations		23	23	23	23	23	23	23	22	21	21
Public Works											
Miles of roads maintained		544	544	544	544	544	544	544	544	544	544
Social Services											
Transit route miles		445,957	500,772	675,570	502,317	446,420	384,182	332,324	381,238	376,369	409,383
Transit passengers		94,813	119,027	138,131	179,555	189,004	189,708	187,522	219,995	210,601	205,090
Community Development and Housing											
Number of families' rent subsidized		253	262	267	190	198	** N/A	** N/A	** N/A	** N/A	** N/A
Low-Income Housing loans issued		43	36	43	21	35	7	** N/A	** N/A	** N/A	** N/A
Sanitary											
Average number of sanitary/water customers		8,500	8,500	8,500	8,500	8,500	9,250	9,250	9,500	9,750	9,850
Nursing Home											
Total Number of Beds Available, Annually		55,845	55,845	55,845	55,998	55,845	0	0	0	0	0
Number of Beds Occupied Annually		48,701	47,422	48,400	47,512	48,692	0	0	0	0	0
Occupancy Rate, Annual		87%	85%	86%	85%	87%	0	0	0	0	0
Gaming											
Games Sold	*	50,870	49,901	48,800	43,056	36,206	35,357	33,395	32,701	30,699	27,437
Operators Licensed	*	94	100	79	83	85	92	88	100	81	80
Inspections Conducted	*	1,180	1,035	965	972	921	860	672	851	610	748

* Only in operation for 7 months of the fiscal year

** Local nonprofit agency absorbed the County's Section 8 program during FY 2010

Source: Various County Departments

Allegany County, Maryland
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Number of major buildings maintained	10	10	11	11	11	11	11	11	11	11
Public Safety										
Number of police stations	1	1	1	1	2	4	4	4	4	4
Number of patrol vehicles	20	20	20	20	29	34	38	36	40	33
Public Works										
Miles of roads maintained	544	544	544	544	544	544	544	544	544	544
Average number of highway vehicles	140	140	140	140	140	140	140	140	140	140
Number of Garages-Roads Dept	4	4	4	5	5	5	5	5	5	5
Number of operating transit buses	9	10	10	11	14	21	22	22	22	22
Economic Development										
Number of Industrial parks	8	8	8	8	8	8	8	8	8	8
Number of Buildings leases	14	14	15	12	10	13	13	13	12	11
Sanitary										
Sanitary/Water (miles)	175	175	175	175	175	175	175	175	175	175
Number of Wastewater Treatment plants	6	6	6	6	6	6	6	6	6	6
Number of Water Storage Tanks	6	6	6	6	6	6	6	6	6	6
Nursing Home										
Number of buildings maintained	1	1	1	1	1	0	0	0	0	0

Source: Various County Departments