

ALLEGANY COUNTY MARYLAND

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

2021

ALLEGANY COUNTY BOARD OF COUNTY COMMISSIONERS

JACOB C. SHADE
PRESIDENT

CREADE V. BRODIE, JR.
COMMISSIONER

DAVID J. CAPORALE
COMMISSIONER

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COUNTY ADMINISTRATOR

Allegany County Finance Office
www.Alleganygov.org



ALLEGANY COUNTY, MARYLAND

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR

JULY 1, 2020 - JUNE 30, 2021

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

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ALLEGANY COUNTY, MARYLAND
ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION

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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

Jacob Shade, President
Creade V. Brodie, Jr.
David J. Caporale

Jason Bennett, CPA, Administrator
Pamela S Diaz, CPA, Deputy Director of Finance

March 8, 2022

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

The Annual Comprehensive Financial Report of Allegany County, Maryland for the fiscal year ending June 30, 2021, 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, 2021, 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, 2020, 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 decreased from June 30, 2020 at 9.7% to 7.4% for June 30, 2021. The region has diverse manufacturing and industrial base of rail transportation and the manufacturing of window coverings. During regular years, 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.

Long-term financial planning: The County adopts a five-year Capital Improvement Program each year as required by state law.

Major initiatives: The County has taken major steps to improve and expand our broadband offerings to our citizens, schools and businesses utilizing CARES and ARPA funds as a result of the global pandemic. The goal will be to allow access to broadband in every corner of the County

while focusing on enhanced speeds. The County also created Invest Allegany with these funds to spur capital investment and rehabilitation in our main street communities.

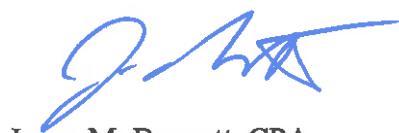
The County has partnered with Fed Ex to start the construction of a new distribution facility in Mexico Farms that will bring additional jobs to our County.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) last 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, 2017. This was the twenty-fifth 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.

I wish to acknowledge the support and interest of the Board of County Commissioners 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, Deputy 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
County Administrator

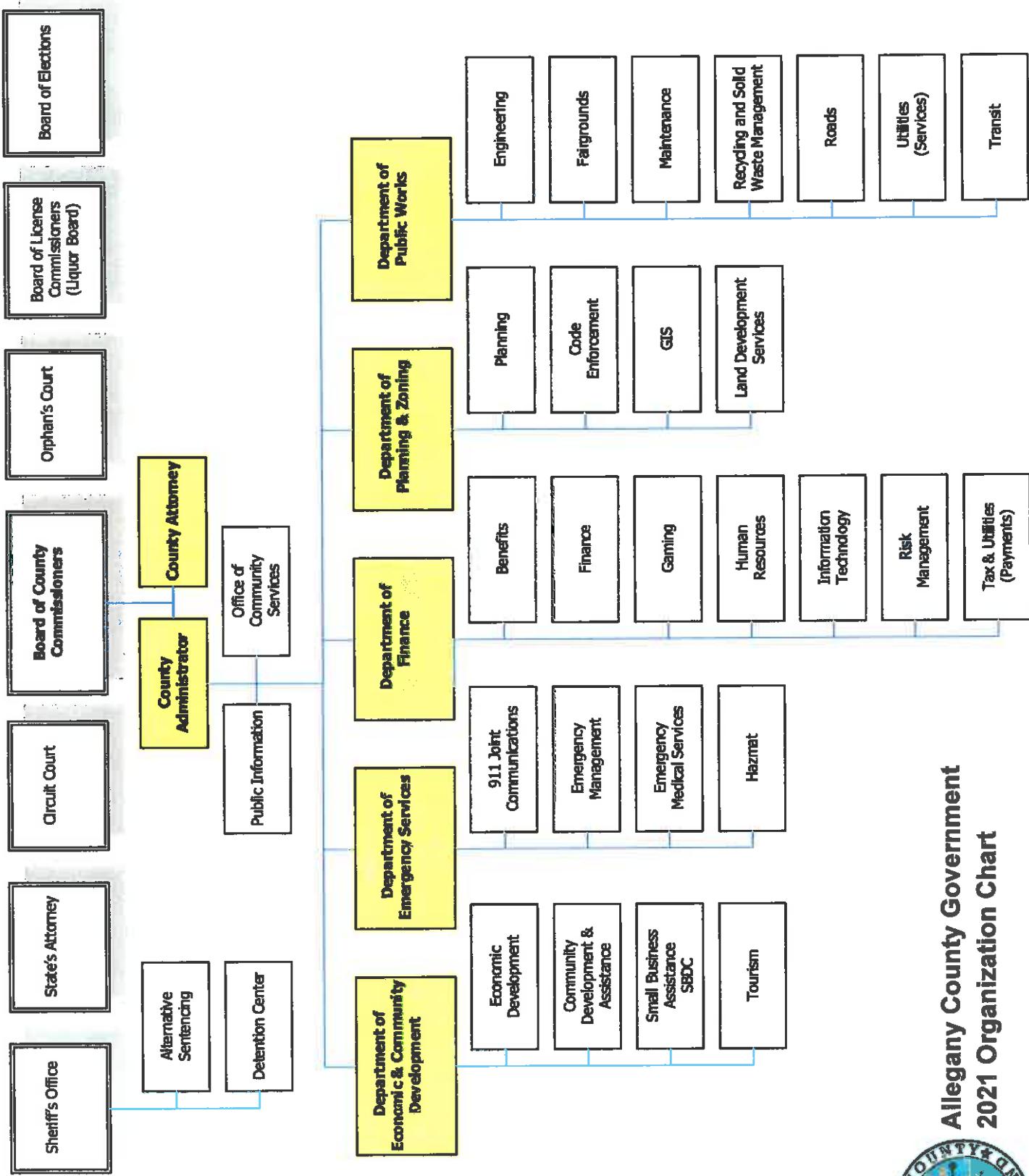
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**Allegany County, Maryland
Summary of Certain Officials
June 30, 2021**

Board of Commissioners

**Jacob Shade, President
Creade V. Brodie Jr., Commissioner
David J. Caporale, Commissioner**

County Administrator	Jason M. Bennett, CPA
Clerk of the Board	Linda Simpson
Director of Finance	Jason M. Bennett, CPA
Director of Public Works	Paul F. Kahl, P.E.
Director of Economic & Community Development	Jeff Barclay
Director of Interagency Data Processing	Nilufer H. Grove
Director of Human Resources & Personnel Services	Kristi Liller
Sheriff	Craig A. Robertson
State's Attorney	James Elliott
County Attorney	Lee Beeman, Esquire
Election Administrator	Diane L. Loibel



FINANCIAL SECTION

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



217 Glenn Street, Suite 200
Cumberland, Maryland 21502
Phone: 301.759.3270
www.thkcpas.com

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the 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, 2021, 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 and the Allegany County Library System, which represent 65 percent, 63 percent, and 72 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 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.

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 discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland, as of June 30, 2021, 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-9, the schedule of changes in net pension liability, County's proportionate share of the net pension liability, and County's contributions on page D-3, schedule of changes in post retirement benefits liability, County's post retirement benefits contributions, and County's post retirement benefits investment returns on page D-4, notes to required supplementary information on page D-5, and the budgetary comparison information on pages D-6 through D-14 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

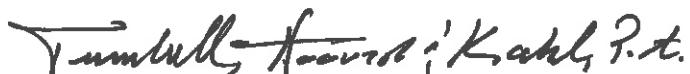
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Allegany County, Maryland's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules 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 schedules 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 March 8, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Allegany County, Maryland's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Allegany County, Maryland's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Turnbull Howard & Kahl, P.C." The signature is cursive and somewhat stylized.

Cumberland, Maryland
March 8, 2022

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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, 2021. 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 \$155.9 million (*net position*). Of this amount, \$183 million is net investment in capital assets and \$8 million is restricted for specific purposes (restricted net position). The County's total unrestricted net position is (\$35.1 million). This total unrestricted net position amount includes (\$23.6 million) from governmental activities, and unrestricted net position balance from business-type activities of (\$11.5 million).
- The government's total net position decreased by \$5.2 million or 3.2%. The governmental net position decreased \$3.2 million. Business-type net assets decreased by \$2 million during the year.
- As of the close of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of \$54.1 million, an increase of \$ 9.8 million in comparison with the prior year. Approximately 33% of the ending fund balance, \$17.9 million, is *available for spending* at the government's discretion (*unassigned fund balance*), \$1.2 million is nonspendable, \$ 15 million is restricted, \$ 11 million is committed to certain programs and \$8.7 million is assigned to specific programs.
- Allegany County's governmental activity outstanding debt increased by \$9.5 million (or 30%) during the current fiscal year. The County's business-type debt decreased by \$ 1.4 million (or 5%).

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 or objectives. Allegany County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Allegany County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

Allegany County maintains 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, the revolving building fund, and the public improvement fund all of which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

Proprietary funds. Allegany County has one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type* activities in the government-wide financial statements. Allegany County uses enterprise funds to account for its water fund, sewer fund, 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 C21-78 of this report.

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

Also reported as *required supplementary information* are budgetary comparison schedules for the General Fund, the Revolving Building and the PIB Fund which are reported as major funds. Required supplementary information can be found on pages D4-14 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 \$155.9 million at the close of the most recent fiscal year.

By far the largest portion of Allegany County's net position (\$182.9 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 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Assets:						
Current and other assets	\$ 83,323,801	\$ 68,977,847	\$ (7,243,700)	\$ (4,460,730)	\$ 76,080,101	\$ 64,517,117
Capital assets	94,219,932	95,015,226	122,770,202	123,617,100	216,990,134	218,632,326
Total assets	177,543,733	163,993,073	115,526,502	119,156,370	293,070,235	283,149,443
Deferred Outflows of Resources	5,329,149	3,949,594	283,706	199,385	5,612,855	4,148,979
Liabilities:						
Current and other liabilities	22,959,604	17,563,794	3,023,191	3,060,966	25,982,795	20,624,760
Long-term liabilities outstanding	88,015,427	74,968,780	26,126,372	27,527,235	114,141,799	102,496,015
Total liabilities	110,975,031	92,532,574	29,149,562	30,588,200	140,124,593	123,120,775
Deferred Inflows of Resources	2,629,556	2,962,170	76,471	101,529	2,706,027	3,063,699
Net position:						
Net investment in capital assets	85,075,724	89,130,241	97,889,075	97,116,640	182,964,799	186,246,881
Restricted	7,841,911	1,544,097	162,484	194,232	8,004,395	1,738,329
Unrestricted	(23,649,340)	(18,226,415)	(11,467,378)	(8,644,846)	(35,116,718)	(26,871,261)
Total net position	\$ 69,268,295	\$ 72,447,923	\$ 86,584,179	\$ 88,666,026	\$ 155,852,476	\$ 161,113,949

An additional portion of Allegany County's net position (5%) represents resources that are subject to external restrictions on how they may be used. The County has a negative *unrestricted net position* balance of (\$35.1 million). The *unrestricted net position* balance for the governmental activities was (\$23.6 million) and the business-type activities have a balance of (\$18.2 million).

During the current fiscal year, the government's net position decreased by \$5.2 million. Revenues increased by \$7.2 million to \$129.9 million while expenses increased by \$ 10.3 million from the prior year to \$135.1 million. The revenue increase was largely due to an increase of \$ 4.2 million received operating grants for businesses affected by COVID (economic development) and \$ 2.5 million increase in income tax revenue.

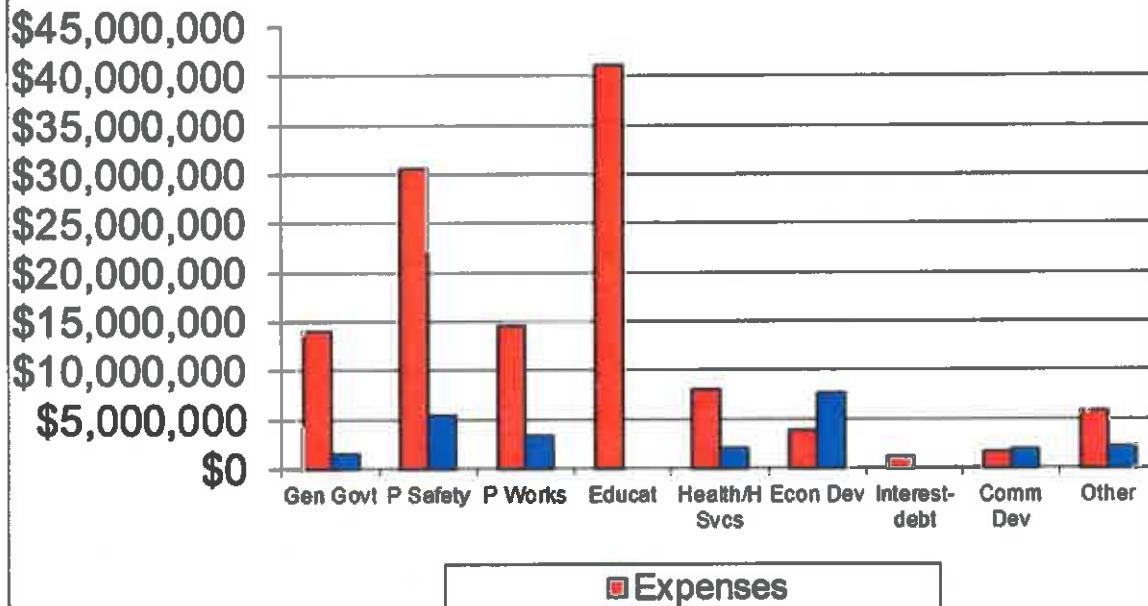
ALLEGANY COUNTY'S CHANGES IN NET POSITION

Revenues:	Governmental Activities		Business-type Activities		Total	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2019
Program revenues:						
Charges for services	\$ 7,751,517	\$ 9,234,638	\$ 9,706,482	\$ 10,385,748	\$ 17,457,999	\$ 19,620,386
Operating grants and contributions	13,034,096	8,288,736			13,034,096	8,288,736
Capital grants and contributions	3,258,409	2,658,561	1,160,589	1,922,922	4,418,998	4,581,483
General revenues:						
Property taxes	43,025,595	42,056,853	1,183,381	1,159,250	44,208,976	43,216,103
Income taxes	31,138,685	28,719,134			31,138,685	28,719,134
Other local taxes	8,036,628	6,753,500			8,036,628	6,753,500
Franchise taxes	420,472	418,750			420,472	418,750
Grants and contributions not restricted to specific programs	8,939,389	8,939,231			8,939,389	8,939,231
Unrestricted fees						
Unrestricted investment earnings	1,635,283	1,466,467	180,380	94,846	1,815,663	1,561,313
Gain on sale/retirement of capital assets		33,531				33,531
Miscellaneous	426,242	601,978			426,242	601,978
Total revenues	117,666,316	109,171,379	12,230,832	13,562,766	129,897,148	122,734,145
Expenses:						
General government	13,980,499	12,883,978			13,980,499	12,883,978
Payment to data processing	109,829	146,465			109,829	146,465
Public safety	30,600,972	27,462,769			30,600,972	27,462,769
Public works	14,618,577	14,227,947			14,618,577	14,227,947
Health	8,019,965	4,274,237			8,019,965	4,274,237
Social services	1,733,627	1,485,199			1,733,627	1,485,199
Education	1,936,310	2,512,606			1,936,310	2,512,606
Payment to public school system	31,138,670	30,734,335			31,138,670	30,734,335
Payment to community college	8,066,856	7,989,498			8,066,856	7,989,498
Recreation, culture & libraries	691,457	1,488,456			691,457	1,418,456
Payment to public library system	966,545	966,545			966,545	966,545
Conservation of natural resources	404,182	66,702			404,182	66,702
Community development & housing	1,589,652	1,012,235			1,589,652	1,012,235
Economic development	5,801,705	3,460,799			5,801,705	3,460,799
Interest on long-term debt	1,103,537	979,034			1,103,537	979,034
Water			5,033,414	4,858,397	5,033,414	4,858,397
Sewer			9,044,813	10,221,511	9,044,813	10,221,511
Nursing Home						
Other proprietary funds			318,008	151,357	318,008	151,357
Total expenses	120,762,383	109,620,805	14,396,235	15,231,265	135,158,618	124,852,070
Increase in net position before transfers	(3,096,067)	(449,426)	(2,165,403)	(1,668,499)	(5,261,470)	(2,117,925)
Transfers	(83,561)	(489,942)	83,561	489,942		
Increase (decrease) in net position	(3,179,628)	(939,368)	(2,081,841)	(1,178,556)	(5,261,470)	(2,117,925)
Net position, beginning, restated	72,447,923	73,387,291	88,666,023	89,844,582	161,113,946	163,231,873
Net position, ending	\$ 69,268,295	\$ 72,447,923	\$ 86,584,175	\$ 88,666,026	\$ 155,852,474	\$ 161,113,948

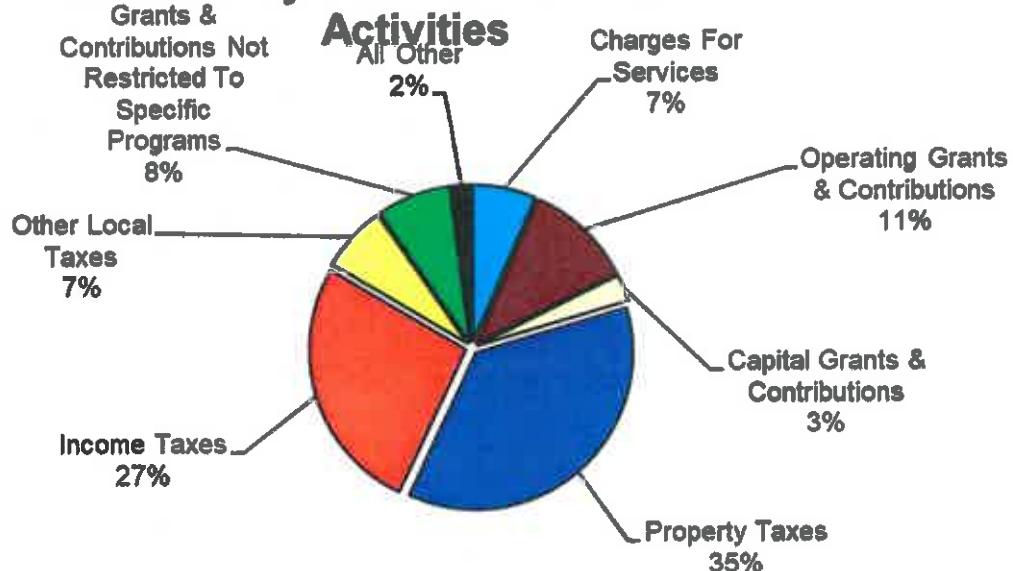
Governmental activities. Governmental activities decreased Allegany County's net assets by \$3.1 million. Total revenues increased \$ 8.5 million (or 7.8%) and expenses increased \$ 11.1 million (or 10%). Key elements of the changes in governmental net position are as follows:

- Approximately \$6 million dollars in federal and state COVID relief grants were received
- Expenses increased due to the receipt and expenditures of COVID relief grant awards.

Expenses and Program Revenues - Governmental Activities

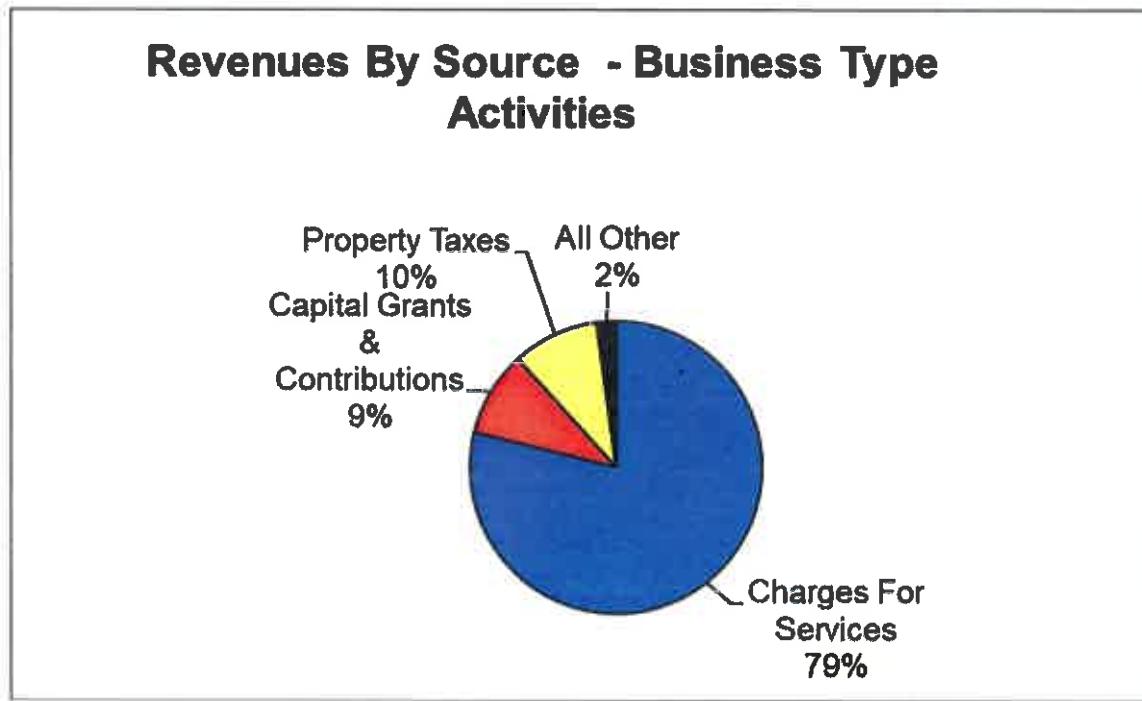
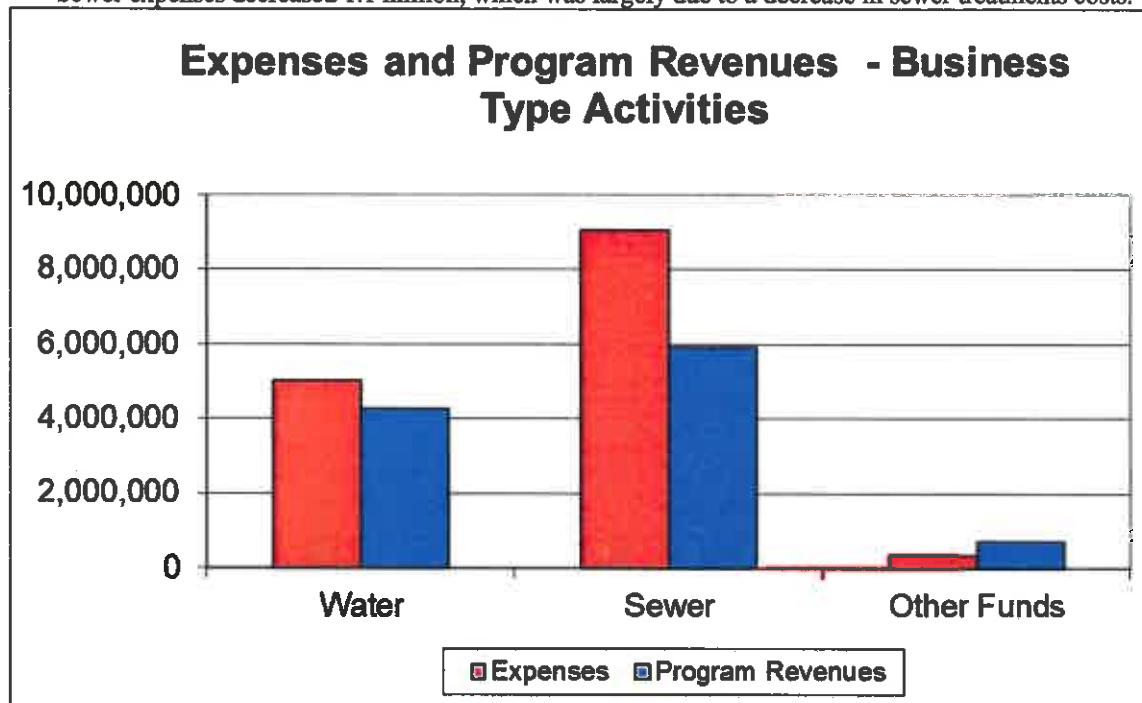


Revenues By Source - Governmental Activities



Business-type activities. The net position of the County's business-type activities decreased by \$2.1 million after transfers. Key elements of the decrease were:

- Revenues decreased \$ 1.3 million due to the pandemic-businesses shut down thus used less water. Also capital grants decreased .8 million due to less projects .
- Sewer expenses decreased 1.1 million, which was largely due to a decrease in sewer treatments costs.



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 \$54.1 million, an increase of \$ 9.8 million in comparison with the prior year. Approximately 33 percent of this total amount (\$17.9 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 - \$15 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. - \$ 11 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 - \$8.7 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 \$20 million, out of a total fund balance of \$30 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 22 percent of total general fund expenditures, while total fund balance represents 33.2 percent of that same amount.

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 asset	\$37,533,846	\$ 59,548,192	\$ 807,037	\$ 97,889,075
Restricted for debt service	-	162,484	-	162,484
Unrestricted	2,355,234	(15,154,727)	1,332,111	(11,467,384)
Total net position	\$39,889,080	\$44,555,949	\$ 2,139,148	\$ 86,584,175
Change in net position during the year, increase (decrease)	\$ (673,006)	\$ (1,755,483)	\$ 346,649	\$ (2,081,841)

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 was amended and totaled of \$ 95.4 million. Significant changes between the original budget and actual are summarized as follows:

- Actual revenue exceeded budgeted revenue by 2.9 million. The increase was largely due to increase in income tax revenue.

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, 2021 was \$183 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 decrease in Allegany County's investment in capital assets for the current fiscal year was 3.5 percent (a 4.5 percent decrease for governmental activities and a 1 percent increase for business-type activities).

Additional information on Allegany County's capital assets can be found in the notes to the financial statements, note 8 on pages C-45 through C-46 of this report.

Long-term debt. At the end of the current fiscal year, Allegany County had total debt outstanding of \$66.5 million. Governmental activities debt consists of \$41.6 million in general obligation bonds including premium and \$.2 million of debt incurred with creditors for which the full faith and credit of the County has also been pledged. The \$25 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	
	2021	2020	2021	2020	2021	2020
General obligation	\$ 39,190,000	\$ 30,336,000	\$ -	\$ -	\$ 39,190,000	\$ 30,336,000
Notes	188,321	195,841			188,321	195,841
Capital leases						
State loans	66,580	222,236	7,662,931	8,639,651	7,729,511	8,861,887
Federal loans			17,218,433	17,649,100	17,218,433	17,649,100
Premium on Bond	2,177,633	1,411,498			2,177,633	1,411,498
Total	\$ 41,622,535	\$ 32,165,576	\$ 24,881,145	\$ 26,288,782	\$ 66,503,680	\$ 58,454,326

Allegany County governmental activities retired \$ 9.1 million in total during the current fiscal year and bond proceeds in the amount of \$ 18.6m were received and debt was incurred. The total debt outstanding increased 30 percent.

No new debt was incurred for Business type activities. Business type debt retired during the year was \$1.6 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 "AA-", one of the few upgrades nationally for a governmental entity.

Additional information on Allegany County's long-term debt can be found in note 11 on pages C-51 through C-55 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for June 2021 for Allegany County was 7.4 percent, which decreased from 9.7 percent when compared to June 2020.

All of these factors were considered in preparing Allegany County's budget for the 2022 fiscal year.

During the current fiscal year, spendable fund balance in the general fund increased to \$20 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 2022 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.

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**BASIC
FINANCIAL
STATEMENTS**

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**GOVERNMENT WIDE
FINANCIAL
STATEMENTS**

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**ALLEGANY COUNTY, MARYLAND
STATEMENT OF NET POSITION
JUNE 30, 2021**

	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	\$ 23,015,676	\$ 152,617	\$ 23,168,293	\$ 40,847,662	\$ 10,300,711	\$ 578,768	\$ 3,030,231
Investments	10,344,884	439,206	10,784,090		203,912	390,648	-
Property taxes receivable	5,040,638	-	5,040,638				-
Receivables:							
Accounts	343,308	2,720,984	3,064,292	17,802,224	469,081	450,529	256,487
Other	12,021,029	734,280	12,755,309		3,897,657	-	133,512
Internal balances	11,724,414	(11,724,414)	-	-	-	-	-
Inventory	41,235	82,050	123,285	201,274	204,704	-	198,251
Prepaid expenses	-	-	-	290,711	192,626	9,796	41,992
Miscellaneous	359,605	-	359,605	-	-	-	-
Restricted Assets:							
Cash	10,282,648	189,093	10,471,741		313,800	-	305,618
Investments	10,150,364	-	10,150,364		18,169,593	-	-
Taxes - receivable	-	158,993	158,993	-	-	-	50,476
Receivables	-	3,491	3,491	-	-	-	-
Total current assets	\$ 83,323,801	(7,243,700)	\$ 76,080,101	\$ 59,141,871	\$ 33,752,084	\$ 1,429,741	\$ 4,016,567
Non-current Assets:							
Long term Investment, Market	-	-	-	-	4,264,960	-	-
Restricted asset-Cash	-	-	-	-	-	21,072	-
Net OPEB Asset	-	-	-	-	-	271,156	-
Net Pension Asset	-	-	-	-	-	426,395	-
Land	27,211,512	192,532	27,404,044	7,643,505	1,564,352	-	413,750
Work in Progress	3,642,768	4,550,502	8,193,270	2,797,588	13,212,886	1,302,706	168,389
Other non-depreciable assets	-	-	-	197,532	153,740	-	-
Capital assets subject to depreciation/amortization	166,306,232	206,685,182	372,991,414	236,902,077	64,192,937	9,081,600	31,182,663
Accumulated depreciation	(102,940,580)	(88,658,014)	(191,598,594)	(127,831,114)	(39,419,696)	(4,818,869)	(15,472,360)
Total non-current assets	\$ 94,219,932	\$ 122,770,202	\$ 216,990,134	\$ 119,709,588	\$ 43,969,179	\$ 5,565,437	\$ 17,011,065
Total Assets	\$ 177,543,733	\$ 115,526,502	\$ 293,070,235	\$ 178,851,459	\$ 77,721,263	\$ 6,995,178	\$ 21,027,632
Deferred Outflows of Resources							
Deferred Outflows for Pensions-State	3,630,911	283,706	3,914,617	1,314,002	197,339	19,372	245,368
Deferred Outflows for Pensions-LOSAP	1,341,385	-	1,341,385	-	-	-	-
Deferred Outflows for OPEB	356,853	-	356,853	2,210,571	-	5,945	1,651,623
Total Deferred Outflows of Resources	\$ 5,329,149	\$ 283,706	\$ 5,612,855	\$ 3,524,573	\$ 197,339	\$ 25,317	\$ 1,896,991
LIABILITIES:							
Current Liabilities:							
Accounts payable	5,401,978	838,138	6,240,116	3,800,007	1,535,027	461,022	203,632
Accrued wages payable	788,543	48,918	837,461	1,600,876	494,252	37,268	22,615
Accrued fringe benefits payable	321,903	24,812	346,715	-	184,704	-	-
Accrued interest	620,044	75,640	695,684	-	-	-	11,825
Current portion of long-term debt:							
Bonds and loans	1,582,248	1,623,033	3,205,281	-	-	-	235,612
Capital leases	-	-	-	101,724	66,448	-	-
Compensated absences	1,377,485	162,921	1,540,406	-	789,465	-	28,046
Due to Agency Fund	569,261	-	569,261	-	-	-	-
Due to State of MD Commerce	1,500,000	-	1,500,000	-	-	-	-
Due to Trust Fund	-	-	-	-	-	-	-
Unearned Revenues	7,651,196	-	7,651,196	4,414,710	600,392	-	-
Accrued health claims	555,200	-	555,200	8,944,804	253,250	-	-
Miscellaneous Liabilities	2,591,746	249,729	2,841,475	1,843,531	1,144,791	-	-
Total current liabilities	\$ 22,959,604	\$ 3,023,191	\$ 25,982,795	\$ 20,946,710	\$ 5,068,329	\$ 498,290	\$ 501,730
Non-current liabilities:							
Cash advance due general fund	(1,200,000)	1,200,000	-	-	-	-	-
Bonds and loans	40,040,287	23,070,763	63,111,050	-	-	-	3,819,978
Capital leases	-	-	-	183,914	272,062	-	-
Annuity payment liability	-	-	-	-	1,741	-	-
Termination benefits	-	-	-	-	505,972	-	-
Net pension liability-State	19,178,494	1,500,125	20,678,619	6,142,206	865,439	31,133	-
Net pension liability-LOSAP	5,216,858	-	5,216,858	-	-	-	-
Net OPEB liability	21,167,587	-	21,167,587	10,485,511	-	-	-
Post-employment benefits	-	-	-	-	110,765	-	-
Compensated absences	3,612,201	355,484	3,967,685	2,039,302	-	85,161	30,665
Total non-current liabilities	\$ 88,015,427	\$ 26,126,372	\$ 114,141,799	\$ 18,850,933	\$ 1,645,214	\$ 227,059	\$ 3,850,643
Total Liabilities	\$ 110,975,031	\$ 29,149,562	\$ 140,124,593	\$ 39,797,643	\$ 6,713,543	\$ 725,349	\$ 4,352,373
Deferred Inflows of Resources							
Deferred Inflows for Pensions-State	1,066,420	76,471	1,142,891	822,221	76,093	5,062	226,994
Deferred Inflows for Pensions-LOSAP	271,398	-	271,398	-	-	-	-
Deferred Inflows for OPEB	1,291,738	-	1,291,738	4,014,903	-	37,242	3,715,399
Total Deferred Inflows of Resources	\$ 2,629,556	\$ 76,471	\$ 2,706,027	\$ 4,837,124	\$ 76,093	\$ 42,304	\$ 3,942,393
NET POSITION							
Net investment in Capital Assets	85,075,724	97,889,075	182,964,799	119,226,418	39,365,709	5,565,437	12,236,852
Restricted for:							
Public safety	1,137,564	-	1,137,564	-	-	-	-
Highways	117,796	-	117,796	-	-	-	-
Education	-	-	-	-	-	-	-
Community development & housing	9,739	-	9,739	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capital projects	-	-	-	4,384,543	-	-	-
Other purposes	6,576,812	162,484	6,739,296	290,711	17,614,879	456,694	377,166
Unrestricted	\$ (23,649,340)	\$ (11,467,378)	\$ (35,116,718)	\$ 13,839,593	\$ 14,148,378	\$ 230,711	\$ 2,015,839
Total Net Position	\$ 69,268,295	\$ 86,584,175	\$ 155,852,470	\$ 137,741,265	\$ 71,128,966	\$ 6,252,842	\$ 14,629,857

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, 2021

Functions/Programs	Expenses		Expenses		Program Revenues		
	Before Indirect Expense Allocation		After Indirect Expense Allocation		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Indirect Expense Allocation	Indirect Expense Allocation	Indirect Expense Allocation	Indirect Expense Allocation			
Primary government:							
Governmental activities:							
General government:	\$ 14,637,186	\$ (656,687)	\$ 13,980,499	\$ 953,068	\$ 511,457		
Payment to data processing	109,829		109,829				
Public safety	29,776,951		30,600,972	2,279,605	3,196,261		
Public works	14,618,577		14,618,577	1,221,356	1,697,941		441,925
Health & Hospitals	8,019,965		8,019,965			1,225,851	831,542
Social services	1,733,627		1,733,627	26,059	721,531		
Education:	1,936,310		1,936,310				
Payment to public school system	31,138,670		31,138,670				
Payment to community college	8,066,856		8,066,856				
Recreation, culture & libraries:	691,457		691,457	93,907	246,537		992,570
Payment to public library system	966,545		966,545				
Conservation of natural resources	404,182		404,182	5,437	51,739		47,125
Community development and housing	1,589,652		1,589,652			1,168,222	674,960
Economic development	5,801,705		5,801,705	3,172,085	4,214,557		270,287
Interest on long term debt	1,103,537		1,103,537				
Total governmental activities	<u>\$ 120,595,049</u>	<u>(\$ 656,687)</u>	<u>\$ 120,762,383</u>	<u>7,751,517</u>	<u>\$ 13,034,096</u>		<u>3,258,409</u>
Business-type activities:							
Water	4,837,344	196,070	5,033,414	4,176,794			88,895
Sewer	8,584,196	460,617	9,044,813	5,485,782			418,241
Other funds	318,008		318,008	43,906			653,453
Total business-type activities	<u>13,739,548</u>	<u>656,687</u>	<u>14,396,235</u>	<u>9,706,482</u>			<u>1,160,589</u>
Total primary government	<u>\$ 134,334,597</u>	<u>\$ -</u>	<u>\$ 135,158,618</u>	<u>\$ 17,457,999</u>	<u>\$ 13,034,096</u>		<u>\$ 4,418,998</u>
Component units:							
Board of Education			\$ 141,788,564	\$ 136,225	\$ 28,441,160		\$ 3,731,319
Allegany College of Md.			37,323,583	10,181,277	20,488,828		7,855,966
County Library			2,295,712	183,456	195,995		1,099,355
LaVale Sanitary Commission			4,916,512	4,124,707			9,709
Total component units			<u>\$ 186,324,371</u>	<u>\$ 14,625,665</u>	<u>\$ 49,125,983</u>		<u>\$ 12,696,349</u>
General revenues:							
Property taxes							
Income taxes							
Other local taxes							
Casino Tax							
Gaming Tax							
Highway Users Tax							
Hotel/Motel Tax							
Recordation/Transfer							
Admission/Amusement							
Other Tax							
Appropriation from Primary Government							
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 (restated)							
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, 2021

Net (Expense) Revenue and Changes in Net Position						
Governmental Activities	Primary Government		Component Units			
	Business-Type Activities	Total	Board of Education	Allegany College of MD	County Library	LaVale Sanitary Commission
\$ (12,515,974)	\$ -	\$ (12,515,974)	\$ -	\$ -	\$ -	\$ -
(109,829)		(109,829)				
(25,125,106)		(25,125,106)				
(11,257,355)		(11,257,355)				
(5,962,572)		(5,962,572)				
(986,037)		(986,037)				
(1,936,310)		(1,936,310)				
(31,138,670)		(31,138,670)				
(8,066,856)		(8,066,856)				
641,557		641,557				
(966,545)		(966,545)				
(299,881)		(299,881)				
253,530		253,530				
1,855,224		1,855,224				
(1,103,537)		(1,103,537)				
<u>(96,718,361)</u>	<u>-</u>	<u>(96,718,361)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	(767,725)	(767,725)				
	(3,140,790)	(3,140,790)				
	379,351	379,351				
	(3,529,164)	(3,529,164)				
	<u>(96,718,361)</u>	<u>(3,529,164)</u>	<u>(100,247,525)</u>	<u>-</u>	<u>-</u>	<u>-</u>
			(109,479,860)			
				1,202,488		
					(816,906)	
						(782,096)
						<u>(782,096)</u>
43,025,595	1,183,381	44,208,976				
31,138,685		31,138,685				431,439
2,560,261		2,560,261				815,999
543,429		543,429				
1,057,788		1,057,788				
824,379		824,379				
1,723,827		1,723,827				
70,630		70,630				
1,256,314		1,256,314				
420,472		420,472	31,138,670	8,066,856	966,545	
8,939,389		8,939,389				
1,635,283	180,380	1,815,663	84,559,639	4,019,078	899,487	
			54,076	123,221	4,203	15,050
426,242		426,242	298,396	41,332	2,792	1,165
(83,561)	83,561					
93,538,733	1,447,322	94,986,055	116,050,781	12,250,487	1,873,027	1,263,653
(3,179,628)	(2,081,841)	(5,261,470)	6,570,923	13,452,975	1,056,121	481,557
72,447,923	88,666,023	161,113,946	131,170,342	57,675,991	5,196,721	14,148,300
<u>\$ 69,268,295</u>	<u>\$ 86,584,175</u>	<u>\$ 155,852,470</u>	<u>\$ 137,741,265</u>	<u>\$ 71,128,966</u>	<u>\$ 6,252,842</u>	<u>\$ 14,629,857</u>

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

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**FUND
FINANCIAL
STATEMENTS**

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ALLEGANY COUNTY, MARYLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

ASSETS:	General Fund	American Rescue Plan	Revolving Building Fund	Public Improve Bond Fund	Other Governmental Funds	Total
Cash	\$ 23,014,526	\$ -	\$ -	\$ 10,251,562	\$ 1,150	\$ 23,015,676
Cash -restricted					31,086	10,282,648
Investments	7,107,095	-	-	-	2,403,187	9,510,282
Investments-restricted	3,287,025	-	-	-	6,863,339	10,150,364
Property tax receivable	5,121,638	-	-	-	-	5,121,638
Receivables						
Notes and loans					173,319	173,319
Other receivables	6,877,759	-	294,368	707,777	2,699,018	10,578,922
Due from other funds		6,838,741	8,192,528		5,242,724	20,273,993
Advances to other funds	1,200,000	-	-	-	-	1,200,000
Inventory					41,235	41,235
Prepads					-	-
Miscellaneous assets	60,305	-	-	-	-	60,305
Total Assets	\$ 46,668,348	\$ 6,838,741	8,486,896	\$ 10,959,339	\$ 17,455,058	\$ 90,408,382

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:

Liabilities:						
Accounts payable	\$ 1,953,854	\$ 591,431	\$ 850,233	\$ 1,905,158	\$ 5,300,676	
Accrued payroll	742,080	10,925	-	35,538	788,543	
Accrued payroll fringe	299,787	4,558	-	17,558	321,903	
Due to other funds	6,695,896	-	2,918,664	3,717,867	13,332,427	
Amounts held in escrow	1,654,722	-	-	855,617	2,510,339	
Unearned revenue	371,456	6,838,741	-	614,327	7,824,524	
Miscellaneous liabilities	78,907	2,500	-	-	81,407	
Total Liabilities	\$ 11,796,702	\$ 6,838,741	609,414	3,768,897	\$ 7,146,065	\$ 30,159,819
Deferred inflows of resources:						
Unavailable revenue	4,823,110	-	33,043	-	1,239,995	6,096,148
Total Deferred inflows of resources	4,823,110	-	33,043	-	1,239,995	6,096,148
Fund Balances:						
Nonspendable	1,200,000	-	-	-	41,235	1,241,235
Restricted	78,907	-	7,190,442	-	7,765,429	15,034,778
Committed	1,446,563	7,844,439	-	-	1,948,484	11,239,486
Assigned	7,301,025	-	-	-	1,411,742	8,712,767
Unassigned	20,022,041	-	-	-	(2,097,892)	17,924,149
Total Fund Balances	30,048,536	-	7,844,439	7,190,442	9,068,998	54,152,415
Total Liabilities, deferred inflows of resources and fund balance	\$ 46,668,348	\$ 6,838,741	8,486,896	\$ 10,959,339	\$ 17,455,058	

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.	94,219,657
Other long-term assets are not available to pay current-period expenditures and are deferred in the funds.	1,530,394
Deferred Inflows of Resources	1,506,125
Deferred Outflows for Pension and OPEB benefits	5,329,149
Effect on assets/liabilities due to internal service fund allocation to Governmental activities	4,691,648
Long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.	(46,612,221)
Deferred Inflows for Pension and OPEB benefits	(2,629,556)
Other long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(42,919,316)
Net position of governmental activities	\$ 69,268,295

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, 2021

REVENUES:	General Fund	American Rescue Plan	Revolving Building Fund	Public Improve Bond Fund	Other Governmental Funds	Total
Taxes:						
Property taxes	\$ 44,893,617	\$	\$	\$	\$	\$ 44,893,617
Income taxes	31,190,781					31,190,781
Other local taxes	4,872,995				603,369	5,476,364
Licenses and permits	542,024					542,024
Intergovernmental:						
Federal	2,313,392		200,000		6,031,690	8,545,082
State	10,512,416		4,500		5,850,897	16,367,813
Other	1,236,527		29,508	873,531		2,139,566
Service charges	2,213,639				256,125	2,469,764
Fines and forfeitures	12,149				194,694	206,843
Interest	107,680		2,044	158,175		267,899
Rent			3,334,691			3,334,691
Miscellaneous	297,820		79,633		401,320	778,773
Total Revenues	98,193,040		3,650,376	1,031,706	13,338,095	116,213,217
EXPENDITURES:						
Current:						
General government	10,010,531				228,601	10,239,132
Public safety	24,350,122				2,074,154	26,424,276
Public works	10,962,679				2,078,098	13,040,777
Health and Human Services	677,207				5,163,654	5,840,861
Social Services	1,529,861					1,529,861
Education						
Recreation, culture and libraries	528,957					528,957
Conservation of natural resources	348,993					348,993
Community Development and Housing					1,582,428	1,582,428
Economic development	860,234		1,825,695		365,962	3,051,891
Miscellaneous	51,157					51,157
Appropriation to other governments	1,285,190				200,000	1,485,190
Payments to component units	39,921,900				360,000	40,281,900
Debt Service:						
Principal					8,984,176	8,984,176
Interest					1,103,951	1,103,951
Capital Outlay:						
General government				1,995,516	215,957	2,211,473
Public safety				685,384	771,780	1,457,164
Public works				2,040,643	647,866	2,688,509
Health and Human Services					831,542	831,542
Education				623,484	972,543	1,596,027
Recreation, culture and libraries					102,256	102,256
Economic development			2,560,823			2,560,823
Miscellaneous						
Total Expenditures	90,526,831		4,386,518	5,345,027	25,682,968	125,941,344
Excess (deficiency) of revenues over (under) expenditures	7,666,209		(736,142)	(4,313,321)	(12,344,873)	(9,728,127)
OTHER FINANCING SOURCES (USES):						
Transfers in	32,702				19,098,271	19,130,973
Transfers out	(3,550,799)		(135,345)	(15,293,227)	(235,163)	(19,214,534)
Debt issued-Bond Proceeds				17,675,000		17,675,000
Debt issued-Bond Premium				897,346		897,346
Sale of capital assets	85,932		460,019		522,427	1,068,378
Total Other Financing Sources and uses	(3,432,165)		324,674	3,279,119	19,385,535	19,557,163
Net change in fund balances	4,234,044		(411,468)	(1,034,202)	7,040,662	9,829,036
Fund balance, beginning	25,814,492		8,255,907	8,224,644	2,028,335	44,323,378
Fund balance, ending	\$ 30,048,536		\$ 7,844,439	\$ 7,190,442	\$ 9,068,997	\$ 54,152,415

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, 2021

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) \$ 9,829,036

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	\$ 5,963,542	
Depreciation	<u>(5,516,639)</u>	446,903

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (2,572,213)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 333,823

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 position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt proceeds	(18,572,346)	
Payment of principal	<u>8,984,176</u>	(9,588,170)

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. (1,422,963)

Effect of revenues, expenditures and other changes in net position of the internal service funds allocated to governmental activities (206,044)

Change in net position of governmental activities (pages C6-C7) \$ (3,179,628)

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, 2021

ASSETS	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
Current Assets:					
Cash:					
Cash	\$ 152,617	\$ 189,093	\$ 8,641	\$ 152,617	
Cash - restricted					
Investments	219,598	219,608		439,206	834,602
Receivables:					
Accounts (net)	1,404,365	1,307,978	8,641	2,720,984	702
Taxes - restricted		158,993		158,993	
Accounts (net) - restricted		3,491		3,491	
Other	2,167	320,427	411,688	734,282	
Due from other funds	1,731,146	9,707,719	739,967	12,178,832	4,213,588
Hospital Deposit					299,300
Bid Deposit					
Inventory		82,050		82,050	
Total current assets	3,357,276	12,141,976	1,160,296	16,659,548	5,348,192
Non-current Assets:					
Other receivables			187,331	187,331	
Land	125,250	67,282		192,532	
Construction in Progress	952,677	3,597,825		4,550,502	
Capital assets subject to depreciation	68,300,453	132,874,140	5,510,589	206,685,182	
Accumulated depreciation	(21,148,899)	(62,805,563)	(4,703,552)	(88,658,014)	
Total noncurrent assets	48,229,481	73,733,684	994,368	122,957,533	
Total Assets	51,586,759	85,875,661	2,154,665	139,617,083	5,348,192
Deferred Outflows of Resources					
Deferred Outflows Related to Pension	71,863	211,843		283,706	
Total Deferred Outflows of Resources	71,863	211,843	-	283,706	-
LIABILITIES					
Current Liabilities:					
Accounts payable	162,900	659,722	15,516	838,138	101,306
Accrued payroll	12,444	36,474		48,918	
Accrued payroll fringe	7,365	17,447		24,812	
Accrued interest	27,764	47,876		75,640	
Current portion of long-term debt					
Revenue debt:					
Bonds and loans	301,687	1,321,346		1,623,033	
Other loans	24,527	627		25,134	
Compensated absences	2,807	160,114		162,921	
Due to other funds		23,903,247		23,903,247	
Health Insurance Reserve					555,200
Miscellaneous liabilities		249,730		249,730	
Total current liabilities	539,494	26,396,583	15,516	26,951,593	656,506
Noncurrent Liabilities:					
Cash advance due to General Fund	400,000	800,000		1,200,000	
Long term debt:					
Net Pension Liability	368,624	1,131,501		1,500,125	
Revenue debt:					
Bonds and loans	10,219,747	12,851,016		23,070,763	
Other loans	149,674	12,503		162,177	
Compensated absences	75,935	279,548		355,483	
Total noncurrent liabilities	11,213,980	15,074,568	-	26,288,548	-
Total Liabilities	11,753,474	41,471,152	15,516	53,240,141	656,506
Deferred Inflows of Resources					
Deferred Inflows Related to Pension	16,068	60,403		76,471	
Total Deferred Inflows of Resources	16,068	60,403	-	76,471	-
NET POSITION					
Net investment in capital assets	37,533,846	59,548,192	807,037	97,889,075	
Restricted for debt service		162,484		162,484	
Unrestricted	2,355,234	(15,154,727)	1,332,111	(11,467,384)	4,691,686
Total Net Position	\$ 39,889,080	\$ 44,555,949	\$ 2,139,148	\$ 86,584,175	\$ 4,691,686

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, 2021

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
OPERATING REVENUES:					
Service charges	\$ 4,150,479	\$ 5,412,077	\$ 43,906	\$ 9,606,462	8,608,798
Federal Grant-ARC					
Other Agency Revenue					
Miscellaneous	26,315	73,705		100,020	
Total Operating Revenues	4,176,794	5,485,782	43,906	9,706,482	8,608,798
OPERATING EXPENSES:					
Salaries	452,653	1,146,080		1,598,733	
Employee benefits	269,046	622,690		891,736	8,814,804
Office expenses		82,816	19,584	102,400	
Utilities	2,085,525	472,878	6,737	2,565,140	
Repairs & maintenance	161,284	462,953	13,434	637,671	
Contractual services					
Treatment costs		2,173,560		2,173,560	
Professional services	8,804	34,423	27,197	70,424	
Materials and supplies	52,985	391,355	26,507	470,847	
Insurance		143,557	1,770	145,327	
Indirect cost	196,070	460,617		656,687	
Miscellaneous	67,564	24,042		91,606	
Depreciation	1,435,161	2,713,875	222,779	4,371,815	
Total operating expenses	4,729,092	8,728,847	318,008	13,775,946	8,814,804
Operating Income (Loss)	(552,298)	(3,243,063)	(274,102)	(4,069,464)	(206,006)
NON-OPERATING REVENUE (EXPENSES):					
Real and personal property taxes	-	1,148,731		1,148,731	
Interest & penalties on taxes	-	53,284		53,284	
Discounts on taxes	-	(6,122)		(6,122)	
Enterprise/industrial exemptions					
Collection fees	-	(27,443)		(27,443)	
Front footage assessments	-	14,931		14,931	
Interest income	75,371	105,009		180,380	
Interest income, debt service					
Interest expense	(304,322)	(315,966)		(620,288)	
Gain (Loss) on sale of capital assets	-	-	-	-	
Total non-operating revenue (expenses)	(228,951)	972,424	-	743,473	-
Income (Loss) before contributions and transfers	(781,249)	(2,270,639)	(274,102)	(3,325,991)	(206,006)
Capital contributions:					
Federal grants	88,895	328,241	539,761	956,897	
State grants		90,000	113,692	203,692	
Other					
Transfers:					
Transfers in	19,348	100,013		119,361	
Transfers out		(3,099)	(32,702)	(35,801)	
Change in net position	(673,006)	(1,755,483)	346,649	(2,081,842)	(206,006)
Total net position	40,562,088	46,311,436	1,792,499	88,666,023	4,897,692
Total net position - ending	\$ 39,889,080	\$ 44,555,949	\$ 2,139,148	\$ 86,584,175	\$ 4,691,686

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, 2021

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
Cash flows from operating activities:					
Cash received from customers	\$ 4,343,516	\$ 6,189,397	\$ 75,645	\$ 10,608,558	8,626,708
Cash payments for goods and services	(2,634,166)	(4,265,208)	(79,863)	(6,979,237)	(8,758,777)
Cash payments to employees for services	(641,856)	(1,788,015)	-	(2,429,871)	-
Other operating revenues					
Net cash provided (used) by operating activities	<u>1,067,494</u>	<u>136,174</u>	<u>(4,218)</u>	<u>1,199,450</u>	<u>(132,069)</u>
Cash flows from noncapital financing activities:					
Advances from other funds	6,489,956	14,396,464	(213,495)	20,672,925	8,659,776
Advances to other funds	(5,017,266)	(14,269,433)	419,890	(18,866,809)	(8,527,707)
Transfers from other funds	19,348	100,013	-	119,361	-
Transfers to other funds		(3,099)	(32,702)	(35,801)	-
Net cash provided (used) by noncapital financing activities	<u>1,492,038</u>	<u>223,945</u>	<u>173,693</u>	<u>1,889,676</u>	<u>132,069</u>
Cash flows from capital and related financing activities:					
Proceeds from capital debt					
Acquisition and construction and disposal of capital assets	(2,123,535)	(552,481)	(864,128)	(3,540,144)	
Principal paid on capital debt	(317,012)	(1,302,321)	-	(1,619,333)	
Interest paid on capital debt	(303,030)	(316,026)	-	(619,056)	
Deferred inflows/outflows/pension liab	19,779	46,151	-	-	
Grant revenues	88,895	418,241	653,453	1,160,589	
Debt fees/Other	75,371	1,288,390	41,200	1,404,961	
Net cash used for capital and related financing activities	<u>(2,559,532)</u>	<u>(418,046)</u>	<u>(169,475)</u>	<u>(3,212,983)</u>	<u>-</u>
Cash flows from Investing activities:					
Hospital Deposit					
Purchase of investments					
Sale of investments					
Interest on investments	-	-	-	-	
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash		(57,927)	-	(57,927)	-
Cash at beginning of the year	-	399,637	-	399,637	-
Cash at end of year	<u>\$ -</u>	<u>\$ 341,710</u>	<u>\$ -</u>	<u>\$ 341,710</u>	<u>\$ -</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ (552,298)	\$ (3,243,063)	\$ (274,102)	\$ (4,069,463)	(206,006)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,435,161	2,713,875	222,779	4,371,815	-
Provision for uncollectible accounts					
Change in assets & liabilities:					
(Increase) decrease in receivables	166,722	703,613	31,739	902,074	17,910
(Increase) decrease in inventory					
(Increase) decrease in prepaid exp					
Increase (decrease) in acc'ts payable	(61,934)	(19,006)	15,366	(65,574)	56,027
Increase (decrease) in accrued payroll	79,843	(19,245)	-	60,598	
Total adjustments	<u>1,619,792</u>	<u>3,379,237</u>	<u>269,884</u>	<u>5,268,913</u>	<u>73,937</u>
Net cash provided (used) by operating activities	<u>\$ 1,067,494</u>	<u>\$ 136,174</u>	<u>\$ (4,218)</u>	<u>\$ 1,199,450</u>	<u>(132,069)</u>

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, 2021

	OPEB Trust Fund	Custodial Fund
ASSETS:		
Cash	\$ 494,789	\$ -
Investments, at fair value		
Pooled Cash-MACO	3,209,917	
Certificates of Deposit		
Accounts receivable		1,316,142
Due from other funds		569,261
Prepaid Expenses		
Hospital deposit		
Total Assets	<u>3,704,706</u>	<u>1,885,403</u>
LIABILITIES:		
Health claim reserves		-
Other Liabilities		1,885,403
Total Liabilities	<u>-</u>	<u>1,885,403</u>
NET POSITION:		
Restricted for OPEB	<u>\$ 3,704,706</u>	<u>\$ -</u>

ALLEGANY COUNTY, MARYLAND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	OPEB Trust Fund	Custodial Fund
ADDITIONS:		
Contributions:		
Employer contributions	\$ 991,359	
Employee contributions		
Plan Members	82,400	
Other		
Total contributions	<u>1,073,759</u>	<u>-</u>
Other additions:		
Interest	46,711	
Investment activity	641,574	
Less: Investment expense	(12,529)	
Total other additions	<u>675,756</u>	<u>-</u>
Real Estate collections for other governments	<u>-</u>	<u>7,952,691</u>
Total additions	<u>1,749,515</u>	<u>7,952,691</u>
DEDUCTIONS:		
Benefits	1,023,759	
Administrative expenses	145	
Payments of real estate collections to other governments		7,952,691
Total deductions	<u>1,023,904</u>	<u>7,952,691</u>
Net increase in net position	725,611	-
Net position restricted - beginning	2,979,095	-
Net position restricted- ending	<u>\$ 3,704,706</u>	<u>\$ -</u>

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

**Notes
to the
Financial Statements**

June 30, 2021

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ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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 it is legally separate from Allegany County.

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

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

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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 American Rescue Plan Fund (ARP) is used to report the activity associated with funds received via the Federal American Rescue Plan Act of 2021. The funds are to be used to combat the COVID-19 pandemic, including the public health and economic impacts.

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

The Public Improvement Bond Fund is used to report the activity associated with bond proceeds. FY 2021 activity includes expenditures for various projects.

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.

The Internal Service Fund accounts for the self-insurance activities which provides health insurance coverage to county departments.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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

The OPEB Trust Fund accounts for the Allegany County Non-Pension Post-Employment Benefits Plan (ACBP), which provides medical benefits to eligible retired County employees and their beneficiaries.

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 than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer funds are service charges. 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.

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

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

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies - continued

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.

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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies - continued

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 2021 are as follows:

	<u>Real</u>	<u>Personal Property</u>
Unincorporated	.9750	2.4375
Barton	.8740	2.1850
Cumberland	.8166	2.0415
Frostburg	.8273	2.0683
Lonaconing	.8422	2.1055
Luke	.8408	2.1020
Midland	.8740	2.1850
Westernport	.8740	2.1850

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.

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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies - continued

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 \$10,000 (\$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, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

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 not included as part of the capitalized value of the assets constructed.

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

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

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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies - continued

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, 2021, compensated absence liabilities for Allegany County are summarized as follows:

	Current Portion	Long-term Portion	Total Liability
Total Governmental Fund Types	\$ 1,377,485	\$ 3,612,201	\$ 4,989,686
Sanitary Districts	162,921	355,483	518,404
	<u>\$ 1,540,406</u>	<u>\$ 3,967,684</u>	<u>\$ 5,508,090</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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. Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the MD State Retirement plan and additions to/deductions from the retirement plan's fiduciary net position have been determined on the same basis as they were reported by the retirement plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. 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 position 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 position that do not meet the definition of “restricted” or “net investment in capital assets”.

10. 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 by the Board of County Commissioners. The Board of County Commissioners is the highest level of decision-making authority for Allegany County. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of County Commissioners. Funds were committed in accordance with Resolution # 87-12 , # 11-16 and #13-23 and #10.17
- Assigned – Amounts that are constrained by the Board of County Commissioners or the Director of Finance, authorized agreements via board motion, for a particular purpose.
- Unassigned – All amounts not included in other spendable classifications.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies - continued

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the fund.

11. 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.

12. Use of Restricted Resources:

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), 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.

13. 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. See Note 12,13 and 15 for detail of deferred outflows and deferred inflows recorded in the entity-wide financial statements.

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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies - continued

The governmental funds reports unavailable revenues from the following sources:

	General Fund	RBF	Governmental Funds	Non Major	Total
Property taxes	4,590,023				4,590,023
Public Safety Grants	31,753				31,753
Public Works Grants	103,830		1,229,974		1,333,804
Social Services Grant	54,514				54,514
State RBF Grant					
EMS fees	42,990				42,990
Other		33,043		10,021	43,064
Total	4,823,110	33,043	1,239,995		6,096,148

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 \$46,612,221 are as follows:

Bonds payable (including premiums)	\$41,367,633
Notes payable	188,321
State loans	66,580
Compensated absences	<u>4,989,686</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$46,612,221</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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

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 \$ 446,903 difference are as follows:

Capital outlay	\$5,963,542
Depreciation expense	<u>(5,516,639)</u>

Net adjustment to increase <i>net changes in fund balances—total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> .	<u>\$446,903</u>
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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 position.” The details of this (\$ 2,572,213) difference is as follows:

In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	<u>(2,572,213)</u>
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Net adjustment to decrease <i>net changes in fund balances—total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>(2,572,213)</u>
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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 position. 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 \$ (9,588,170) difference are as follows:

Bond Proceeds	(18,572,346)
Principal repayments:	
Principal payments	<u>8,984,176</u>

Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>(\$9,588,170)</u>
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ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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 (\$ 1,422,963) difference are as follows:

Compensated absences	(\$117,239)
OPEB Expense	252,582
Pension Expense	(1,552,014)
Other Misc expense	124,505
Accrued interest adjustment, net	<u>(130,797)</u>
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u>(\$1,422,963)</u>

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.

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. No supplemental appropriations were made in FY 21.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 3. Stewardship, Compliance, and Accountability - continued

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, 2021, expenditures exceeded appropriations for the following funds (the legal level of budgetary control):

Fund	Excess
Block Grant Fund	425,417
Community Develop & Housing Fund	924,065
Fire and Rescue Funds	29,498
Sheriff Drug Task Force Fund	120,661
Narcotics Task Force Fund	111,038
Capital Projects Fund	827,752
Public Improvement Bonds Fund	4,070,027
Debt Service Fund	7,009,742
Coal Haul Rds Fund	62,264
Pay Go Fund	241,534

- All expenditures over budget were funded by revenues that were not budgeted, debt proceeds and unreserved fund balance

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 3. Stewardship, Compliance and Accountability -continued

C. Deficit Fund Equity

At June 30, 2021, two governmental funds, the Capital Projects Fund had a deficit fund balance in the amount of (\$2,037,882), and the Block Grant Fund had a deficit fund balance in the amount of (\$ 18,775).

Note 4. Deposits and Investments

Allegany County Primary Government:

As of June 30, 2021, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturity in Months			Greater than 12
		Less Than 1	1-6	6-12	
Statement of Net Position					
Group Annuity Fixed	\$ 3,287,025	\$ 3,287,025			
US Treasury Bills	\$ 6,863,339	\$ 6,863,339			
Certificates of Deposit	10,775,591	10,775,591			
Total Stmt of Net Position	\$ 20,925,955	\$ 20,925,955	\$ -	\$ -	\$ -
OPEB MACO Trust	\$ 3,209,916	\$ 3,209,916	\$ -	\$ -	\$ -

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

**ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 4. Deposits and Investments-continued

(except for the group annuity fixed investment) collateralized at 102% of fair value with bonds or other obligations secured by the full faith and credit of the United States.

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

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

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

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

The Group Annuity Fixed investment is uncollateralized in the amount of \$ 3,287,025.

The MACO Trust investment is an "Other Post-Employment Benefits" membership trust established to help local governments invest current funds toward future obligations for retiree health insurance, a.k.a. "other post-employment benefits." Both county and municipal governments, and other county-funded entities (like libraries and community colleges), are welcome to join the MACO OPEB Trust.

Investing through an entity like the MACO Pooled OPEB Trust offers governments an opportunity under state law to invest funds in a manner suitable for longer term assets, and outside the laws generally governing "public funds." The Trust arrangement ensures that the funds may not be extracted for purposes other than the intended benefits, making that distinction clear. The trust shall be invested consistent with Section 17-102 of the Local Government Article of the Annotated Code of Maryland, as amended from time to time.

Overall, the Trustees have adopted a fairly conservative mixed portfolio, with 65% in equities and 35% in fixed income investments. The target rate of return for the Trust is 7% annually, set generally in keeping with industry trends given in the diversified portfolio construction. Further information including audited financial statements is available at www.mdcounties.org/index.aspx?nid=250.

Allegany County Discretely Presented Component Units:

Allegany County Board of Education

Cash deposits – At year-end, the carrying amount of the Board's deposits was \$40,847,662 and the bank balances were \$41,836,861. Of the bank balances, \$387,769 was covered by depository insurance and \$41,449,092 was covered by collateral.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 4. Deposits and Investments-continued

Investments – All investment revenue is recorded in the fund that held the investment. Market values are not materially different from carrying values for these investments. Of the Board's investments, all was covered by federal depository insurance. As of June 30, 2021, the Board of Education had the following investments and maturities:

Investment Type	Investment Maturity (in months)				
	Less than				
	Total	1	1-6	6-12	More than 12
Certificates of Deposit	\$ 459,329	\$ 45,340	\$ 181,693	\$ 12,286	\$ 220,010
	<u>\$ 459,329</u>	<u>\$ 45,340</u>	<u>\$ 181,693</u>	<u>\$ 12,286</u>	<u>\$ 220,010</u>

Allegany County Library System

Cash – Risks and Policies

As of June 30, 2021, the carrying amount of the Library's deposits was \$578,768 and the bank balances were \$ 774,225.

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, 2021 are fully collateralized with securities held by the Library's agent in the Library's name.

As of June 30, 2021, the Library had the following investments and maturities:

Investment Type	Investment Maturity					Credit Rating	
	Total	Less than		Over One Year			
		90 Days	90 Days				
U.S. Treasury Bonds	\$ 30,444	\$ -	\$ -	\$ 30,444	\$ -	N/A	
Other Federal Government Obligations	98,058	\$ -	\$ -	\$ -	98,058	N/A	
Investment in MD Local Government Fund Pool	262,146	262,146	\$ -	\$ -	\$ 128,502	AAA	
	<u>\$ 390,648</u>	<u>\$ 262,146</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,502</u>		

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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 4. Deposits and Investments - continued

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 \$3,356,921 and the bank balance was \$ 3,419,014. Demand deposit funds are insured by FDIC and NCUA up to \$ 250,000 per institution. Government securities are pledged to secure the deposits in the repurchase investment account. These securities are part of a pool which is held in the bank's name. The commission held no investments at year end.

Custodial Credit Risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2021, \$ 3,169,009 of the government's bank balance of \$ 3,419,014 was exposed to custodial credit risk as follows:

Uninsured and collateralized by Government Securities held by the Counterparty, but not in LaVale Sanitary Commission's name	<u>\$ 3,187,977</u>
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Allegany College

Cash deposits – At year-end, the carrying amount of the Allegany College's, not including its component units, cash deposits was \$ 141,951 and the bank balance was 1,008,069.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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.

Investments - As of June 30, 2021, the College had the following investments and maturities:

Investment Type	Total	Less Than		90 Days To One Year
		90 Days	-	
Certificates of deposit	\$ 203,912	\$ -		\$ 203,912
Maryland Local Government				
Investment Pool	9,768,522	9,768,522	-	
	<u>\$ 9,972,434</u>	<u>\$ 9,768,522</u>		<u>\$ 203,912</u>

The College invests in the Maryland Local Government Investment Pool (MLGIP) which is administered by PNC Bank. The external investment pool is treated as a 2a-7 pool. The MLGIP has a Standard and Poor's rating of AAA and is administered by the State Treasurer. The MLGIP fund maintains a \$ 1.00 per share net asset value and is stated at cost, which is the same as fair value.

Note 5: Fair Value Measurements

Fair values of the County's assets measured on a recurring basis at June 30, 2021 are as follows:

	Fair Value	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs (Level 1)	Significant Unobservable Inputs (Level 2)
<u>June 30, 2021</u>				
Group Annuity Fixed	\$ 3,287,025	\$ 3,287,025	\$0	\$0
Certificate of Deposit	6,863,339	6,863,339		
US Treasury Bills	10,775,591	10,775,591		
OPEB MACO Trust (a)	3,209,916	-		
Total	<u>\$24,135,871</u>	<u>\$20,925,955</u>	<u>\$0</u>	<u>\$0</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 5: Fair Value Measurements (continued)

(a) In accordance with Subtopic 820-10 certain investments are measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.

Level 2 inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021:

-Certificates of deposit are valued based on net asset value at year-end.

-Fixed income securities are valued at market quotations obtained from published sources.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 5: Fair Value Measurements (continued)

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

For the year ended June 30, 2021, there were no significant transfers in or out of levels 1,2 or 3. Transfers between levels are recognized in the fair value hierarchy at the end of the reporting period.

Note 6. 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, 2021 was \$5,121,638 (before an allowance of \$ 81,000) of which 2,843,561 were current year's taxes receivable and the balance of \$2,278,077 was prior years' unpaid taxes.

Note 7. 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	PIB Fund	RBF Fund	Non-major Governmental Funds	Internal Svc Fund	Total
Receivables:						
Interest	\$ 89,221		\$ -	\$ -		\$ 89,221
Income taxes	3,758,731					3,758,731
Other taxes	451,167			32,240		483,407
Current:						
Accrued revenues	4,020,044	707,777	294,368	2,666,777	702	7,689,668
Loans, notes			169,989			169,989
Leases, capital						
Long-term:						
Accrued revenues				173,319		173,319
Loans, notes						
Leases, capital						
Total receivables	\$ 8,319,163	\$ 707,777	\$ 464,357	\$ 2,872,336	\$ 702	\$ 12,364,337

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 7. 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:				
Accounts			\$ -	
Accounts, other	2,167	320,427	24,880	347,474
Accounts, trade	1,738,713	1,770,049	8,641	3,517,403
Less allowance	(334,348)	(462,071)	-	(796,419)
Net accounts, trade	1,404,365	1,307,978	8,641	2,720,984
Accounts, restricted		162,484	-	162,484
Less allowance	-	-	-	-
Net accounts, restricted	-	162,484	-	162,484
Loans	-	-	736,808	736,808
Less allowance	-	-	(350,000)	(350,000)
Net loans	-	-	386,808	386,808
Total receivables	\$1,406,532	\$ 1,790,889	\$ 420,329	\$ 3,617,750

Leases – Operating and Capital:

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

Fiscal Year	Operating Leases	
	Minimum Payments	
2022	2,946,232	
2023	2,824,123	
2024	2,810,658	
2025	2,848,045	
2026	2,911,810	
Totals	\$ 14,340,868	

The gross value of buildings with operating leases at June 30, 2021 is \$20,593,101 and the accumulated depreciation is \$ 11,709,984

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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 7. 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 liabilities of the current period:

Unearned grant revenue	\$ 7,453,068
Unearned ticket revenue\other	198,139
Long term housing loans receivable	173,317
	<hr/>
	\$ 7,824,524

Loans receivable:

The following table summarizes the loan receivable balances in the County Loan Fund at June 30, 2021:

Entity	Source of funds	Balance June 30, 2021
County Loan Fund loans:		
Western Maryland Scenic Railroad	Gen Fund/PIB of 1988	\$ 250,000
Aeon Technologies	RBF Fund	\$ 239,546
YMCA	General Fund	100,000
Flood Wall Loan-Cintas	General Fund	3,797
Employee loan	General Fund	33,465
WebRestaurant Loan	RBF Fund	30,000
City of Frostburg	RBF Fund	80,000
Allowance for doubtful accounts		(350,000)
Sub-total		<hr/> \$ 386,808
Allconet II Fund loans:		
TWR loan	General Fund	24,880
Total		<hr/> \$ 411,688
Total		

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

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2021 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	\$ 26,562,659	\$ 653,127	\$ (4,274)		\$ 27,211,512
Work in Progress	3,779,250	3,034,122		(3,170,604)	3,642,768
Total capital assets not being depreciated:	<u>30,341,909</u>	<u>3,687,249</u>	<u>(4,274)</u>	<u>(3,170,604)</u>	<u>30,854,280</u>
Capital assets, being depreciated:					
Buildings	65,070,225	35,198	(2,329,464)	2,994,766	65,770,725
Infrastructure	54,996,930				54,996,930
Furniture & Fixtures	1,054,110				1,054,110
Equipment	22,047,556	241,609		175,838	22,465,003
Vehicles	14,290,081	1,394,070	(864,951)		14,819,200
Heavy Equipment	5,530,909	632,105	(214,579)		5,948,435
Other Capital Assets	1,251,821				1,251,821
Total capital assets, being depreciated:	<u>164,241,632</u>	<u>2,302,982</u>	<u>(3,408,994)</u>	<u>3,170,604</u>	<u>166,306,230</u>
Less accumulated depreciation for:					
Buildings	(33,117,388)	(1,720,054)	1,024,248		(33,813,194)
Infrastructure	(34,935,851)	(829,075)			(35,764,926)
Furniture & Fixtures	(1,021,063)	(5,718)			(1,026,781)
Equipment	(14,524,237)	(1,688,213)			(16,212,450)
Vehicles	(10,795,362)	(893,176)	858,473		(10,830,065)
Heavy Equipment	(4,296,865)	(285,823)	214,579		(4,368,109)
Other Capital Assets	(877,550)	(47,502)			(925,052)
Total accumulated depreciation	<u>(99,568,316)</u>	<u>(5,469,561)</u>	<u>2,097,300</u>	<u>-</u>	<u>(102,940,582)</u>
Total capital assets, being depreciated, net:	<u>64,673,316</u>	<u>(3,166,579)</u>	<u>(1,311,694)</u>	<u>3,170,604</u>	<u>63,365,648</u>
Governmental activities capital assets, net	<u>\$ 95,015,224</u>	<u>\$ 520,670</u>	<u>\$ (1,315,968)</u>	<u>\$ -</u>	<u>\$ 94,219,928</u>

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	4,320,974	2,454,943		(2,225,415)	4,550,502
Total capital assets not being depreciated:	<u>4,513,506</u>	<u>2,454,943</u>	<u>-</u>	<u>(2,225,415)</u>	<u>4,743,034</u>
Capital assets, being depreciated:					
Buildings	256,346				256,346
Infrastructure	190,445,559	162,083		2,225,415	192,833,055
Furniture & Fixtures	17,681				17,681
Equipment	6,689,794	907,884			7,597,677
Vehicles	1,633,033		(24,840)		1,608,193
Heavy Equipment	1,537,421		(2,800)		1,534,621
Other Capital Assets	2,837,063				2,837,063
Total capital assets, being depreciated:	<u>203,416,897</u>	<u>1,069,967</u>	<u>(27,640)</u>	<u>2,225,415</u>	<u>206,685,182</u>
Less accumulated depreciation for:					
Buildings	(198,427)	(6,154)			(204,581)
Infrastructure	(72,849,792)	(3,806,302)			(76,656,094)
Furniture & Fixtures	(17,680)				(17,680)
Equipment	(6,264,286)	(285,514)			(6,549,800)
Vehicles	(1,438,200)	(71,159)	24,840		(1,484,519)
Heavy Equipment	(1,249,265)	(113,126)	2,800		(1,359,591)
Other Capital Assets	(2,296,191)	(89,576)			(2,385,767)
Total accumulated depreciation	<u>(84,313,841)</u>	<u>(4,371,831)</u>	<u>27,640</u>	<u>-</u>	<u>(88,658,014)</u>
Total capital assets, being depreciated, net:	<u>119,103,056</u>	<u>(3,301,864)</u>	<u>0</u>	<u>2,225,415</u>	<u>118,027,168</u>
Business-type activities capital assets, net	<u>\$ 123,616,556</u>	<u>\$ (846,921)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,770,202</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 8. 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, 2021 as follows:

Governmental activities:	
General government	\$ 145,702
Public safety	2,553,214
Public works	1,352,081
Health	218,440
Social services	89,434
Recreation, culture and libraries	161,597
Community development and housing	7,224
Economic development	988,947
Total depreciation expense - governmental activities	<u>\$ 5,516,639</u>
Business type activities:	
Water districts	\$ 1,435,161
Sewer districts	2,713,875
Allconet II	222,779
Total depreciation expense - governmental activities	<u>\$ 4,371,815</u>

Construction Commitments

The County has active construction projects as of June 30, 2021. 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
Frostburg Tech Bldg	1,202,330	2,045,319
LaVale Library Rehab	1,167,788	2,728,689
B Green Water Project	426,832	343,904
Brant Rd Project	211,605	87,618
Allegany High School		200,000
Barton Park Shell Building	3,962,266	30,000
Totals	<u>6,970,821</u>	<u>5,435,530</u>

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

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 8. Capital Assets - continued

Discretely Presented Component Units:

Capital asset activity for the Board of Education of Allegany County for the year ended June 30, 2021 (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	\$ 7,643,505	\$ -		\$ 7,643,505
Work in process	289,436	2,520,487	(12,335)	2,797,588
Total capital assets not being depreciated:	<u>7,932,941</u>	<u>2,520,487</u>	<u>(12,335)</u>	<u>10,441,093</u>
Capital assets, being depreciated:				
Land Improvements	10,969,036	33,519	(533,950)	10,468,605
Buildings & Improvements	201,925,395	404,386	1,454	202,331,235
Furniture, Equipment & Vehicles	22,914,489	1,640,688	(452,940)	24,102,237
Total capital assets, being depreciated:	<u>235,808,920</u>	<u>2,078,593</u>	<u>(985,436)</u>	<u>236,902,077</u>
Less accumulated depreciation for:				
Land Improvements	(5,081,711)	(547,877)	340,393	(5,289,195)
Buildings & Improvements	(100,927,081)	(4,305,358)	10,667	(105,221,772)
Furniture, Equipment & Vehicles	(16,510,263)	(1,245,654)	435,770	(17,320,147)
Total accumulated depreciation	<u>(122,519,055)</u>	<u>(6,098,889)</u>	<u>786,830</u>	<u>(127,831,114)</u>
Total capital assets, being depreciated, net:	<u>113,289,865</u>	<u>(4,020,296)</u>	<u>(198,606)</u>	<u>109,070,963</u>
Governmental activities capital assets, net	<u>\$ 121,222,806</u>	<u>\$ (1,499,809)</u>	<u>\$ (210,941)</u>	<u>119,512,056</u>

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	483,946	-		483,946
Less accumulated depreciation	(481,564)	(2,382)		(483,946)
Total capital assets, being depreciated, net:	<u>2,382</u>	<u>(2,382)</u>	<u>-</u>	<u>-</u>
Business-type activities capital assets, net	<u>\$ 2,382</u>	<u>\$ (2,382)</u>	<u>\$ -</u>	<u>\$ -</u>

Capital asset activity for the Library of Allegany County for the year ended June 30, 2021

Library Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable assets:				
Construction in Progress	\$ 203,351	\$ 1,099,355		\$ 1,302,706
Capital assets, being depreciated:				
Buildings & Improvements	\$ 4,958,615	\$ -		\$ 4,958,615
Furniture & Equipment	933,032	43,138		976,170
Vehicles/Bookmobile	91,036		-	91,036
Library Books	2,900,286	203,227	(47,734)	3,055,779
Total capital assets, being depreciated:	<u>8,882,969</u>	<u>246,365</u>	<u>(47,734)</u>	<u>9,081,600</u>
Less accumulated depreciation for:				
Buildings & Improvements	(1,316,415)	(99,460)	-	(1,415,875)
Furniture & Equipment	(692,607)	(46,238)		(738,845)
Vehicles/Bookmobile	(55,994)	(6,545)	-	(62,539)
Library Books	(2,465,489)	(183,855)	47,734	(2,601,610)
Total accumulated depreciation	<u>(4,530,505)</u>	<u>(336,098)</u>	<u>47,734</u>	<u>(4,818,869)</u>
Total capital assets, being depreciated, net:	<u>\$ 4,352,464</u>	<u>\$ (89,733)</u>	<u>\$ -</u>	<u>\$ 4,262,731</u>
Governmental activities capital assets, net	<u>\$ 4,555,815</u>	<u>\$ 1,009,622</u>	<u>\$ -</u>	<u>\$ 5,565,437</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 8. 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, 2021 were as follows:

Allegany College of Maryland Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,564,352	\$ -	\$ -	\$ 1,564,352
Library Collections	143,590	10,150	-	153,740
Work in Progress	7,819,886	8,222,815	(2,829,815)	13,212,886
Total capital assets not being depreciated:	<u>9,527,828</u>	<u>8,232,965</u>	<u>(2,829,815)</u>	<u>14,930,978</u>
Capital assets, being depreciated:				
Buildings	48,495,222	2,941,005	-	51,436,227
Equipment	10,945,779	1,460,373	(387,017)	12,019,136
Auxiliary Equipment	152,649	-	-	152,649
Library Books	650,285	9,925	(75,285)	584,925
Total capital assets, being depreciated:	<u>60,243,935</u>	<u>4,411,303</u>	<u>(462,302)</u>	<u>64,192,937</u>
Less accumulated depreciation :	(37,842,490)	(2,038,142)	460,936	(39,419,696)
Total capital assets, being depreciated, net:	<u>22,401,445</u>	<u>2,373,161</u>	<u>(1,366)</u>	<u>24,773,241</u>
Business-type activities capital assets, net	<u>\$ 31,929,273</u>	<u>\$ 10,606,126</u>	<u>\$ (2,831,181)</u>	<u>\$ 39,704,219</u>

Capital asset activity for the LaVale Sanitary Commission for the year ended June 30, 2021, was as follows:

LaVale Sanitary Commission Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 402,190	\$ 11,560	\$ -	\$ 413,750
Work in Progress	162,548	131,040	(125,199)	168,389
Total capital assets not being depreciated:	<u>564,738</u>	<u>142,600</u>	<u>(125,199)</u>	<u>582,139</u>
Capital assets, being depreciated:				
Buildings	807,388	-	-	807,388
Infrastructure	28,864,640	132,483	-	28,997,123
Machinery, Vehicles & Equipment,				
Office Furniture and Equipment	1,324,437	55,420	(1,705)	1,378,152
Total capital assets, being depreciated:	<u>30,996,465</u>	<u>187,903</u>	<u>(1,705)</u>	<u>31,182,663</u>
Less accumulated depreciation for:	(14,892,909)	(581,156)	1,705	(15,472,360)
Total capital assets, being depreciated, net:	<u>16,103,556</u>	<u>(393,253)</u>	<u>0</u>	<u>15,710,303</u>
Business-type activities capital assets, net	<u>\$ 16,668,294</u>	<u>\$ (250,653)</u>	<u>\$ (125,199)</u>	<u>\$ 16,292,442</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 9. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, is as follows:

A. Due to/from other funds

	Due From Other Funds	Due To Other Funds
Governmental funds:		
General Fund	\$ -	\$ 6,695,896
American Rescue Fund	6,838,741	-
Revolving Building Fund	8,192,528	-
PIB Fund	2,918,664	-
Non-major Governmental Funds	3,717,867	-
Sub-total	20,273,993	13,332,427
Enterprise Funds:		
Water Districts	1,731,146	-
Sanitary Districts	9,707,719	23,903,247
Non-major Enterprise Funds	739,967	-
Sub-total	12,178,832	23,903,247
Internal Service Fund	4,213,587	-
Fiduciary Funds:		
Custodial Fund	569,261	-
TOTALS	\$ 37,235,674	\$ 37,235,674

The interfund balances as of June 30, 2021 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	\$ 800,000
Sanitary Districts		400,000
Water Districts		-
Loans:		
Loan Fund	187,331	12,503
Allegany County Sanitary Districts:		627
Long-term debt-Bonds & Loans		-
Current portion of long-term debt		-
Allegany County Water Districts:		24,527
Current portion of long-term debt		149,674
Long-term debt		-
	\$ 1,387,331	\$ 1,387,331

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 9. 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, 2021 are as follows:

Transferred From:	Amount	Total By Fund
Transferred To:		
From the General Fund to:		
Non-major funds governmental funds	\$ 3,453,885	
Enterprise funds:		
Alconet		
Water/Sewer fund	96,914	\$ 3,550,799
From the Revolving Building Fund To:		
General Fund	0	
Water Fund	19,348	
County Loan Fund		
Non-major funds governmental funds	115,997	135,346
From the Sanitary Fund To:		
Water/Sewer fund	3,099	3,099
From the PIB Fund To:		
Other Non-major governmental fund	15,293,227	15,293,227
From the Non-major Governmental Funds to:		
Enterprise funds:		
Water/Sewer fund		
Other Non-major governmental fund	235,163	235,163
From the Non-major Enterprise Funds to:		
Water/Sewer fund		
General Fund	32,702	32,702
TOTALS	\$ 19,250,335	\$ 19,250,335

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 development's share of expenditures in other funds.

Payments to component units for the year ending June 30, 2021 are as follows:

Payment From:	Amount	Total By Fund Type
Payment To:		
From the General Fund (appropriations) to:		
Board of Education	\$ 31,138,670	
Board of Education, Data Processing	109,829	
Allegany College of Maryland	7,706,856	
Library	966,545	\$ 39,921,900
From the Rocky Gap Slots Fund to:		
Allegany College of MD Foundation	360,000	360,000
Total	\$ 40,281,900	\$ 40,281,900

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 10. Short-term Debt

Allegany County did not issue short-term debt during the fiscal year ending June 30, 2021 and had no balance payable at year end.

Note 11. Long-Term Debt and Other Long-Term Liabilities

Long-term liability activity of the County for the year ended June 30, 2021, was as follows:

Long-term Debt					
Governmental Activities					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
General Obligation	\$ 30,336,000	\$ 17,675,000	\$ (8,821,000)	\$ 39,190,000	\$ 1,385,000
Notes	195,841	-	(7,520)	188,321	7,959
State Loans	222,236	-	(155,656)	66,580	41,174
Premium on Bonds Payable	1,411,498	897,346	(131,211)	2,177,633	148,115
Total	<u>\$ 32,165,575</u>	<u>\$ 18,572,346</u>	<u>\$ (9,115,387)</u>	<u>\$ 41,622,535</u>	<u>\$ 1,582,248</u>
Business-type activities					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Water districts:					
Rural development loans	\$ 10,424,659	\$	\$ (275,150)	\$ 10,149,509	\$ 283,622
Maryland water quality loans	390,025	-	(17,899)	372,126	18,065
County loans	197,948	-	(23,747)	174,201	24,527
Total water districts	<u>11,012,632</u>	<u>-</u>	<u>(316,796)</u>	<u>10,695,653</u>	<u>326,214</u>
Sewer districts:					
Maryland water quality loans	392,570	-	(27,962)	364,608	28,290
Maryland environmental loans	7,857,066	-	(1,118,637)	6,738,429	1,132,893
Rural development loans	7,224,441	-	(155,517)	7,068,924	160,163
Other loans	13,729	-	(600)	13,129	627
Total sewer districts	<u>15,487,806</u>	<u>0</u>	<u>(1,302,716)</u>	<u>14,185,492</u>	<u>1,321,973</u>
Total business-type activities:					
Maryland water quality loans	782,595	-	(45,861)	736,734	46,355
Maryland environmental loans	7,857,066	-	(1,118,637)	6,738,429	1,132,893
Rural development loans	17,649,100	-	(430,667)	17,218,433	443,785
Other loans	211,577	-	(24,347)	187,330	25,154
Total business-type activities	<u>\$ 26,500,438</u>	<u>\$ 0</u>	<u>\$ (1,619,512)</u>	<u>\$ 24,881,145</u>	<u>\$ 1,648,187</u>
Other Long-term Liabilities					
	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 4,872,447	\$ 606,915	\$ (489,676)	\$ 4,989,685	\$ 1,377,485
Net Pension Liability-St of MD	16,571,127	2,607,367	-	19,178,494	-
Net Pension Liability-LOSAP	4,311,454	905,404	-	5,216,858	-
Net OPEB	21,668,757	(501,170)	-	21,167,587	-
Business-type activities					
Water & sewer districts					
Compensated absences	\$ 465,675	\$ 53,749	\$ (1,020)	\$ 518,404	\$ 162,921
Net Pension Liability	1,324,816	175,309	-	1,500,125	-

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 11. Long-Term Debt and Other Long-Term Liabilities-continued

Liabilities for compensated absences, workers compensation, OPEB and pension are liquidated using resources from the fund in which the employee performing service previously charged his or her salary and benefit costs.

Annual debt service requirements to maturity for Allegany County's governmental activities long-term debt outstanding as of June 30, 2021 are as follows:

Year Ending June 30,	Notes from Direct Borrowing				State Loans from Direct Borrowing				Totals	
	General Obligation Bonds		Capital Leases		Principal		Interest		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Bond Pay		Principal	Interest
2022	1,385,000	1,325,039	7,959	1,665	41,174	635	148,115	1,582,248	1,327,339	
2023	1,450,001	1,194,196	8,423	1,240	25,406	236	148,115	1,631,945	1,195,672	
2024	1,894,999	1,131,345	8,915	749			148,115	2,052,029	1,132,094	
2025	2,075,000	10,598,445	9,434	529			148,115	2,232,549	10,598,974	
2026	2,150,000	981,120	9,964				148,115	2,308,079	981,120	
2027-2031	10,640,000	3,704,650	49,820				553,478	11,243,298	3,704,650	
2032-2036	9,865,000	1,894,826	74,482				445,418	10,384,900	1,894,826	
2037-2041	7,505,000	192,913	19,325				332,178	7,856,503	192,913	
2042-2047	2,225,000	72,593					105,986	2,330,986	72,593	
	\$ 39,190,000	\$ 21,095,127	\$ 188,322	\$ 4,183	\$ 0	\$ 0	\$ 66,580	\$ 871	\$ 2,177,635	\$ 41,622,539
										\$ 21,100,181

Annual debt service requirements to maturity for Allegany County's business-type activities long-term debt outstanding as of June 30, 2021 are as follows:

The annual debt service requirements to maturity for the Water District's long-term debt outstanding at June 30, 2021 are:									
Year Ending June 30,	Farmers Home Admin. Loans		Water Quality/MDE Loans		Other Loans		Totals		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2022	283,622	284,319	18,065	4,194	24,527	6,959	326,214	295,472	
2023	292,634	275,306	18,233	4,027	25,333	6,153	336,200	285,486	
2024	301,991	265,950	18,403	3,857	22,933	5,320	343,327	275,127	
2025	311,706	256,235	18,574	7,546	4,430	4,557	334,710	268,338	
2026	321,795	245,146	18,747	3,513	4,633	4,353	345,175	254,012	
2027-2031	1,778,486	1,030,558	96,407	14,916	26,561	18,370	1,901,454	1,063,844	
2032-2036	1,844,388	733,589	90,689	9,817	33,249	11,682	1,968,326	755,088	
2037-2041	1,774,013	489,093	51,544	4,364	32,537	3,113	1,858,094	496,570	
2042-2046	1,435,910	274,263	30,455	2,392	0	0	1,466,365	276,655	
2047-2051	1,343,579	118,865	11,003	671	0	0	1,354,582	119,536	
2052-2056	448,418	13,024			0	0	448,418	13,024	
2057-2061	12,769	168			0	0	12,769	168	
Totals	\$ 10,149,311	\$ 3,987,516	\$ 372,120	\$ 55,297	\$ 174,203	\$ 60,507	\$ 10,695,635	\$ 4,103,320	

The annual debt service requirements to maturity for the Sanitary District's long-term debt outstanding at June 30, 2021 are:

Year Ending June 30,	Water Quality Loans		Md. Environmental Loans		Farmers Home Admin. Loans		Other Loans		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	28,290	5,098	1,132,892	93,977	160,163	197,107	628	589	1,321,973	296,771
2023	28,623	4,766	1,068,955	79,540	164,968	192,301	656	560	1,263,202	277,167
2024	28,979	4,429	1,082,902	65,593	169,939	187,331	686	530	1,282,506	257,883
2025	29,300	4,089	1,049,901	51,444	175,082	182,188	718	499	1,255,001	238,220
2026	29,645	3,744	668,799	37,611	180,403	176,867	750	466	879,597	218,688
2027-2031	153,566	13,400	1,537,419	58,304	988,564	783,980	4,304	1,779	2,683,853	857,463
2032-2036	66,205	1,120	197,560	6,750	1,140,549	633,775	5,388	695	1,409,702	642,340
2037-2041	-	-	-	-	1,132,973	463,019	-	-	1,132,973	463,019
2042-2046	-	-	-	-	1,312,735	283,257	-	-	1,312,735	283,257
2047-2051	-	-	-	-	905,606	118,305	-	-	905,606	118,305
2052-2056	-	-	-	-	407,446	25,322	-	-	407,446	25,322
2057-2061	-	-	-	-	330,891	18,900	-	-	330,891	18,900
Totals	\$ 364,608	\$ 36,646	\$ 6,738,428	\$ 393,219	\$ 7,069,319	\$ 3,262,352	\$ 13,130	\$ 5,118	\$ 14,185,492	\$ 3,697,335

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 11. Long-Term Debt and Other Long-Term Liabilities - 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:					
	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2021	2020
General Obligation Bonds:					
Public Improvement Bonds:					
Bonds of 2013-Nontax	03/11/13	03/11/27	2.11	4,090,000	4,700,000
Bonds of 2014	12/16/14	12/16/35	2.88	7,195,000	7,555,000
Bonds of 2017	01/20/17	01/15/32	2.88	0	7,491,000
Bonds of 2019	12/14/18	12/14/38	3.5-5	10,230,000	10,590,000
Bonds of 2020-Nontax	11/24/20	07/15/41	2.44	7,170,000	
Bonds of 2020	11/24/20	04/15/43	2.50	10,505,000	
Premium on Bonds	03/11/13	03/11/27	n/a	187,108	224,528
Premium on Bonds	12/16/14	12/16/35	n/a	362,489	389,506
Premium on Bonds	12/14/18	12/14/38	n/a	754,359	797,465
Premium on Bonds	11/24/20	04/15/43	n/a	508,096	
Premium on Bonds-Nontax	11/24/20	07/15/41	n/a	365,583	
Notes:					
Farmers Home Admin	1992	2032	5.75	188,322	195,842
State Loans:					
PPG Purchase	2000	2020	5.00	0	114,874
Md Environmental Loan	2003	2023	0.89	<u>66,580</u>	<u>107,359</u>
Total Long - Term General Obligation Debt				41,622,539	32,165,576
Compensated Absences				<u>4,989,686</u>	<u>4,872,447</u>
Total long-term liabilities				\$ <u>46,612,225</u>	\$ <u>37,038,023</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Schedule of Business-type Debt					
	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2021	2020
Water Districts Debt:					
Eckhart FHA Loan 1991 Series A	02/21/91	2031	6.0	\$ 56,701	\$ 60,678
Eckhart FHA Loan 1991 Series B	02/21/91	2031	6.0	138,267	147,990
Eckhart/Clarysville RDA Loan	04/17/11	2051	2.5	183,307	187,423
Borden/Zhilman FHA Loan 1998	10/22/97	2037	4.5	212,400	220,948
Carlos/Shafft FHA Loan 2000	12/28/99	12/28/2039	3.25	314,995	327,298
Oldtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	148,644	154,447
Oldtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	151,741	157,665
Grahmtown FHA Loan 2001 R-2	2001	2042	4.5	432,022	444,648
ConsolFHA loan	2004	2044	4.5	79,993	81,985
McCooke FHA Loan	1999	2039	4.5	715,853	742,335
Barton Industrial Park	2005	2045	4.5	279,346	285,937
Klondike FHA	2005	2045	4.5	365,133	373,595
Morantown FHA Loan	2005	2046	4.25	134,284	137,358
Mexico Farms	1992	2032	5.5	219,676	233,166
Bowmans Addition RDA Loan	10/01/10	2051	3.75	516,277	525,734
Bowmans Addition Phase 2 RDA	12/16/11	2052	2.00	521,852	533,656
Bedford Rd/Shades Lane MDE	06/28/12	2052	1.00	33,022	34,498
Cresaptown RDA Loan	06/28/12	2052	2.00	1,258,860	1,287,893
Cresaptown RDA Loan 2	06/28/12	2052	2.00	390,127	399,127
Mt Savage-FHA Loan	06/30/13	2053	2.00	2,997,437	3,065,984
Mt Savage-MDE Loan	10/31/12	2042	1.00	67,997	70,854
Rawlings	03/31/14	2054	2.00	165,244	168,867
Rawlings-MDE Loan	2015	2020	2.00	134,734	143,726
Rawlings-RDA Loan	2016	2057	2.00	417,139	425,476
Oldtown Road-FHA Loan	2017	2057	2.00	92,744	94,507
Route 36 District -FHA	2017	2057	2.00	76,724	81,557
Route 36 District -MDE	2017	2036	2.00	91,190	93,101
Route 36 District -FHA	2018	2058	2.00	95,622	97,484
Route 36 District -MDE	2018	2037	2.00	136,373	140,947
Pond Circle, FHA	2018	2058	2.00	93,592	95,460
Sub-total				10,521,432	10,814,699
Carlos/Shafft Loan	2006	2040	4.5	36,263	37,444
Missick Road Loan	2006	2040	4.5	57,136	58,998
Route 51 Loan	2006	2040	4.5	20,164	20,821
PSC Rate case	2007	2024	4.5	60,638	80,683
Sub-total				174,203	197,948
Total debt				10,695,635	11,012,647
Less: Current maturities of long - term debt				(326,214)	(316,797)
Total Water Districts long - term debt				\$ 10,369,421	\$ 10,695,849
Sanitary Districts Debt:					
Bedford Road	2013	2032	1.4	152,467	165,219
Jennings Run	2014/2015	2036	1.0	212,139	227,350
Braddock Run	2016	2034	1.0	689,842	735,256
Bedford Road	2017	2031	1.2	82,117	90,359
Celanese WWTP Upgrade	06/03	2023	0.40	1,683,862	2,106,940
Inflow and Infiltration Study I	12/03	2023	0.40	77,686	154,677
Celanese	2006	2026	0.40	213,160	254,655
Inflow and Infiltration Study II	2008	2028	1.00	454,173	515,138
George Creek WWTP Upgrade	2009	2029	0.40	3,401,166	3,846,574
Inflow and Infiltration Study II	2010	2030	1.00	136,421	153,474
Georges Creek	2007	2047	4.125	411,612	420,296
Cash Valley Road	1996	2036	4.50	85,028	89,032
Oldtown Road	1996	2036	4.50	322,459	337,647
Bowling Green/Cresaptown A	2007	2047	4.125	1,553,779	1,586,552
Bowling Green/Cresaptown B	2007	2047	4.125	304,994	311,433
Bedford Road	2012	2052	2.00	396,831	405,987
Bedford Road	2013	2052	2.00	432,861	442,631
Jennings Run	2013	2052	2.00	752,457	769,593
Wrights Crossing-Brad Run	2018	2057	2.00	2,808,900	2,861,266
Oldtown	2006	2036	4.5	13,130	13,729
Total				14,185,492	15,487,813
Less: Current maturities of long - term debt				(1,321,973)	(1,302,716)
Total Sanitary Districts Long - term Debt				\$ 12,863,519	\$ 14,185,097

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Long-term Liabilities - Component Units						
Long-term debt activity for the year ended June 30, 2021:						
	Allegany College of Maryland		LaVale Sanitary Commission			
Payable at July 1, 2020	\$ 186,760		\$ 4,155,192			
Amount issued	339,191		2,642,000			
Amount retired	(187,441)		(2,741,602)			
Payable at June 30, 2021	<u><u>\$ 338,510</u></u>		<u><u>\$ 4,055,590</u></u>			
Annual debt service requirements to maturity:						
Allegany College of Maryland (Capital Leases)						
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2022	66,448	2,797	69,245	235,612	68,871	304,483
2023	60,274	2,063	62,337	239,589	65,075	304,664
2024	52,023	1,465	53,488	218,672	61,225	279,897
2025	48,729	1,071	49,800	222,563	57,423	279,986
2026	111,036	1,014	112,050	226,469	53,542	280,011
2027-2031				1,193,484	207,140	1,400,624
2032-2036				1,200,546	100,560	1,301,106
2037-2041				308,078	33,023	341,101
2042-thereafter				210,577	12,962	223,539
	<u><u>\$ 338,510</u></u>	<u><u>\$ 8,410</u></u>	<u><u>\$ 346,920</u></u>	<u><u>\$ 4,055,590</u></u>	<u><u>\$ 659,821</u></u>	<u><u>\$ 4,715,410</u></u>

Note 12. Pension and Retirement Systems

Allegany County Primary Government

General Information about the Pension Plan

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 at <http://www.sra.state.md.us> or by writing to the following:

Maryland State Retirement Agency
120 E. Baltimore Street
Baltimore, Maryland 21202-6700

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

Contributions

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 9% 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 9% 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, 2021, 2020 and 2019, were \$ 2,216,381, \$ 1,961,655, and \$ 1,781,734, respectively, equal to the required employer contributions for each year.

Benefits Provided

Members are eligible for full service pension allowances upon accumulating 30 years of eligibility service regardless of age. Members are eligible for early service pension allowances upon reaching age 55 and have at least 15 years of eligible service. Full service pension allowances equals 1.2% of the highest three consecutive years as an employee for each year of creditable service accrued prior to July 1, 1998 plus 1.8% of the AFC for the three highest consecutive years as an employee for each year of creditable service accrued on or after July 1, 1998. Early service pension allowances equal the amount payable for a full service pension reduced by .5% for each month by which the retirement date precedes the date on which the member reaches age 62. The maximum reduction is 42%.

All members are eligible for ordinary disability pension allowances upon completing five years of eligibility service and receiving certification from the Medical Board that they are permanently incapable of performing their necessary job functions. Ordinary disability pension allowances equal the full service pension allowances if the members are at least age 62 on the date of retirement. Otherwise, the allowances equal the full service pension allowances computed as though the members had continued to accrue service credits until age 62 without any change in the rate of earnable compensation.

All members are eligible for accidental disability pension allowances if the Medical Board certifies that, in the course of their job performance and as the direct result of an accidental injury, they become totally and permanently disabled. Accidental disability pension allowances equal the sum of an annuity determined as the actuarial value of the members' accumulated contributions, and 2/3 of AFC.

In order to be eligible for death benefits, members must have either accumulated at least one year of eligibility service prior to the date of the death or died in the line of duty. The benefit provided upon death of all members equals the members' annual earnable compensation on the date of death plus accumulated contributions. Under certain circumstances, surviving spouses who were named sole primary beneficiaries may elect to receive either the aforementioned lump sum payment or a monthly allowance calculated as payment under Option 2 (100% survivor option). If at the time of death, the member had accrued at least 25 years of eligibility or attained age 55 with at least 15 years

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

of eligible service or attained age 62 then the survivor's allowance is determined as if the members had been eligible to retire.

Members are eligible for vested pension allowances after separation from service and upon reaching age 62, provided that at least five years of eligibility service was accumulated prior to separation. Members may be eligible for reduced vested pension allowances upon attaining age 55 with at least 15 years of eligibility service. Vested allowances are reduced by .5% for each month by which the allowance commencement date precedes the date on which the member attains age 62. Vested allowances equal the normal service pension allowances computed on the basis of the member's accumulated creditable service and AFC at the point of separation. Members who elect to withdraw their accumulated contributions, remain eligible to receive the employer-provided share of the vested benefit. If members do not withdraw their contributions, and die before attaining age 62, their accumulated contributions are returned to the designated beneficiary.

Cost of living adjustments are adjusted each year based on the Consumer Price Index. The Cost of Living Adjustments (COLA) are effective July 1st of each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported total net pension liability of \$ 20,678,533 for its proportionate share of the MD State Retirement System's net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long term share of contributions to the MD State Retirement System relative to the projected contributions made by all participants to the MD State Retirement System actuarially determined. At June 30, 2020, the County's proportion was .0915 percent, which was an increase of .0048 from its proportion measured as of June 30, 2019.

Pension expense for the pension plan for the year ended June 30, 2021 was \$ 3,424,147.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (898,108)
Change of assumptions	(54,614)	
Net difference between projected and actual earnings on pension plan investments	18,564	
County contributions subsequent to the measurement date	<u>2,216,381</u>	
Total	<u>\$ 2,180,331</u>	<u>\$ (898,108)</u>

The amount \$ 2,216,381 reported as deferred outflows of resources related to pensions resulting from County contributions to the pension system subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Deferred Outflows (Inflows) of Resources
Year ended June 30:	
2022	\$ (464,425)
2023	(267,660)
2024	(104,926)
2025	<u>(97,146)</u>
Total	<u>(934,157)</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following key actuarial assumptions, applied to all periods included in the measurement:

Actuarial	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Inflation	2.6% general, 3.1% wage
Salary increases	3.10% to 11.6, including inflation
Discount rate	7.40%
Investment rate of return	7.40%
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improv

The actuarial assumptions used in both the June 30, 2020 and the June 30, 2019 valuations were based on the results of an actuarial experience study for the five year period of 2014-2018. Based on the 2020 experience study, the actuary recommended changes in the actuarial assumptions. The changes include 1) a decrease in the general inflation rate from 2.65% to 2.60%, and 2) a decrease in the wage inflation rate from 3.15% to 3.10. Additionally, both the discount rate and investment rate of return remained at 7.40%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return were adopted by the System after considering input from the System's investment consultants and actuaries. For each major asset class that is included in the System's target asset allocation, these best estimates are summarized in the following table:

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	37%	5.20%
Private Equity	13%	6.50%
Rate Sensitive	19%	-0.30%
Credit Opportunity	9%	2.80%
Real Assets	14%	4.30%
Absolute Return	8%	1.84%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.40%. This single discount rate was based on the expected rate of return on pension plan investments of 7.40%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, contributions from the employer will be made at contractually required rates (actuarially determined), and contributions from the State will be made at current statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.40%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.40%) or 1% higher (8.40%) than the current rate:

	1% Decrease 6.40%	Current Discount Rate 7.40%	1% Increase 8.40%
County's proportionate share of the net pension liability	29,439,263	20,678,549	13,381,698

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued MD State Retirement System's financial report.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

Defined Contribution Plan

Allegany County has also established one defined contribution plan for 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, 2021, there were 3 members enrolled in the plan.

The defined contribution plan requires the County to contribute 10.24% to the Management Contractual Employees Retirement Plan of annual covered payroll. The required contribution was \$ 18,453, which was made. Plan provisions and contribution requirements are established and may be amended by the County Commissioners.

Employees are immediately vested in their own contributions and earnings on those contributions. Employees become vested in the County's contributions and earnings on County contributions immediately. There were no forfeitures for the plan. The County had no liability to the ICMA plan at June 30, 2021.

The financial statements of the defined contribution plan is 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 lesser of 5% or the percentage they were contributing prior to July 1, 1973.

Members of the contributory pensions are required to make contributions of 7% of earnable compensation. The Board is responsible for paying 100% of the normal cost for the TPS and TRS plans. The State of Maryland is responsible for paying 100% of the School System's past costs related to TPS and TRS plans. The State's contributions on behalf of the Board for the year ended June 30, 2021 were \$ 6,593,560, which were equal to the State's required contributions for that year. The Board's contributions for the year ended June 30, 2021 were \$ 2,591,294 and \$ 657,501 to the TRS, TPS and ERS, respectively. The Board recorded pension expense for the FY 21 in the amount of \$ 544,696 and the net pension liability recorded was \$ 6,142,206. Deferred outflows of resources was recorded in the amount of \$ 1,314,002, of which, \$ 31,253 was for change in assumptions, \$ 170,503 for change in share \$ 454,745 was for the net difference between projected and actual earnings and \$ 657,501 was for contributions made subsequent to the measurement date. Deferred inflows of resources was recorded in the amount of \$ 822,221, of which \$ 262,747 for the net difference between projected and actual experience, \$ 436,553 for change in share and \$ 122,921 for change in assumptions.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

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, 2021. The Library's pension expense for the year was \$ 158,876. Net pension liability was \$ 31,133 at June 30, 2021. Deferred outflows of resources was \$ 5,945 of which \$ 377 was due to changes in assumptions, 2,217 was the net difference between projected and actual earnings on pension plan investments, \$ 30 change in share and \$ 3,321 was the Library's contributions subsequent to the measurement date. Deferred inflows of resources was recorded in the amount of \$ 5,062, of which \$ 3,202 was for the net difference between expected and actual experience and \$ 1,467 was the change in assumptions and \$ 393 change in proportionate share.

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.

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, 2020. Allegany College's pension expense for FY 21 was \$ 95,579 and net pension liability was \$ 865,439. Deferred outflows of resources were recorded at \$ 197,339, of which \$ 4,298 was due to change in pension assumptions, \$ 63,050 was for the net difference between projected and actual earnings on pension investments, \$ 37,022 was for change in proportionate share and \$ 92,969 was attributed to contributions made subsequent to the measurement date. Deferred inflows of resources was recorded at (\$ 76,093) for the net difference between projected and actual experience (\$35,979), change in proportionate share of (\$24,116) and change in assumptions of (\$ 20,343).

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 12. Pension and Retirement Systems-continued

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, 2021. LaVale Sanitary's pension expense for the fiscal year ended was \$ 45,854. Net pension liability was (\$ 426,395), pension contributions exceeding the required annual contributions are recorded as an asset in the Commission's financial statements; the balance at June 30, 2021 was \$ 426,395 and therefore, no net pension liability obligation exists.

At June 30, 2021, the Commission reported deferred outflows of resources in the amount of \$ 245,368 of which, \$ 157,044 was the difference between expected and actual experience, and \$ 88,324 was the change in assumption amount. The deferred inflows of resources was \$ (226,994) of which, \$(140,1435), was attributed to change in assumptions and \$ (86,559) was the net difference between projected and actual earnings on investments.

Note 13. Pension and Retirement Systems-Length of Service Award Program (LOSAP)

Allegany County Primary Government

General Information about the LOSAP Pension Plan

Plan Descriptions

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. The plan is administered by Allegany County and any and all changes made to the benefit terms of the plan are under the authority of Allegany County. There are no assets accumulated in a trust that meet the criteria in GASB No. 73, paragraph 4. No trust is established, contributions are not irrevocable, and assets are not legally protected from creditors. No separate financial report is issued for the plan.

Participants Covered by Benefit Terms

At year end, the program membership consisted of 459 eligible active members and 88 retirees. There are no inactive members that currently receive benefits nor are there any inactive members that are entitled to but not receiving benefits.

Funding Policy and Benefits Provided

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 the 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. Benefits have been paid.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 13. Pension and Retirement Systems-Length of Service Award Program (LOSAP) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported total net pension liability of \$ 5,216,858. The net pension liability was measured as of December 31, 2020 and the total pension liability was determined by an actuarial valuation as of January 1, 2020, the results of which were rolled forward to the December 31, 2020 measurement date, in accordance with actuarial standards of practice.

Pension expense for the plan for FY 21 was \$ 655,568

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,668	\$ 250,386
Change of assumptions	<u>1,338,717</u>	<u>21,012</u>
Total	<u>\$ 1,341,385</u>	<u>\$ 271,398</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Deferred Outflows (Inflows) of Resources
Year ended June 30:	
2022	\$ 173,804
2023	\$ 173,804
2024	\$ 173,804
2025	\$ 173,804
2026 and thereafter	<u>\$ 374,771</u>
Total	<u>\$ 1,069,987</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 13. Pension and Retirement Systems-LOSAP-continued

Actuarial Assumptions

The total pension liability in the January 1, 2020 actuarial valuation was determined using the following key actuarial assumptions, (no experience studies) applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, closed
Inflation	0%
Salary increases	Not Applicable
Discount Rate	2.00%
Investment rate of return	2.0%, net of pension plan investment expense, including inflation
Post Retirement Mortality	RP2000 projected to 2030
Retirement	First Eligible
Turnover	T6
Disability	None

Discount Rate

The discount rate used to measure the total pension liability was 2.0%. This single discount rate was based on the expected rate of return on pension plan investments of 2.0%. The discount rate of 2.0% is based on the 20-year AA general obligation bond rate as of December 31, 2020.

The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates (actuarially determined). Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate decreased to 2.0% from the previous year's rate of 2.75%.

Sensitivity of the County's Net Pension Liability to Changes in the Discount Rate

The following presents the County's net pension liability calculated using the discount rate of 2.0%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (1.0%) or 1% higher (3.0%) than the current rate:

	1% Decrease 1.00%	Current Discount Rate 2.00%	1% Increase 3.00%
County's proportionate share of the net pension liability	5,584,808	5,216,858	4,840,600

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 13. Pension and Retirement Systems-LOSAP-continued

Changes in Net Pension Liability

Total Net Pension Liability	
Service Cost	396,312
Interest	85,452
Changes in Benefit Terms	
Difference between expected and actual experience	(97,103)
Changes in assumptions, including discount rate	604,872
Benefit payments and expenses	(84,129)
Net Change in total pension liability	<hr/> 905,404
 Total Net Pension Liability-beginning	 4,311,454
Total Net Pension Liability-ending	<hr/> 5,216,858

Note 14. Governmental Fund Balance Classifications

Beginning with fiscal year 2012, the County adopted GASF 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.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 14. Governmental Fund Balance Classifications (continued)

Fund Balances:	Fiscal Year 2021 Fund Balance Classifications					
	General Fund	Revolving Building	Major Revenue Fund	Special Projects Fund	Other Funds	Total
			Public Imprv Fund	Major Capital Projects Fund		
Nonspendable						
Long term receivables	\$ 1,200,000	\$ -		\$ 41,235	\$ 1,200,000	41,235
Inventory						
Restricted for:						
Transit bus replacement	78,907	-	-	-	78,907	
Housing programs	-	-	-	9,739	9,739	
Coal Haul Roads	-	-	-	117,796	117,796	
Drug task Force	-	-	-	235,487	235,487	
Inmate activities/fire companies	-	-	-	870,733	870,733	
PIB Bond Projects	-	-	7,190,442	-	7,190,442	
CARES Fund	-	-	-	2,425	2,425	
Debt Service	-	-	-	6,497,905	6,497,905	
Sheriff Task Force	-	-	-	31,344	31,344	
Committed to:						
Economic development	-	7,844,439	-	-	7,844,439	
Amount to balance FY 2022 budget	1,446,563	-	-	-	1,446,563	
School capital/Fire Co	-	-	-	1,948,484	1,948,484	
Assigned to:						
Election machine replacements	-	-	-	-	-	
Future Disparity Grant Funding	3,264,000	-	-	-	3,264,000	
Potential State of MD Budget Cuts	750,000	-	-	-	750,000	
LOSAP	3,287,025	-	-	-	3,287,025	
Technology Enhancements	-	-	-	229,557	229,557	
Public Works projects	-	-	-	568,335	568,335	
Public Safety	-	-	-	105,488	105,488	
School projects	-	-	-	265,597	265,597	
County building improvements	-	-	-	242,765	242,765	
Unassigned:	20,022,041	-	-	(2,097,892)	17,924,149	
	<u>\$ 30,048,536</u>	<u>\$ 7,844,439</u>	<u>7,190,442</u>	<u>\$ 9,068,998</u>	<u>\$ 54,152,415</u>	

Note 15. Postemployment Healthcare Plan

Plan Description & Administration. The County's single-employer 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. Management of the ACMBT is vested in the ACMBT Board of Trustees which consists of four trustees. One trustee is appointed by the LaVale Sanitary Commission (the other employer in the trust) and the other three are appointed by virtue of the position they hold in the Allegany County government. The authority to establish and amend the benefit provisions in the ACMBT rests with the respective employer entities. For Allegany County, the authority rests with the Board of Commissioners. The plan does not issue financial reports separately.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 15. Postemployment Healthcare Plan-continued

The assets, income and expenses for the trust that holds the assets are reported in the County's fiduciary funds.

Contributions. 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 25% of the premium. The County pays \$ 150 per month for retirees over 65.

The current ARC rate is 7.5 percent of annual covered payroll, and is an actuarially determined amount.

Benefits Provided. Employees are eligible for health insurance coverage providing that the retiring employee had coverage in effect when they stopped working, are eligible for retirement, and must have at least 10 years of service and attained age 62 or have 25 years of continuous service. Employees who retire are eligible for the under 65 health insurance plan. Once the retiree turns 65, the retiree is moved to the County's \$ 150 per month health insurance subsidy plan.

Employees Covered by Benefit Terms. Plan membership consists of 397 active members and 271 inactive plan members or beneficiaries currently receiving benefit payments and there are no inactive plan members that are entitled to but not receiving benefits.

Investment Policy. The Trust has adopted the County's investment policy. The Board of Commissioners have authority to amend the policy. Currently, the Trust invests in the MACO Trust Fund. The Maryland Association of Counties Pooled OPEB Trust (the "Trust") is an "Other Post-Employment Benefits" membership trust established to help local governments invest current funds toward future obligations for retiree health insurance, a.k.a. "other post-employment benefits." Both county and municipal governments, and other county-funded entities (like libraries and community colleges), are welcome to join the MACO OPEB Trust.

Investing through an entity like the MACO Pooled OPEB Trust offers governments an opportunity under state law to invest funds in a manner suitable for longer term assets, and outside the laws generally governing "public funds." The Trust arrangement ensures that the funds may not be extracted for purposes other than the intended benefits, making that distinction clear. The trust shall be invested consistent with Section 17-102 of the Local Government Article of the Annotated Code of Maryland, as amended from time to time.

Overall, the Trustees have adopted a fairly conservative mixed portfolio, with 65% in equities and 35% in fixed income investments. The target rate of return for the Trust is 7% annually, set generally in keeping with industry trends given the diversified portfolio construction. Further information including audited financial statements is available at www.mdcounties.org/index.aspx?nid=250

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 15. Postemployment Healthcare Plan-continued

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.

Allegany
 County
 Non-Pension
 Postemployment
 Benefits Plan

Valuation Date	6/30/2019
Measurement Date	06/30/21
Actuarial cost method	Entry Age
Amortization method	Level percentage of pay (3% annual payroll increase assumed)
Remaining amortization period	30 Years
Actuarial assumptions:	
Discount Rate	The expected trust return of 7% is blended with the 20 year Aa municipal bond rate of 1.92%. The blended rate is 5.43%
Investment rate of return	7%, net of investment expense and including inflation
Healthcare cost trend rate	6.5% for 2021, reduced linearly to an ultimate rate of 4.0% in 2029
Mortality	Pre/Post Retirement: Pub 2010G Headcount (M/F) with generational improvements using Scale SSA18 Post Disablement: Pub 2010 G Headcount (M/F) with generational improvements using Scale SSA18

Changes in Actuarial assumptions. There were no changes in actuarial assumptions during fiscal year 2021, except for the change in discount rate. Discount rate increased from 5.38% in FY 2020 to 5.43% in FY 21.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 15. Postemployment Healthcare Plan-continued

Expected Return: The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best estimates of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. This is then modified through a Monte-Carlo simulation process, by which a (downward) risk adjustment is applied to the baseline expected return.

Best estimates of real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021, and the final investment return assumption, are summarized in the following table:

	<u>Long-Term Expected Real Rate of Return</u>	<u>Long-Term Weighted Real Rate of Return</u>
Domestic Equity	6.15%	33.50%
International funds	6.40%	24.50%
Fixed Income-US	2.15%	35.00%
Global Funds	4.85%	7.00%
 Cash Equivalents	 0.00%	 0.00%
Total Weighted Average Real Return	4.72%	100.00%
Plus Inflation	2.50%	
Total Return w/o Adjustment	7.22%	
Risk Adjustment	-0.22%	
 Total Expected Return	 7.00%	

The money-weighted rate of return for FY 21 was 22.78%

Net OPEB Obligation:

The County's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, the results of which were rolled forward to the June 30, 2021 measurement date, in accordance with actuarial standards of practice.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 15. Postemployment Healthcare Plan-continued

The changes in net OPEB liability are as follows:

	FY 21
Total OPEB Liability	
Service Cost	465,581
Interest	1,310,884
Change in benefit terms	
Differences between expected and actual experience	
Changes in assumptions, including discount rate	(90,006)
Benefit payments	(1,515,078)
Net Change in total OPEB Liability	<u>171,381</u>
Total OPEB liability-beginning	24,647,911
Total OPEB liability-ending	<u>24,819,292</u>
Plan fiduciary net position	
Contributions-employer	1,515,078
Contributions-member	82,400
Net investment income	678,033
Benefit payments	(1,597,478)
Administrative expenses	(5,482)
Net change in plan fiduciary net position	<u>672,551</u>
Plan fiduciary net position-beginning	2,979,154
Plan fiduciary net position-ending	<u>3,651,705</u>
Net OPEB liability beginning	21,668,757
Net OPEB liability ending	<u>21,167,587</u>
Fiduciary net position as a percentage of total OPEB liability	14.70%

Discount Rate: The discount rate used to measure the total OPEB liability was 5.43%. The County's funding expectations/policy is to contribute the Actuarially Determined Contribution to their OPEB trust (if greater than annual benefits), in addition to paying benefits for retirees. It is expected that benefits will be paid from the trust when a 40% funding level is reached. Based on this information, we project that benefits will be financed on a pay as you basis through 2030, then from the trust there forward (from 2031 on).

Therefore, the expected trust return of 7% is blended with the 20 year Aa bond rate (Source: Fidelity general obligation municipal bond index) of 1.92%. The blended rate is 5.43%.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Sensitivity of the net OPEB liability to changes in the discount rates: The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (4.43%) or 1% higher (6.43%) than the current discount rate:

	<u>Discount Rate at 4.43%</u>	<u>Discount Rate at 5.43%</u>	<u>Discount Rate at 6.43%</u>
Net OPEB Liability	23,185,500	21,167,587	19,395,311

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.5% decreasing to 3.0%) or 1% higher (7.5% decreasing to 5.0%) than the current healthcare cost trend rates:

	<u>1% Decrease (5.5% decreasing to 3.0%)</u>	<u>(6.5% decreasing to 4.0%)</u>	<u>1% Increase (7.5% decreasing to 5.0%)</u>
Net OPEB Liability	19,327,556	21,167,587	23,283,909

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. As of June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (804,205)
Change of assumptions	356,853	(236,161)
Net difference between projected and actual earnings on plan investments	-	(251,372)
Total	\$ 356,853	\$ (1,291,738)

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

	<u>Deferred Outflows (Inflows) of Resources</u>
Year ended June 30:	
2022	\$ (311,083)
2023	(198,827)
2024	(189,199)
2025	(220,775)
2026	(15,001)
Total	(934,885)

OPEB expense for fiscal year ending June 30, 2021 was \$1,262,496.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Payable to OPEB Plan:

There were no contributions payable to the OPEB plan as of June 30, 2021.

Allegany County Component Units

Board of Education-Component Unit

The Board of Education sponsors a single-employer post-retirement plan which provided a supplement to retiree health care benefits as well as providing medical benefits including prescription drug to eligible retired employees. Retirees are eligible for continued membership in the medical plans provided they have at least 15 years of service. Net OPEB Liability as of June 30, 2021 was \$ 10,485,511. For the year ended June 30, 2021, the Board recognized OPEB expense of \$ 1,125,792. Deferred outflows of resources at year end was \$ 2,210,571 of which \$ 1,909,270 was for changes in assumptions and \$ 301,301 which represented the difference between projected and actual earnings. Deferred inflows of resources was \$ 4,014,903 of which \$ 1,873,809 was for the difference between projected and actual earnings, \$ 83,244 was for the change in assumptions and \$ 2,057,850, was for the difference between expected and actual experiences.

Allegany County Library System-Component Unit

Allegany County Library System sponsors a single-employer post-retirement plan which provides medical and prescription benefits to eligible retirees and their spouses. Eligible persons include employees with a minimum of thirty years of service or have reached age 60. These benefits are available until the employee reaches age 65. The retired employee must pay the full amount of the monthly insurance coverage. The Library's OPEB expense for the year was \$ 13,293. Net OPEB liability was \$ 110,765 at June 30, 2021. Deferred outflows for FY 21 was \$ 19,372, of which, \$ 7,849 was for the difference between expected and actual experience and \$ 11,523 was for changes in assumptions.

LaVale Sanitary Commission-Component Unit

The LaVale Sanitary Commission sponsors a single-employer defined benefit post-retirement plan which provides medical and prescription benefits to eligible retirees and their spouses. Employees and their spouses are eligible for benefits after the employee has twenty years of service and has attained age 60. Health insurance benefits are paid 100% by the Commission until the employee and spouse are eligible for Medicare. When the retired employee becomes eligible for Medicare, the retiree can elect to be covered under a Medicare supplemental plan and would be responsible for paying 50% of the spouses' premium. When the spouse becomes eligible for Medicare, the spouse can then elect to be covered under the Medicare supplemental plan and health insurance benefits are covered 100%. The Commission's OPEB expense for the year was \$ (16,873). Net OPEB liability was \$ (271,156) at June 30, 2021, of which was recorded as an asset. Deferred outflows of resources was recorded at June 30, 2021 in the amount of \$ 1,651,623, of which \$ 1,651,623 was for the change in assumptions. Deferred inflows were recorded at \$ 3,715,399, of which \$ 799,368 was due to the difference between expected and actual experience, \$ 2,679,581 due to change in assumptions and \$ 236,450 was the net difference between projected and actual earnings on investments.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 16. Tax Abatements

The County is subject to Enterprise Zone Credits granted by the State of Maryland by authority of Section 9-103 of the Tax Property Article of the Annotated Code of Maryland. The Enterprise Zone tax credit is available to businesses that locate in designated areas of Allegany County and is designed to spur economic growth in these areas. This real property tax credit is available only for nonresidential properties located within the Enterprise Zones and is based on growth in property assessment. Personal property is not included under the Enterprise Zone law. The “base year assessment” is the real property assessment for the year before any new construction or refurbishing is done. The credit is based on the increase in the assessment for each of the next 10 years compared to the base-year assessment.

The credit is given on the actual taxes that result from the increase in assessment, using the following rate schedule:

Year	Percentage of Assessment
	Increase Credit
1-5	80%
6	70%
7	60%
8	50%
9	40%
10	30%

The State subsequently reimburses the County for 50% of the annual tax credit. The fiscal year 2021 enterprise zone credits amounted to \$ 81,689 and the State of Maryland reimbursed the County \$ 40,785.

In addition, the County also “piggybacks” on to the City of Cumberland’s Historic Preservation tax credit program as follows:

The City of Cumberland has a Historic Preservation tax program whereas property owners are eligible to receive property tax credits of up to 10% of properly documented expenses when the existing structure is renovated or preserved. By authority of Section 9-204 of the Tax Property Article of the Annotated Code of Maryland, state law provides that a tax credit of up to 5% may be provided for the new construction costs of architecturally compatible structures and allows a property owner of the program structure to have the assessed value of the property frozen for up to 10 years at the pre-renovation value. A property must be a certified historic structure meaning that it must possess one of the following designations:

- a. Listed individually in the National Register of Historic Places
- b. Listed in a National Register historic or landmark district
- c. Listed in a property or district designated as an historic property or district under local law
- d. Included within the boundaries of a certified heritage area

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 16. Tax Abatements-continued

The following table is utilized by the City of Cumberland (and therefore Allegany County) to determine the length of the property tax assessment freeze for approved properties:

Improvement Cost as Percentage of Base <hr/> Assessment	Available Tax Exempt Status of Improvement
10%	1 Year
20%	2 Year
30%	2 Year
40%	3 Year
50%	3 Year
60%	4 Year
70%	4 Year
80%	5 Year
90%	6 Year
100%	7 Year
200%	8 Year
300%	9 Year
400%	9 Year
500%	10 Year

The amount of historic tax credit issued by Allegany County for FY 21 was \$ 38,769. The County does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement. Also, Allegany County grants tax credits to several nonprofit organizations that were named in Section 9-302 of the Tax Property Article of the Annotated Code of Maryland.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 17. 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.

COVID-19 Pandemic - The COVID-19 pandemic has caused negative impacts in all aspects of County operations and financials. The extent of the unprecedented disruptions depends on the length of the pandemic and its far-reaching results cannot be determined at this time. Currently, any significant financial or other impacts on the County cannot be reasonably estimated.

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 an internal service fund to account for this activity.

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.

Third party administrators estimated the non-discounted claims liability reported in the funds at June 30, 2021. 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 necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balance of claims payable relating to the funds for fiscal year 2021 are as follows:

Balance at July 1, 2020	\$ 526,538
Claims and changes in estimates	8,330,076
Claim payments	<u>(8,256,135)</u>
Balance at June 30, 2020	\$ 600,479
Claims and changes in estimates	7,608,083
Claim payments	<u>(7,653,362)</u>
Balance at June 30, 2021	<u>\$ 555,200</u>

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 18. 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 19. 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, 2021 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 the County has never been called upon to make any of the direct payments of the conduit debt. As of June 30, 2021, such debt includes loans with the U.S. Department of Agriculture of \$1,410,116 and Series 2021 Bond of \$ 2,598,000

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.

The State of Maryland's Commerce Department and Allegany County have entered into a verbal agreement that the conditional loan in the amount of \$1,500,000 will be forgivable at \$150,000 per year as long as the property can maintain 100 employees each year. The conditional loan has been recorded in the financial statements as Due to State.

Note 20. Related Party

The Willowbrook Health Center Condominium (the Association) is a statutory condominium association organized for the purposes of operating and maintaining the common property of the Willowbrook Health Center Condominium. The Willowbrook Health Center Condominium consists of four units occupying a site of approximately 4.6 acres located in Cumberland, MD. The Condominium is jointly owned by the Allegany County Commissioners at 46.7 percent and the Western Maryland Health

System at 53.3 percent. During FY 21, Allegany County paid \$ 282,714 in fees to the Willowbrook Health Center Condominium. Of this amount, \$ 85,000 is included in accounts payable at year-end.

ALLEGANY COUNTY, MARYLAND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note 21. New Pronouncements

As of June 30, 2021, the Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which will require adoption in the future, if applicable: GASB Statement No. 87, *“Leases”*; GASB Statement No. 90, *“Accounting for Interest Cost Incurred before the End of a Construction Period”*; GASB Standard No. 91, *“Conduit Debt Obligations”*; GASB Statement No. 93, *“Replacement of Interbank Offered Rates”*; GASB Statement No. 94, *“Public-Private and Public-Public Partnerships and Availability Payment Arrangements”*; GASB Statement No. 96, *“Subscription Based Information Technology Arrangements”*; and GASB Statement No. 97, *“Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.”*. These statements may have a material effect on the County’s financial statements once implemented. The County has not yet completed the process of evaluating the impact of these pronouncements on its financial statements, and plans to adopt them, as applicable by their effective date.

Note 22. Evaluation of Subsequent Events

The County has evaluated, for possible financial statement disclosures, subsequent events through March 8, 2022, the date which the financial statements were available to be issued and has determined there is one subsequent event that should be noted. As of December 22, 2021, five loans with MDE were closed during FY 22, all of which totals \$ 1,907,077, which will be paid back with increased customer water/sewer charges over the next 30 years.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

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ALLEGANY COUNTY, MARYLAND
REQUIRED SUPPLEMENTARY INFORMATION

LOSAP-SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years *

	2021	2020	2019	2018	2017
Total Net Pension Liability					
Service Cost	396,312	341,969	352,003	308,176	260,811
Interest	85,452	94,779	104,059	72,176	71,864
Changes in Benefit terms					
Differences between expected and actual experience	(97,103)	(127,045)	(105,205)	4,799	1
Changes in assumptions, including discount rate	604,872	599,378	334,551	246,393	(31,517)
Benefit payments and expenses	(84,129)	(81,231)	(6,620)	(7,270)	(6,820)
Net Change in total pension liability	905,404	827,850	678,788	624,274	294,339
Total Net Pension Liability-beginning	4,311,454	3,483,604	2,804,816	2,180,542	1,886,203
Total Net Pension Liability-ending	5,216,858	4,311,454	3,483,604	2,804,816	2,180,542

No covered payroll-plan members are all volunteer fire fighters.

*This schedule is designed to present information for a 10 year period beginning FY 17. Until a full 10 year trend is compiled, the County will be presenting information only for those years for which information is available.

MARYLAND STATE RETIREMENT
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended 30-Jun	County's Proportion of the net pension liability	County's Proportion of the net pension liability (asset)	County's Covered Payroll	County's share of net pension liability (asset)	Plan fiduciary net position as a % of total pension liability
				as a % of payroll	
2015	6.10%	\$10,872,378	14,004,466	77.64%	69.53%
2016	6.98%	14,514,898	13,959,828	103.98%	68.78%
2017	6.85%	16,160,225	15,109,085	106.96%	65.79%
2018	6.37%	13,774,921	15,410,092	89.39%	69.38%
2019	8.35%	17,523,277	14,693,609	119.26%	71.18%
2020	8.67%	17,895,857	16,834,720	106.30%	72.34%
2021	9.19%	20,778,533	16,542,967	125.60%	70.72%

This schedule is presented to illustrate the requirement to show the information for 10 years. 2015 is the first year information is available

MARYLAND STATE RETIREMENT SCHEDULE OF COUNTY'S CONTRIBUTIONS

Year Ended 30-Jun	Contractually required contribution	Contributions relative to Contractually Req contribution	Contribution Deficiency	County's Covered Payroll	Contributions as a % of covered payroll
2015	1,472,135	\$1,472,135		13,959,828	10.55%
2016	1,334,298	1,334,298		15,109,085	8.83%
2017	1,338,202	1,338,202		15,410,092	7.61%
2018	1,665,400	1,665,400		14,693,609	11.33%
2019	1,781,734	1,781,734		16,834,720	10.78%
2020	1,961,655	1,961,655		16,542,967	11.86%
2021	2,216,381	2,216,381		15,556,786	14.25%

This schedule is presented to illustrate the requirement to show the information for 10 years. 2015 is the first year information is available

Allegany County
Required Supplementary Information

Schedule of Changes in the County's Net Other Post Retirement Benefits Liability and Related Ratios-Last Ten Fiscal Years

	FY 21	FY 20	FY 19	FY 18	FY 17
Total OPEB Liability					
Service Cost	465,581	394,767	383,269	372,106	361,268
Interest	1,310,884	1,387,465	1,345,895	1,275,326	1,250,947
Change in benefit terms	-	(1,206,307)			
Differences between expected and actual experience	(90,006)	535,281	(103,054)	(599,679)	
Changes in assumptions, including discount rate	(1,515,078)	(1,062,954)	(1,167,028)	(1,090,895)	(1,235,135)
Benefit payments	171,381	48,252	459,082	(43,142)	377,080
Net Change in total OPEB Liability					
Total OPEB liability-beginning	24,647,911	24,599,659	24,140,577	24,183,719	23,806,639
Total OPEB liability-ending	<u>24,819,292</u>	<u>24,647,911</u>	<u>24,599,659</u>	<u>24,140,577</u>	<u>24,183,719</u>
Plan fiduciary net position					
Contributions-employer	1,515,078	1,062,954	1,167,028	1,099,055	1,162,096
Contributions-member	82,400	95,902	102,866	86,712	90,491
Net investment income	678,033	47,605	141,286	147,820	195,770
Benefit payments	(1,597,478)	(1,158,856)	(1,269,894)	(1,177,607)	(1,235,135)
Administrative expenses	(5,482)	(6,552)	(10,803)	(10,635)	(17,453)
Net change in plan fiduciary net position	<u>672,551</u>	<u>41,053</u>	<u>130,483</u>	<u>145,345</u>	<u>195,769</u>
Plan fiduciary net position-beginning	2,979,154	2,938,101	2,807,618	2,662,273	2,466,504
Plan fiduciary net position-ending	<u>3,651,705</u>	<u>2,979,154</u>	<u>2,938,101</u>	<u>2,807,618</u>	<u>2,662,273</u>
Net OPEB liability beginning	21,668,757	21,661,558	21,332,959	21,521,446	21,340,135
Net OPEB liability ending	<u>21,167,587</u>	<u>21,668,757</u>	<u>21,661,558</u>	<u>21,332,959</u>	<u>21,521,446</u>
Fiduciary net position as a percentage of total OPEB liability	14.70%	12.10%	11.90%	11.60%	11.01%
Covered employee payroll	20,274,395	23,562,640	20,354,264	14,693,609	16,680,326
Net OPEB Liability as a percentage of covered payroll	104%	92%	106%	145%	129%
Schedule of the County's Other Post Retirement Benefits Contributions-Last Ten Fiscal Years *					
Actuarially determined contribution	1,499,358	1,455,687	1,351,412	1,312,050	1,273,835
Contributions in relation to the actuarially determined contributions	1,515,078	1,062,954	1,167,028	1,099,055	981,229
Contribution deficiency (excess)	(15,720)	392,733	184,384	212,995	292,606
County's covered-employee payroll	20,274,595	23,562,640	20,354,264	14,693,609	16,680,326
Contributions as percentage of covered-employee payroll	7.50%	4.50%	5.70%	7.50%	5.90%
Schedule of the County's Other Post Employment Benefits Investment Returns-Last 10 Fiscal Yrs					
Annual money-weighted rate of return, net of investment expense	22.78%	1.62%	5.04%	5.56%	7.64%

*This schedule is designed to present information for a 10 year period beginning with fiscal year 2017
Until a full 10 year trend is compiled the County will be presenting information only for those years for which information is available.

Allegany County
Notes to Required Supplementary Information
June 30, 2021

Note 1: LOSAP Pension Information

Actuarial Assumptions

The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Fiscal Year End	June 30, 2021
Measurement Date	December 31, 2020
Annual Discount Rate	2.-%-based on 20 year AA general bond rate at 12/31/20. The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates (actuarially determined)
Annual salary increases	Does not apply
Assumed retirement Age	First Eligible
Mortality	Mortality rates are based on RP 2000 projected to 2030.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Form of Benefit	Monthly benefits at a rate of \$7 multiplied by the years of service, max \$ 105
Changes in assumptions	No changes in benefits during FY 21 Discount rate decreased from 2.75% in FY 20 to 2.0% in FY 21 Mortality changed from 3 yr setback to RP2000 projected to 2030.
Assets accumulated in trust	None

Note 2: Other Post Employment Benefits Information

Actuarial Assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Fiscal Year End	June 30, 2021
Measurement Date	June 30, 2021
Annual Discount Rate	5.43%-the expected trust return of 7% is blended with the 20 year Aa bond rate (Source: Fidelity general obligation municipal bond index) of 1.92% 3%
Annual salary increases	Pre/Post Retirement: Pub 2010G Headcount (M/F) with generational improvements using Scale SSA18
Mortality	Entry Age Level percentage of pay 7% net of investment expense and including inflation 6.5% for 2021, reduced linearly to an ultimate rate of 4.0% in 2024
Actuarial Cost Method	Discount rate increased from 5.38% in FY 20 to 5.43% in FY 21
Amortization Method	
Investment Rate of Return	
Health Care trend rate	
Changes in assumptions	

Note 3: State of Maryland Pension Information

Changes in assumptions:

Inflation assumption	Changed from 2.65% to 2.60%
Wage inflation assumption	Changed from 3.15% to 3.10%
Salary increases	No change during the fiscal year
Discount Rate/Investment Rate	No change during the fiscal year
Change in Benefit Terms	No change during the fiscal year
Change in Size/Composition of Population	No significant change during the fiscal year
Mortality Table	Public Sector 2010 Mortality Table

**ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes:				
Property Taxes:				
Real and personal property	\$ 40,877,006	40,877,006	42,204,173	\$ 1,327,167
Payments in lieu of taxes:				
Coal companies	14,000	140,000	133,200	(6,800)
Housing Authorities	50,000	50,000	28,006	(21,994)
Rocky Gap	295,000	295,000	295,000	-
DNR	945,859	945,859	899,995	(45,864)
Interest on Delinquent taxes	1,050,000	1,050,000	1,367,213	317,213
Sub-total	<u>43,231,865</u>	<u>43,357,865</u>	<u>44,927,587</u>	<u>1,569,722</u>
Less:				
Prompt payment discounts	181,000	181,000	186,089	(5,089)
Deferred revenues	250,000	250,000	(509,510)	759,510
Industrial exemptions	155,000	155,000	120,909	34,091
Enterprise zone exemptions	150,000	150,000	14,694	135,306
Residential development tax credit	15,000	15,000	14,323	677
Real Estate Tax Set Aside	-	152,675	152,675	-
Historic tax credit	55,000	55,000	38,769	16,231
PILOT abatement	20,000	20,000	16,021	3,979
Sub-total	<u>826,000</u>	<u>978,675</u>	<u>33,970</u>	<u>944,705</u>
Total Net Property Taxes	<u>42,405,865</u>	<u>42,379,190</u>	<u>44,893,617</u>	<u>2,514,427</u>
Income Taxes	28,282,989	28,282,989	31,190,781	2,907,792
Other Local Taxes:				
Hotel/motel tax	1,214,113	1,214,113	824,379	(389,734)
Admissions	220,000	220,000	70,630	(149,370)
Recordation	1,400,000	1,400,000	1,723,827	323,827
Ag Transfer Tax	-	-	16,544	16,544
911 Fees	400,000	400,000	433,717	33,717
Trailer court	62,000	62,000	53,336	(8,664)
Transfer tax	550,000	550,000	692,774	142,774
Highway users taxes	1,088,800	1,088,800	1,057,788	(31,012)
Total Local Taxes	<u>4,934,913</u>	<u>4,934,913</u>	<u>4,872,995</u>	<u>(61,918)</u>
Total Taxes	<u>75,623,767</u>	<u>75,597,092</u>	<u>80,957,393</u>	<u>5,360,301</u>
Licenses and Permits				
Alcoholic beverage licenses	98,000	98,000	(12,847)	(110,847)
Amusement licenses	2,500	2,500	1,919	(581)
Traders licenses	92,000	92,000	96,910	4,910
Junkyard licenses	800	800	800	-
Building permits	35,000	35,000	11,518	(23,482)
Marriage licenses	4,000	4,000	3,995	(5)
Cable franchise fees	420,000	420,000	420,472	472
Sediment control permits	30,000	30,000	19,257	(10,743)
Total Licenses and Permits	<u>682,300</u>	<u>682,300</u>	<u>542,024</u>	<u>(140,276)</u>

Continued

**ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES (Continued):	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
Intergovernmental:				
Federal Funds:				
Homeland security grant	420,000	420,000	243,285	(176,715)
Civil defense	70,000	70,000	48,236	(21,764)
FEMA grant	690,000	690,000	566,716	(123,284)
Federal DOJ Grant			173,899	173,899
HIDTA Federal Grant			10,587	10,587
MTA Transportation planning	117,228	117,228	126,656	9,428
FMHA Grant			50,000	50,000
CDBG-Covid Grant			59,718	59,718
Emergency solutions program	281,000	281,000	300,343	19,343
Health & Human Services Grant			164,353	164,353
Masters program	44,425	44,425	40,168	(4,257)
Medicare-Ambulance Fees	306,635	306,635	452,528	145,893
Medicaid-Ambulance Fees	40,903	40,903	68,125	27,222
Payments in lieu of property taxes	8,500	8,500	8,778	278
Sub-total Federal funds	<u>1,978,691</u>	<u>1,978,691</u>	<u>2,313,392</u>	<u>334,701</u>
State Funds:				
Public Health	14,000	14,000	22,856	8,856
Police protection	280,000	280,000	245,372	(34,628)
State transportation planning	11,086	11,086	15,832	4,746
Juvenile Service Grant			111	(13,889)
Dept of Natural Resources	14,000	14,000		
Conservation aid salary	250,000	250,000		
Program Open Space grant	31,313	31,313	32,483	1,170
Disparity grant	869,000	869,000	184,537	(684,463)
State Jury Reimbursement	8,930,611	8,930,611	8,930,611	
Tourism grant	50,000	50,000	11,640	(38,360)
MD Emergency Housing Program	30,000	102,543	152,746	50,203
Miscellaneous			151,112	151,112
Sub-total State Funds	<u>491,188</u>	<u>589,633</u>	<u>765,116</u>	<u>175,483</u>
Other Intergovernmental:				
Other agencies	<u>599,096</u>	<u>809,096</u>	<u>1,236,527</u>	<u>427,431</u>
Sub-total Other Intergovernmental:	<u>599,096</u>	<u>809,096</u>	<u>1,236,527</u>	<u>427,431</u>
Total Intergovernmental	<u>13,548,985</u>	<u>13,929,973</u>	<u>14,062,335</u>	<u>132,362</u>

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
REVENUES (Continued)						
Service Charges:						
General government charges:						
State civil process	45,000	45,000	36,735	(8,265)		
Plans & specifications	2,500	2,500	7,590	5,090		
Regulation & Maps			1,250	1,250		
Tax sale fees	30,000	30,000	40,472	10,472		
Election filing fees			50	50		
Security interest filing fee			70	70		
License application fees	8,500	8,500	8,200	(300)		
Liquor License transfer fee	4,500	4,500	1,620	(2,880)		
Bay restoration collection fee	5,000	5,000		(5,000)		
Health Ins Admin fee	300	300	526	226		
Tourism promotion charges	20,000	20,000	36,438	16,438		
Collection fees-special areas	60,000	60,000	73,639	13,639		
Liquor License Collection fee	3,600	3,600	3,063	(537)		
Hotel/Motel collection fee	25,000	25,000	20,125	(4,875)		
Partial payment fee	2,000	2,000	1,602	(398)		
Engineering fees	30,000	30,000		(30,000)		
Indirect cost allocation	697,752	697,752	8,471	(689,281)		
Sub-total general government charges	<u>934,152</u>	<u>934,152</u>	<u>239,851</u>	<u>(694,301)</u>		
Public safety charges:						
Police protection charges	70,000	70,000	69,901	(99)		
ATV Registration Fees	2,000	2,000	1,650	(350)		
Zoning Admin Fee	400	400	89	(311)		
Boarding state prisoners	50,000	50,000	2,520	(47,480)		
Boarding federal prisoners	410,000	410,000	238,937	(171,063)		
Community service fee	22,000	22,000	6,046	(15,954)		
Home detention fee	35,000	35,000	16,302	(18,698)		
Work Release Fees	5,000	5,000	950	(4,050)		
Inmate Medical Copay	4,000	4,000	7,308	3,308		
Building Inspection fees	15,000	15,000	11,288	(3,712)		
CPR Training Fees	12,942	12,942	11,740	(1,202)		
Ambulance Subscription Fees	37,322	37,322	28,740	(8,582)		
Ambulance fees	587,257	587,257	729,172	141,915		
Sub-total public safety charges	<u>1,250,921</u>	<u>1,250,921</u>	<u>1,124,643</u>	<u>(126,278)</u>		
Sanitation and Waste Removal:						
Landfill fees	192,000	192,000	301,454	109,454		
Recycling fees	125,000	125,000	149,584	24,584		
Recycled material sales	8,000	8,000	9,547	1,547		
Sub-total Sanitation and Waste	<u>325,000</u>	<u>325,000</u>	<u>460,585</u>	<u>135,585</u>		

Continued

**ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
REVENUES (Continued):						
<u>Service Charges (continued):</u>						
Public service enterprises:						
Upper Potomac River Commission	388,560	388,560	388,560	-		
Road closing fees						
Sub-total public service charges	388,560	388,560	388,560	-		
Total Service Charges	<u>2,898,633</u>	<u>2,898,633</u>	<u>2,213,639</u>	<u>(684,994)</u>		
<u>Fines and Forfeitures:</u>						
Circuit court fines	7,000	7,000	2,960	(4,040)		
Liquor violation fines	11,000	11,000	3,750	(7,250)		
Fines and forfeitures	10,000	10,000	5,439	(4,561)		
Total Fines and Forfeitures	<u>28,000</u>	<u>28,000</u>	<u>12,149</u>	<u>(15,851)</u>		
<u>Miscellaneous:</u>						
Interest	315,150	315,150	107,680	(207,470)		
Rents and concessions	420,000	420,000	126,300	(293,700)		
Miscellaneous	145,075	145,075	171,520	26,445		
Total Miscellaneous	<u>880,225</u>	<u>880,225</u>	<u>405,500</u>	<u>(474,725)</u>		
Total Revenues	<u>93,661,910</u>	<u>94,016,223</u>	<u>98,193,040</u>	<u>4,176,817</u>		

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Legislative:				
County Commissioners	180,237	180,237	172,901	7,336
County Commissioners Office	-	-	-	-
Total legislative	180,237	180,237	172,901	7,336
Judicial:				
Family Support Services	241,950	223,766	222,660	1,106
Alternative dispute resolution	6,464	6,464	6,461	3
Circuit court masters program	67,496	69,254	67,352	1,902
Circuit court	412,422	415,564	446,141	(30,577)
Orphans court	64,135	64,135	79,139	(15,004)
Family Law Master	64,609	64,609	64,003	606
State's attorney	1,625,670	1,640,552	1,647,273	(6,721)
Drug Coordinator	213,472	213,472	167,680	45,792
Law library	21,340	21,340	21,340	-
Grand and petit juries	79,425	79,425	27,289	52,136
Total Judicial	2,796,983	2,798,581	2,749,338	49,243
Executive:				
Administrator	550,442	552,948	392,797	160,151
Elections:				
Registration and elections	858,772	862,655	745,011	117,644
Financial Administration:				
Finance Office	825,037	840,648	688,218	152,430
Tax Office	685,606	695,273	406,514	288,759
State Assessment Fee	371,869	371,869	312,096	59,773
Accounting Software	400,000	400,000	397,312	2,688
Professional services	93,000	93,000	104,470	(11,470)
Total Financial Administration	2,375,512	2,400,790	1,908,610	492,180
Legal:				
Legal counsel	232,233	232,977	172,883	60,094
Other legal/professional	173,000	173,000	159,945	13,055
Total legal	405,233	405,977	332,828	73,149
Personnel Administration:				
Human Resources department	331,246	331,246	296,716	34,530
Human resources board of appeals	3,502	3,502	55	3,447
Wellness/Employee recognition	9,335	9,335	417	8,918
Total personnel administration	344,083	344,083	297,188	46,895
Planning and Zoning:				
Planning and zoning department	254,651	254,651	159,710	94,941
Land use planning	-	-	-	-
Total Planning and Zoning	254,651	254,651	159,710	94,941
General Services:				
County Building Maintenance	1,218,667	1,220,719	1,206,168	14,551
Data Processing	427,676	429,910	398,264	31,646
Total general services	1,646,343	1,650,629	1,604,432	46,197
Other general government:				
Liquor control board	127,031	127,031	97,049	29,982
Insurance	467,660	467,660	494,089	(26,429)
Employee benefits	451,500	212,080	86,929	125,151
Post retirement benefits	655,000	655,000	969,649	(314,649)
Total Other General Government	1,701,191	1,461,771	1,647,716	(185,945)
Total General Government	11,113,447	10,912,322	10,010,531	901,791

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

EXPENDITURES: EXPENDITURES (Continued):	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Safety:				
Police:				
Police Department	2,198,877	2,254,016	2,635,289	(381,273)
Sheriffs department	1,412,179	1,455,874	1,607,968	(152,094)
C3I Unit	13,000	13,000	23,705	(10,705)
Safe School	272,341	272,341	282,931	(10,590)
Total Police	3,896,397	3,995,231	4,549,893	(554,662)
Fire and rescue:				
Emergency medical services	3,971,827	4,006,566	4,619,072	(612,506)
Length of service award	270,000	270,000	90,765	179,235
Volunteer fire companies	1,148,050	1,148,050	1,163,613	(15,563)
Total Fire	5,389,877	5,424,616	5,873,450	(448,834)
Correction:				
County detention center maintenance	244,826	244,826	190,150	54,676
County detention center	7,960,372	8,009,392	8,247,228	(237,836)
Juvenile service grant	14,300	14,300	112	14,188
Alternative sentencing	408,562	411,459	419,181	(7,722)
Home detention grant	168,556	168,556	151,873	16,683
Total Correction	8,796,616	8,848,533	9,008,544	(160,011)
Other Protection:				
Permits & enforcement	268,281	270,146	267,751	2,395
Emergency Management Agency	202,766	206,844	250,317	(43,473)
Local Emergency Board	15,000	15,000	-	15,000
Animal control	414,837	414,837	414,837	-
911	2,542,272	2,583,995	3,163,749	(579,754)
Hazardous materials operations	73,000	73,000	73,292	(292)
Emergency Services	159,525	159,525	131,605	27,920
Domestic preparedness grant	400,000	400,000	315,588	84,412
Building Codes	60,556	60,556	42,365	18,191
Code Enforcement	91,136	91,136	100,411	(9,275)
Transportation planning	175,188	175,188	158,320	16,868
Total Other Protection	4,402,561	4,450,227	4,918,235	(468,008)
Total Public Safety	22,485,451	22,718,607	24,350,122	(1,631,515)
Public Works:				
Public Services:				
Highway department	8,462,805	8,766,814	8,337,679	429,135
Airport	240,000	240,000	240,000	-
Waste collection:				
Solid waste disposal	423,244	423,244	523,435	(100,191)
Solid waste recycling	282,874	284,731	193,212	91,519
UPRC	485,700	485,700	485,700	-
County engineer	1,049,925	1,129,907	1,182,653	(52,746)
Total Public Works	10,944,548	11,330,396	10,962,679	367,717

Continued

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued):				
Health and Hospitals:				
Brook Building	243,405	243,405	173,305	70,100
Willowbrook Office	349,000	349,000	282,714	66,286
Health Department supplemental	28,568	238,568	221,188	17,380
Western Maryland Health Planning	12,000	12,000	-	12,000
Total Health and Hospitals	632,973	842,973	677,207	165,766
Social Services:				
Nursing Home costs	110,000	110,000	37,061	72,939
Pauper's burials	1,300	1,300	-	1,300
Human Resources Devel. Comm.	744,946	744,946	804,664	-
Emergency solution program	281,000	281,000	451,455	(170,455)
Child abuse coordinator	147,689	147,689	147,881	(192)
Family Crisis Center	88,800	88,800	88,800	-
Promoting Safe/Stable Families	-	-	-	-
Total Social Services	1,373,735	1,373,735	1,529,861	(96,408)
Recreation and Culture:				
Agriculture Expo	13,000	13,000	11,659	1,341
Allegany County Arts Council	35,000	35,000	35,000	-
Allegany County fair	589,016	589,016	172,718	416,298
Highland trail operations	137,552	137,552	87,692	49,860
Cumberland Summer Theatre	12,000	12,000	12,000	-
Program Open Space	869,000	869,000	209,888	659,112
Total Recreation and Culture	1,655,568	1,655,568	528,957	1,126,611
Conservation of Natural Resources:				
Agricultural Extension Service	170,709	170,709	169,230	1,479
Soil conservation services	173,662	173,662	173,763	(101)
Gypsy moth control	10,000	10,000	6,000	4,000
Total Conservation of Natural Resources	354,371	354,371	348,993	5,378
Community Development & Housing				
Allegany Co. Public Housing Authority	-	-	-	-
Total Community Development & Housing	-	-	-	-
Economic Development:				
Scenic railroad development	140,000	140,000	77,920	62,080
Tri-County Council	40,000	40,000	40,000	-
Tourism department	659,503	732,046	701,405	30,641
Toll House	700	700	336	364
Thrasher Museum	15,000	15,000	25,573	(10,573)
Community promotion	21,000	21,000	15,000	6,000
Total Economic Development	876,203	948,746	860,234	88,512

(continued)

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
EXPENDITURES:						
EXPENDITURES (Continued):						
<u>Appropriations to Other Governmental Units:</u>						
Grants in Lieu of Taxes	28,704	28,704	28,704	-		
Health Department	1,477,009	1,477,009	1,124,606	352,403		
Department of Social Services	11,000	127,628	131,880	(4,252)		
Total Appropriations to Other Gov't Units:	1,516,713	1,633,341	1,285,190	348,151		
<u>Miscellaneous:</u>						
Miscellaneous	91,533	91,533	51,157	40,376		
Total Miscellaneous	91,533	91,533	51,157	40,376		
<u>Payments to Component Units</u>						
Allegany Co. Board of Education	31,138,670	31,138,670	31,138,670	-		
Allegany College	7,706,856	7,706,856	7,706,856	-		
Allegany County Library	966,545	966,545	966,545	-		
Information Technology	109,829	109,829	109,829	-		
Total payments to component units	39,921,900	39,921,900	39,921,900	-		
Total Expenditures	90,966,442	91,783,492	90,526,831	1,316,379		
Excess (deficiency) of revenues over (under) expenditures	2,695,468	2,232,731	7,666,209	2,860,438		
OTHER FINANCING SOURCES (USES)						
<u>Unexpended balance - prior years</u>	760,245	1,222,982	-	(1,222,982)		
<u>Transfers In from other funds:</u>						
Transfers from special revenue funds	91,989	91,989	-	(91,989)		
Transfers from Debt Service Fund						
Transfers from enterprise funds	24,325	24,325	32,702	8,377		
Total Transfers In	116,314	116,314	32,702	(83,612)		
<u>Operating Transfers to Other Funds:</u>						
Special revenue funds:						
Transit Fund	(462,301)	(462,301)	(1,210,529)	(748,228)		
Coronavirus Fund			(694,232)			
Narcotics Task Force			-			
Gaming fund			-			
RBF			-			
Debt service Fund:						
From General government	(3,002,942)	(3,002,942)	(1,532,173)	1,470,769		
From Bureau of Police			-			
Capital Projects Fund						
Pay-Go Fund			(16,951)	(16,951)		
Capital Projects Fund						
Enterprise funds:						
Allconet	(25,000)	(25,000)	-	25,000		
Sanitary fund/Water fund	(91,784)	(91,784)	(96,914)	(5,130)		
Total operating transfers to other funds	(3,582,027)	(3,582,027)	(3,550,799)	725,460		
<u>Sale of capital assets</u>	10,000	10,000	85,932	75,932		
Total Other Financing Sources and Uses	(2,695,468)	(2,232,731)	(3,432,165)	(505,202)		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	4,234,044	\$ 2,355,238		
Fund balance, beginning			25,814,492			
Fund balance, ending			\$ 30,048,536			

ALLEGANY COUNTY, MARYLAND
BUDGETARY COMPARISON SCHEDULE
REVOLVING BUILDING FUND SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Miscellaneous	\$ 3,359,078	\$ 3,359,078	\$ 81,677	\$ (3,277,401)
Rent			3,334,691	
Federal Grants			200,000	
State Grants/Other Agencies			34,008	34,008
Total Revenues	3,359,078	3,359,078	3,650,376	(3,243,393)
EXPENDITURES				
Economic development	13,179,567	13,179,567	4,386,518	8,793,049
Total Expenditures	13,179,567	13,179,567	4,386,518	8,793,049
Excess (deficiency) of revenues over (under) expenditures	(9,820,489)	(9,820,489)	(736,142)	5,549,656
OTHER FINANCING SOURCES AND USES:				
Unexpended balance - prior years	9,915,280	9,915,280		(9,915,280)
Transfers to other funds	(94,791)	(94,791)	(135,345)	(40,554)
Sale of Assets			460,019	460,019
Total Other Financing Sources and Uses	9,820,489	9,820,489	324,674	(9,495,815)
Net change in fund balances	\$ -	\$ -	(411,468)	\$ (3,946,159)
Fund balance, beginning			8,255,907	
Fund balance, ending	\$ -	\$ -	\$ 7,844,439	

Notes to Required Supplementary Information

June 30, 2021

Budgetary Basis

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

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

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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

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

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

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

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

Sheriff Narcotics Task Force Fund - this fund accounts for expenditures needed in order to prevent the distribution and manufacture of illegal drugs. Funded with fees such as impound fees and towing fees.

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.

Cares Act-COVID 19-this fund accounts for the receipt and disbursement of federal COVID 19 funding.

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.

ALLEGANY COUNTY, MARYLAND
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

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	Sheriff Narcotics Task Force	Coronavirus CARES Fund	
ASSETS:									
Cash	\$ -	\$ 150	\$ -	\$ -	\$ 31,086	\$ 1,000	\$ -	\$ -	\$ -
Cash - restricted									
Investments	804,989						107,447	8,500	
Investments-restricted									
Receivables									
Notes and loans				173,319					
Other		1,118,781			10,022	39,230			
Due from other funds			9,739	406,642	53,165	757,335	135,136		2,425
Inventory		41,235							
Total Assets	804,989	1,160,166	9,739	579,961	94,273	905,012	143,636		2,425
LIABILITIES:									
Accounts payable		22,637		425,417		8,737	392		
Accrued payroll		31,046					1,227		
Accrued payroll fringe		16,416					95		
Due to other funds	687,193	49,074							
Amounts held in escrow					84,251	659,466	111,900		
Unavailable revenue				173,319					
Total Liabilities	687,193	119,173		598,736	84,251	669,525	112,292		
DEFERRED INFLOWS of RESOURCES:									
Grant Reimbursement not Available		1,040,993			10,022				
Total Deferred Inflows of Resources		1,040,993			10,022				
FUND BALANCES									
Nonspendable		41,235							
Restricted	117,796		9,739			235,487	31,344	2,425	
Committed									
Assigned									
Unassigned		(41,235)		(18,775)					
Total Fund Balances	117,796	-	9,739	(18,775)		235,487	31,344	2,425	
Total Liabilities, deferred inflows of resources and fund balances	\$ 804,989	\$ 1,160,166	\$ 9,739	\$ 579,961	\$ 94,273	\$ 905,012	\$ 143,636	\$ 2,425	

ALLEGANY COUNTY, MARYLAND
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	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	Sheriff Narcotics Task Force	Coronavirus CARES Fund
REVENUES:								
Other local taxes	\$ 59,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:								
Federal	-	498,099	-	170	924,065	48,408		3,706,490
State/Other	-	242,249	-	-	-	36,450		1,590,583
Service charges	-	199,190	-	-	-	-		
Fines and forfeitures	-	-	-	-	-	147,752	46,942	
Interest	-	-	-	-	-	-		
Miscellaneous	-	-	-	19,253	-	35,941	24,587	6,316
Total Revenues	59,940	939,538	-	19,423	924,065	268,551	71,529	5,303,389
EXPENDITURES:								
Current:								
General government	-	-	-	-	-	-		
Public safety	-	-	-	-	-	219,923	34,943	
Public works	-	2,078,098	-	-	-	-	-	
Health and Human Services	-	-	-	-	-	-		5,163,654
Community Development and Housing	-	-	-	425,417	924,065	-	-	
Economic development	-	-	-	-	-	-		
Payments to Other Orgs	-	-	-	-	-	-		
Payments to component units	-	-	-	-	-	-		
Debt Service:								
Principal	-	-	-	-	-	-		
Interest	-	-	-	-	-	-		
Capital Outlay:								
General government	-	-	-	-	-	-		
Public Safety	-	-	-	-	-	5,715	85,718	
Public works	132,264	78,719	-	-	-	-	-	
Health and Human Services	-	-	-	-	-	-		831,542
Education	-	-	-	-	-	-		
Recreation & Culture	-	-	-	-	-	-		
Library	-	-	-	-	-	-		
Economic development	-	-	-	-	-	-		
Miscellaneous	-	-	-	-	-	-		
Total Expenditures	132,264	2,156,817	-	425,417	924,065	225,638	120,661	5,995,196
Excess (deficiency) of revenues over (under) expenditures	(72,324)	(1,217,279)	-	(405,994)	-	42,913	(49,132)	(691,807)
OTHER FINANCING SOURCES (USES):								
Transfers in	-	1,210,529	-	-	-	-	-	694,232
Transfers out	-	-	-	-	-	-	-	
Debt issued	-	-	-	-	-	-	-	
Capital leases	-	-	-	-	-	-	-	
Sale of capital assets	-	6,750	-	425,417	-	9,275	80,985	
Total Other Financing Sources and uses	-	1,217,279	-	425,417	-	9,275	80,985	694,232
Net change in fund balances	(72,324)	-	-	19,423	-	52,188	31,853	2,425
Fund balance, beginning	190,120	-	9,739	(38,198)	-	183,299	(509)	
Fund balance, ending	\$ 117,796	\$ -	\$ 9,739	\$ (18,775)	\$ -	\$ 235,487	\$ 31,344	\$ 2,425

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

MD Relief Fund	Special Revenue Funds			Total Special Revenue Funds	Debt Service Fund	Capital Project Funds			Total Nonmajor Governmental Funds	
	Gaming Fund	State Fire, Rescue & Public Safety Fund	Rocky Gap Slots Revenue Fund			PAYGO Capital Project Fund	Total Capital Projects Funds			
	\$ 543,429	\$ -	\$ -	\$ 603,369	\$ -	\$ -	\$ -	\$ -	\$ 603,369	
598,908	-	348,889	2,560,261	5,177,232	-	854,458	854,458	-	6,031,690	
	37,300	-	-	5,377,340	-	373,557	473,557	-	5,850,897	
	-	-	-	236,490	-	19,635	19,635	-	256,125	
	-	-	-	194,694	-	-	-	-	194,694	
	156,773	158,450	-	401,320	-	-	-	-	401,320	
598,908	737,502	507,339	2,560,261	11,990,445	-	1,247,650	100,000	1,347,650	13,338,095	
	-	-	-	-	-	-	-	-	-	
	159,214	69,387	228,601	-	-	-	-	-	228,601	
	48,300	445,468	1,325,520	2,074,154	-	-	-	-	2,074,154	
	-	-	-	2,078,098	-	-	-	-	2,078,098	
	-	-	-	5,163,654	-	-	-	-	5,163,654	
232,946	-	-	1,582,428	-	-	-	-	-	1,582,428	
365,962	-	-	365,962	-	-	-	-	-	365,962	
	-	-	200,000	200,000	-	-	-	-	200,000	
	-	-	360,000	360,000	-	-	-	-	360,000	
	-	-	-	8,984,176	-	-	-	-	8,984,176	
	-	-	-	1,103,951	-	-	-	-	1,103,951	
	-	-	-	-	29,644	186,313	215,957	-	215,957	
	-	-	-	91,433	679,521	826	680,347	-	771,780	
	-	-	-	210,983	382,488	54,395	436,883	-	647,866	
	-	-	-	831,542	-	-	-	-	831,542	
	-	-	-	-	972,543	-	972,543	-	972,543	
	-	-	-	-	102,256	-	102,256	-	102,256	
	-	-	-	-	-	-	-	-	-	
598,908	207,514	445,468	1,954,907	13,186,855	10,088,127	2,166,452	241,534	2,407,986	25,682,968	
	-	529,988	61,871	605,354	(1,196,410)	(10,088,127)	(918,802)	(141,534)	(1,060,336)	
	-	-	-	-	1,904,761	16,941,396	16,951	235,163	252,114	
	-	-	-	(160,000)	(160,000)	-	(75,163)	(75,163)	(235,163)	
	-	-	-	-	522,427	-	-	-	522,427	
	-	-	-	(160,000)	2,267,188	16,941,396	16,951	160,000	176,951	
	-	529,988	61,871	445,354	1,070,778	6,853,269	(901,851)	18,466	(883,385)	
	-	-	-	-	-	-	(6,753)	-	(6,753)	
	-	556,193	808,862	416,949	2,126,455	(355,364)	(1,136,032)	1,400,029	263,997	2,035,088
	\$ -	\$ 1,086,181	\$ 870,733	\$ 862,303	\$ 3,197,233	\$ 6,497,905	\$ (2,037,882)	\$ 1,411,742	\$ (619,387)	\$ 9,068,997

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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, 2021

ASSETS	Allconet II	Allegany County Loan Fund	Total
Current Assets:			
Cash:			
Cash	\$ -	\$ -	\$ -
Receivables:			
Accounts (net)	8,641		8,641
Other	24,880	386,808	411,688
Due from other funds	147,787	592,180	739,967
Miscellaneous assets			
Total current assets	181,308	978,988	1,160,296
Non-current Assets:			
Advances to other funds		187,331	187,331
Capital assets subject			
to depreciation	5,510,589		5,510,589
Accumulated depreciation	(4,703,552)		(4,703,552)
Total noncurrent assets	807,037	187,331	994,368
Total Assets	988,345	1,166,319	2,154,664
LIABILITIES			
Current Liabilities:			
Accounts payable	15,516		15,516
Due to other funds	-		-
Miscellaneous liabilities			
Total current liabilities	15,516		15,516
Noncurrent Liabilities:			
Long term debt:			
Compensated absences	-		-
Total noncurrent liabilities	-		-
Total Liabilities	15,516		15,516
NET POSITION			
Net investment in capital assets	807,037		807,037
Unrestricted	165,792	1,166,319	1,332,111
Total Net Position	\$ 972,829	\$ 1,166,319	\$ 2,139,148

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, 2021

	Allegany County Fund	Loan	Total
OPERATING REVENUES:			
Service charges	43,906	-	43,906
Total operating Revenues	43,906		43,906
OPERATING EXPENSES:			
Rent Expense	19,584	-	19,584
Utilities	6,737	-	6,737
Repairs & maintenance	13,434	-	13,434
Professional services	27,197	-	27,197
Materials and supplies	26,507	-	26,507
Insurance	1,770	-	1,770
Miscellaneous			
Depreciation	222,779	-	222,779
Total operating expenses	318,008		318,008
Operating Income (Loss)	(274,102)		(274,102)
NON-OPERATING REVENUE (EXPENSES):			
Interest income			-
Other income (expense)			-
Total non-operating revenue (expenses)			-
Income (Loss) before contributions			
and transfers	(274,102)	-	(274,102)
Federal grants	539,761		539,761
State grants	113,692		113,692
Transfer in			-
Transfer out		(32,702)	(32,702)
Change in net position	379,351	(32,702)	346,649
Total net position - beginning	593,478	1,199,021	1,792,499
Total net position - ending	\$ 972,829	\$ 1,166,319	\$ 2,139,148

ALLEGANY COUNTY, MARYLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Allconet II	Allegany County Loan Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ 50,248	\$ 25,397	\$ 75,645
Cash payments for goods and services	(79,863)		(79,863)
Other operating revenues			-
Net cash provided by operating activities	(29,615)	25,397	(4,218)
Cash flows from noncapital financing activities:			
Advances from other funds	(205,140)	(8,355)	(213,495)
Advances to other funds	404,230	15,660	419,890
Transfers from other funds			-
Transfers to other funds		(32,702)	(32,702)
Net cash provided by noncapital financing activities	199,090	(25,397)	173,693
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(864,128)		(864,128)
Grant Revenue	653,453		653,453
Contract Bid deposit	41,200		41,200
Net cash used for capital and related financing activities	(169,475)		(169,475)
Cash flows from investing activities:			
Purchase of investments			-
Sale of investments			-
Interest on investments			-
Net cash used in investing activities			-
Net increase (decrease) in cash	0		0
Cash at beginning of the year			-
Cash at end of year	<u><u>\$ 0</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 0</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	<u><u>\$ (274,102)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (274,102)</u></u>
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	222,779		222,779
Provision for uncollectible accounts			-
Change in assets & liabilities:			-
(Increase) decrease in receivables	6,342	25,397	31,739
(Increase) decrease in prepaids			-
Increase (decrease) in acc'ts payable	15,366		15,366
Increase (decrease) in accrued payroll			-
Total adjustments	<u><u>244,487</u></u>	<u><u>25,397</u></u>	<u><u>269,884</u></u>
Net cash provided by operating activities	<u><u>\$ (29,615)</u></u>	<u><u>\$ 25,397</u></u>	<u><u>\$ (4,218)</u></u>

**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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<u>Expenditures:</u>				
Current:				
Miscellaneous:				
Paying agent fees	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Debt Service:				
Principal payments on :				
General obligation debt	1,780,679	1,780,679	8,821,002	(7,040,323)
State loans	206,981	206,981	163,174	43,807
Total principal payments	<u>1,987,660</u>	<u>1,987,660</u>	<u>8,984,176</u>	<u>(6,996,516)</u>
Interest payments on:				
General obligation debt	1,054,885	1,054,885	1,099,370	(44,485)
State loans	10,840	10,840	4,581	6,259
Total interest payments	<u>1,065,725</u>	<u>1,065,725</u>	<u>1,103,951</u>	<u>(38,226)</u>
Total Expenditures	<u>3,078,385</u>	<u>3,078,385</u>	<u>10,088,127</u>	<u>(7,009,742)</u>
Deficiency of revenues under expenditures	<u>(3,078,385)</u>	<u>(3,078,385)</u>	<u>(10,088,127)</u>	<u>7,009,742</u>
<u>Other Financing Sources and (Uses):</u>				
Unexpended Fund Balance				
Transfers from other funds:				
From the General Fund	3,002,942	3,002,942	1,532,173	(1,470,769)
From the Capital Projects Fund			15,293,226	
From the Revolving Building Fund	75,443	75,443	115,997	40,554
Transfer to General Fund				
Total Other Financing Sources and Uses	<u>3,078,385</u>	<u>3,078,385</u>	<u>16,941,396</u>	<u>(1,430,215)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>6,853,269</u>	<u>\$ (8,439,957)</u>
Fund balance, beginning				<u>(355,364)</u>
Fund balance, ending				<u>\$ 6,497,905</u>

ALLEGANY COUNTY, MARYLAND
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUN 30, 2021

	Coal Heat 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	\$ 65,000	\$ -	\$ 59,940	\$ (5,060)	\$ -	\$ -	\$ -	\$ -
Other local taxes	65,000	65,000	59,940	(5,060)	1,217,562	1,217,562	498,099	(719,463)
Intergovernmental:					565,465	565,465	242,249	(323,216)
Federal								
State								
Other								
Service charges					397,000	397,000	199,190	(197,810)
Fines and forfeitures								
Interest	5,000	5,000		(5,000)				
Miscellaneous								
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>59,940</u>	<u>(10,060)</u>	<u>2,180,027</u>	<u>2,180,027</u>	<u>939,538</u>	<u>(1,240,489)</u>
EXPENDITURES:								
General government	-	-	-	-	-	-	-	-
Public safety								
Public works	70,000	70,000	132,264	(62,264)	2,642,328	2,642,328	2,156,817	485,511
Health & Human Svcs								
Highway								
Social Services								
Community Development and Housing								
Economic development								
Education								
Miscellaneous								
Payments to Component Units								
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>132,264</u>	<u>(62,264)</u>	<u>2,642,328</u>	<u>2,642,328</u>	<u>2,156,817</u>	<u>485,511</u>
Excess (deficiency) of revenues over (under) expenditures			<u>(72,324)</u>	<u>(72,324)</u>	<u>(462,301)</u>	<u>(462,301)</u>	<u>(1,217,279)</u>	<u>(754,978)</u>
OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior			-	-	-	-	-	-
Transfer from other funds	-	-	-	-	462,301	462,301	1,210,529	748,228
Transfers to other funds	-	-	-	-				
Debt issued	-	-	-	-				
Sale of capital assets	-	-	-	-			6,750	6,750
Total Other Financing Sources and Uses					<u>462,301</u>	<u>462,301</u>	<u>1,217,279</u>	<u>754,978</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(72,324)</u>	<u>\$ (72,324)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning					<u>190,120</u>			
Fund balance, ending					<u>\$ 117,796</u>			

ALLEGANY COUNTY, MARYLAND
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

REVENUES:	Community Development Block Grant Fund				Block Grant Program Income Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
				Positive (Negative)				Positive (Negative)
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	-	-	-	-	-	170
State	-	-	-	-	-	-	-	170
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	—	—	—	—	—	—	19,253	19,253
 EXPENDITURES:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & Human Svcs	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	425,417
Economic development	-	-	-	-	-	-	-	(425,417)
Education	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Unit	-	-	-	-	-	-	-	425,417
Total Expenditures	—	—	—	—	—	—	425,417	(425,417)
 Excess (deficiency) of revenues over (under) expenditures:							(405,994)	(405,994)
 OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	425,417
Total Other Financing Sources and Uses	—	—	—	—	—	—	425,417	425,417
 Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	19,423	\$ 19,423
 Fund balance, beginning		9,739					(36,198)	
Fund balance, ending		\$ 9,739					\$ (16,775)	

ALLEGANY COUNTY, MARYLAND
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

REVENUES:	Community Development & Housing Fund				Sheriff Drug Task Force				Narcotics Drug Task Force			
	Original Budget	Fiscal 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)
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes												
Intergovernmental:												
Federal			924,065	924,065							48,408	48,408
State											36,450	36,450
Other												
Service charges												
Fines and forfeitures												
Interest												
Miscellaneous												
Total Revenues			924,065	924,065							35,941	35,941
											268,551	153,951
 EXPENDITURES:												
General government												
Public safety												
Public works												
Health & Human Svcs												
Highway												
Social Services												
Community Development and Housing			924,065	(924,065)								
Economic development												
Education												
Miscellaneous												
Payments to Component Units												
Total Expenditures			924,065	(924,065)							225,638	(111,038)
Excess (deficiency) of revenues over (under) expenditure											42,913	42,913
 OTHER FINANCING SOURCES AND (USES):												
Unexpended balance - prior												
Transfers from other funds												
Transfers to other funds												
Debt issued												
Sale of capital assets											9,275	9,275
Total Other Financing Sources and Uses											9,275	9,275
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	52,188	\$ 52,188
Fund balance, beginning											183,299	
Fund balance, ending											\$ 235,487	

ALLEGANY COUNTY, MARYLAND
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Coronavirus CARES ACT & MD Relief					Gaming Fund			Revolving Building Fund			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)	Original Budget	Final Budget	Actual	
REVENUES:												
Taxes - State Shared	\$ -	\$ -	\$ -	\$ 384,000	\$ 384,000	\$ 543,429	\$ 159,429					
Other local taxes												
Intergovernmental:												
Federal	163,689	3,706,490	3,542,801									200,000
State	1,906,547	2,189,491	282,944									34,008
Other												34,008
Service charges			31,000	31,000		37,300	6,300					
Fines and forfeitures												
Interest												
Rent/Miscellaneous	6,316	6,316				156,773	156,773		3,359,078	3,359,078	3,416,368	57,290
Total Revenues	3,076,552	5,902,297	3,825,745	415,000	415,000	737,302	322,502		3,359,078	3,359,078	3,692,376	291,298
EXPENDITURES:												
General government			177,409	178,645		159,214	19,431					
Public safety			59,398	59,398		48,300	11,098					
Public works												
Health & Human Svcs	6,903,344	5,995,196	908,148									
Highway												
Social Services												
Community Development and Housing		232,946	(232,946)									
Economic development	365,962	(365,962)										
Education												
Miscellaneous												
Payments to Component Units			178,193	178,193		178,193						
Total Expenditures	6,903,344	6,594,104	309,240	415,000	416,236	207,514	208,722		13,179,567	13,179,567	4,386,518	8,793,049
Excess (deficiency) of revenues over (under) expenditure:		(4,826,792)	(691,807)	3,516,505		(1,236)	529,988	531,224	(9,820,489)	(9,820,489)	(736,142)	9,084,347
OTHER FINANCING SOURCES AND (USES):												
Unexpended balance - prior years	4,826,792		(4,826,792)						9,915,280	9,915,280		(9,915,280)
Transfer from other funds		694,232	694,232			1,236		(1,236)				
Transfers to other funds									(94,791)	(94,791)	(135,345)	(40,554)
Debt issued												
Sale of capital assets											460,019	460,019
Total Other Financing Sources and Uses	-	4,826,792	694,232	(4,132,560)		1,236		(1,236)	9,820,489	9,820,489	324,674	(9,495,815)
Net change in fund balances	\$ -	\$ 2,425	\$ (616,055)	\$ -	\$ -	\$ 529,988	\$ 529,988	\$ -	\$ -	\$ -	\$ (411,468)	\$ (411,468)
Fund balance, beginning							556,193					8,255,907
Fund balance, ending								\$ 1,096,181				\$ 7,844,439

ALLEGANY COUNTY, MARYLAND
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

REVENUES:	Fire, Rescue & Public Safety Fund			Rocky Gap Slots Revenue Fund			Total Special Revenue Funds		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449,000	\$ 449,000	\$ 603,369
Other local taxes									
Intergovernmental:									
Federal									
State	335,970	335,970	348,889	12,919	2,445,978	2,445,978	2,560,261	114,283	1,217,562
Other									1,381,251
Service charges	34,000	34,000		(34,000)					5,377,232
Fines and forfeitures									3,995,981
Interest									2,603,366
Miscellaneous	46,000	46,000	158,450	112,450					
Total Revenues	415,970	415,970	507,339	91,369	2,445,978	2,445,978	2,560,261	114,283	6,554,675
									3,811,394
									3,817,688
									406,294
EXPENDITURES:									
General government					562,989	562,989	69,387	493,602	177,409
Public safety	415,970	415,970	445,468	(29,498)	1,162,989	1,162,989	1,325,520	(162,531)	589,968
Public works									589,968
Health & Human Svcs									2,165,587
Highway									1,375,619
Social Services									2,289,081
Community Development									(423,247)
and Housing									
Economic development									5,995,196
Education									(908,148)
Misc					200,000	200,000	200,000		
Payments to Component Uni					360,000	360,000	360,000		
Total Expenditures	415,970	415,970	445,468	(29,498)	2,285,978	2,285,978	1,954,907	331,071	13,179,567
									13,179,567
									4,752,480
									(8,427,087)
Excess (deficiency) of revenues over (under) expenditure			61,871	61,871	160,000	160,000	605,354	605,354	(10,282,790)
									(15,110,818)
									(1,932,552)
									840,922
OTHER FINANCING SOURCES AND (USES):									
Unexpended balance - prior									9,915,280
Transfer from other funds									14,742,072
Transfers to other funds									462,301
Debt issued					(160,000)	(160,000)	(160,000)		463,537
Sale of capital assets									(94,791)
Total Other Financing Sources and Uses									(94,791)
Net change in fund balances	\$ -	\$ -	61,871	\$ 61,871	\$ -	\$ -	445,354	\$ 605,354	\$ -
Fund balance, beginning,									10,382,362
Fund balance, ending									\$ 11,041,672

**ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES:	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)
Intergovernmental								
Federal grants			\$ 854,458	\$ 854,458				\$ -
State grants	1,338,700	1,338,700	373,557	(965,143)			100,000	100,000
Other			19,635	19,635				
Other Taxes								
Miscellaneous:								
Interest								
Miscellaneous								
Total Revenues	1,338,700	1,338,700	1,247,650	(91,050)			100,000	100,000
EXPENDITURES:								
General Government			29,644	(29,644)			186,313	(186,313)
Public Safety			679,521	(679,521)			826	(826)
Public Works	1,338,700	1,338,700	382,488	956,212			54,395	(54,395)
Health								
Social Services								
Education			972,543	(972,543)				
Recreation, Culture & Libraries			102,256	(102,256)				
Conservation of Natural Resources								
Economic Development								
Miscellaneous								
Payments to component units								
Total Expenditures	1,338,700	1,338,700	2,166,452	(827,752)			241,534	(241,534)
Excess (deficiency) of revenues over (under) expenditures	-	-	(918,802)	(918,802)			(141,534)	(141,534)
OTHER FINANCING SOURCES AND USES:								
Unexpended fund balance								
Transfers In:								
From other funds			16,951	16,951			235,163	235,163
Transfers Out:								
To other funds							(75,163)	(75,163)
Debt issued/Premium								
Capital leases								
Sale of capital assets								
Total Other Financing Uses	-	-	16,951	16,951			160,000	160,000
Net change in fund balances	\$ -	\$ -	(901,851)	\$ (901,851)	\$ -	\$ -	18,466	\$ 18,466
Fund balance, beginning			(1,136,032)				1,393,276	
Fund balance, ending			\$ (2,037,883)				\$ 1,411,742	

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

Public Improvement Bonds Capital Projects Fund				Total All Capital Projects				Variance With Final Budget	
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Positive (Negative)	Positive (Negative)	Positive (Negative)
\$ 510,000	\$ 510,000		\$ (510,000)	\$ 510,000	\$ 510,000	\$ 854,458	\$ 344,458		
		873,531	873,531	1,338,700	1,338,700	473,557	(865,143)		
						893,166	893,166		
		158,175	158,175					158,175	158,175
510,000	510,000	1,031,706	521,706	1,848,700	1,848,700	2,379,356		530,656	
		1,995,516	(1,995,516)				2,211,473	(2,211,473)	
		685,384	(685,384)				1,365,731	(1,365,731)	
1,275,000	1,275,000	2,040,643	(765,643)	2,613,700	2,613,700	2,477,526		136,174	
		623,484	(623,484)				1,596,027	(1,596,027)	
							102,256	(102,256)	
1,275,000	1,275,000	5,345,027	(4,070,027)	2,613,700	2,613,700	7,753,013		(5,139,313)	
(765,000)	(765,000)	(4,313,321)	(3,548,321)	(765,000)	(765,000)	(5,373,657)		(4,608,657)	
765,000	765,000		(765,000)	765,000	765,000			(765,000)	
							252,114	252,114	
		(15,293,227)	(15,293,227)				(15,368,390)	(15,368,390)	
		18,572,346	18,572,346				18,572,346	18,572,346	
765,000	765,000	3,279,119	2,514,119	765,000	765,000	3,456,070		2,691,070	
\$ -	\$ -	(1,034,202)	\$ (1,034,202)	\$ -	\$ -	(1,917,587)		\$ (1,917,587)	
		8,224,644				8,488,641			
		\$ 7,190,442				\$ 6,564,301			

CAPITAL PROJECT FUNDS

SCHEDULES OF REVENUES, EXPENDITURES AND PROJECT BALANCES

FROM INCEPTION TO JUNE 30, 2021

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project	Revenues and other Sources						
		Proj. No.	Length Budget	Federal Grants	State Grants	Other Intergov'l	Service Charges	Miscellaneous Revenues
Capital Improvement Projects Fund								
Bureau of Mines	4082	683,000		697,637				
New Hope Bridge	4083	130,000		121,853				
Cash Valley Road	4084	675,100		674,237				
Disaster Recovery	4085	250,000		304,773				
Flood buyouts	4087	10,797						
Detention Center HVAC	408A	435,000		433,692				
Ortman Road Bridge	408B	6,939,000		2,008,458	3,709			69,893
Bridge Industrial Park	408C	700,000						
Fairgrounds	408F	150,000						117,588
Allegany High School	408H	2,000						
Potomac Hollow Road Bridge	408P	795,000		733,778				
Evitts Creek	408Q	86,350			164,268			
Takoma Drainage	408T	375,000			384,864			
Tree Planting Grant	408U	175,000			267,195			
Emergency Watershed	408V	50,000			127,591			
Rural Legacy	408W	327,326			2,081,543			26,375
Shaft	408X	300,000			290,318			
Frostburg Pond	408Y	800,000			795,439			
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				
Allegany Community College	4140	93,000						
Allegany Museum	4141	300,000		120,964			60,000	
Iron Rail Project	4142	450,000			13,338			1,725
BS Bridge	4143	250,000					105,035	
Old Miller	4144	300,000			262,040			
Bordon Tunnel	4145	183,000		140,587			18,300	
LWC	4146	180,000			30,009			71,000
Camb St Bridge	4147	15,000					68,430	
Alleg High School Demo	4148	63,000						
Brodie Road	4149	500,000			145,548			
Georges Creek SS	4150	150,000						
FEMA Trailer Park	4151	1,000,000		674,960			11,210	
MTA Hub	421C	30,000					24,735	
Highland Trail	410X	10,606,000		3,224,644	6,032,859	6,772		220,916
				12,010,093	11,697,721	283,727	339,800	507,497
Pay-As-You-Go Capital Project Fund								
Computer Network	418I	350,000						
Roads Paving Program	418R	5,666,608					40,000	10,000
LeVale Blvd Storm Drain	420O	1,500,000			110,435	10,000		154,500
Software upgrade	420S	805,369		230,856				
Disaster Emergency Capital	420V	200,000						
Caretaker House	420Y	100,000						
OP Roads Improvements	4203	733,123					16,392	
Washington St Columns	4204	220,000						
Bridge Street bridge	4207	416,000						
Drainage improvements	4208	87,500						3,997
Mt Savage Roof	4210	123,000						
Fiber infrastructure	421A	270,000						
Dans Mt Tower	421B	75,000		30,000				
Library Repairs	421F	430,000			1,826,288			5,500
Sheriff Building	421H	800,000						4,000
Altcone	421J	100,000						
Rocky Gap Slots-Bd of ED	421M	407,775						
Rocky Gap Slots-County	421N	407,775						
Sheriff K-9	421S	6,000						
County bldg improvements	418I	651,681		18,981			100,000	226,259
				249,837	140,435	1,936,288	56,352	404,256
Public Improvement Bonds Capital Project Fund								
2013 PIB Closing Costs	4331							
2013 Taxable Bond Closing Costs	4333							
2013 PIB Bond Interest	433Y							
2014 PIB Educational Bond Closing	4341	150,000						26,532
2014 PIB Educational Bond Costs	4342	13,593,905			500,000			105,831
EMS Radio system	4351	6,000,000		505,500				
ACC Building	4352	1,100,000						
Woodcock	4353	1,000,000			530,511			
Bridge Rehab	4354	680,000						
Bowling Green Stormwater	4355	300,000						
Bond Costs	4357	250,000						
BelAir Roof	4358	235,000						
Parcide Roof	4359	185,000						
CAD System	4381	3,000,000						
AC Tech Bldg	4382	2,700,000						
County Bridges	4383	2,500,000						
County Building	4384	250,000						
AC Roof	4385	450,000						
Roads Equipment	4386	525,000						
Roads Garage	4387	850,000						
LeVale Library	4388	400,000					1,064,214	
Bond Costs	4389	1,023,968						
Bond Interest	438Z							446,181
2020 Bond Proceeds/Costs	4391-4399	18,572,348					9,744	
				505,500	1,030,511	1,064,214		588,288
Total Capital Project Funds				\$ 12,765,430	\$ 12,868,667	\$ 3,283,774	\$ 396,192	\$ 1,500,041

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

Revenues and other Sources			Expenditures and other Uses			Remaining	
Debt Proceeds	Transfers In	Total Sources	Expenditures	Transfers Out	Total Uses	Project Balance	Project Budget
		697,637	697,637		697,637	-	(14,637)
46,613		168,466	168,466		168,466	-	(38,466)
863		675,100	675,100		675,100	-	
200		304,973	304,973		304,973	-	(54,973)
11,591		11,591	378	11,213	11,591	-	(794)
395,654		829,346	829,346		829,346	-	(394,346)
308,888		2,390,948	3,033,353	-	3,033,353	(642,405)	3,905,647
770,430		770,430	799,469		799,469	(29,039)	(99,469)
18,521		136,109	271,919		271,919	(135,810)	(121,919)
133,780		133,780	132,419	2,267	134,686	(906)	(132,686)
251,693		985,471	985,471		985,471	-	(190,471)
		164,268	162,526	1,742	164,268	-	(77,918)
		384,864	374,653	10,211	384,864	-	(9,864)
1,742		268,937	267,542		267,542	1,395	(92,542)
72,462		200,053	200,053		200,053	-	(150,053)
		2,107,918	2,006,140		2,006,140	101,778	(1,678,614)
		290,318	285,619		285,619	4,699	14,381
715		796,154	797,180		797,180	(1,026)	2,820
94,527		386,613	387,328		387,328	(715)	132,672
220,000		4,215,023	4,079,612	135,411	4,215,023	-	(500,023)
123,360		138,360	118,773		118,773	19,587	(48,773)
62,284		62,284	74,817		74,817	(12,533)	18,183
		180,964	300,495		300,495	(119,531)	(493)
		15,063	5,000		5,000	10,063	445,000
		105,035	120,211		120,211	(15,176)	129,789
		262,040	262,092		262,092	(52)	37,908
16,951		175,838	175,838		175,838	-	7,162
		101,000	223,894		223,894	(122,894)	(43,894)
		68,430	68,430		68,430	-	(53,430)
2,267		2,267	1,031,541		1,031,541	(1,029,274)	(971,541)
		145,548	145,548		145,548	-	354,452
		69,943	69,943		69,943	(69,943)	80,057
		686,170	679,521		679,521	6,649	320,479
		24,735	27,484		27,484	(2,749)	2,516
		423,221	9,908,412		9,908,412	-	697,588
		2,955,762	27,794,145	29,671,183	160,844	29,832,027	(2,037,882)
							1,473,746
		363,039	363,039	159,314	5,725	165,039	200,000
		6,163,379	6,213,379	5,693,254	95,336	5,788,590	424,989
		982,612	1,257,547	1,056,125	-	1,056,125	201,422
		805,309	1,036,165	1,056,528	-	1,056,528	(20,363)
		400,000	400,000	99,342	200,200	299,542	100,458
		155,300	155,300	147,163	18,522	165,685	(10,385)
		881,770	898,162	979,857	-	979,857	(81,695)
		270,196	270,196	276,951	-	276,951	(6,755)
		416,000	416,000	445,672	-	445,672	(29,672)
		61,413	65,410	93,835	-	93,835	(28,425)
		125,000	125,000	-	-	125,000	125,000
		200,000	200,000	124,837	75,163	200,000	-
		123,500	153,500	153,500	-	153,500	-
		196,842	2,028,630	2,021,877	-	2,021,877	6,753
		880,000	884,000	825,470	58,530	884,000	-
		50,000	30,000	80	-	80	49,920
		626,279	626,279	485,682	-	485,682	140,597
		626,279	626,279	246,476	137,038	383,514	242,765
		6,000	6,000	970	-	970	5,030
		482,693	827,933	735,831	-	735,831	92,102
		13,817,811	16,605,019	14,602,764	590,514	15,193,278	1,411,742
							(1,921,507)
		226,935	226,935	228,754	-	228,754	(1,819)
		36,017	56,017	53,636	-	53,636	2,381
		1,096	1,096	1,666	-	1,666	(570)
146,446		172,978	156,302	-	156,302	16,676	(6,302)
9,593,905	4,000,000	14,199,736	13,303,193	133,780	13,436,973	762,763	156,932
5,000,000	1,000,000	6,505,500	8,066,629	-	8,066,629	(1,561,129)	(2,066,629)
1,100,000		1,100,000	44,706	-	44,706	1,055,294	1,055,294
1,000,000		1,530,511	2,565,391	-	2,565,391	(1,034,880)	(1,563,391)
680,000		680,000	412,645	300,318	712,963	(32,963)	(32,963)
300,000		300,000	-	-	-	300,000	300,000
250,000		250,000	99,484	-	99,484	150,516	150,516
235,000		235,000	-	-	-	235,000	235,000
185,000		185,000	91,500	-	91,500	93,500	93,500
3,000,000		3,000,000	956,918	-	956,918	2,043,082	2,043,082
2,700,000		2,700,000	2,824,554	-	2,824,554	(124,554)	(124,554)
2,500,000		2,500,000	720,994	-	720,994	1,779,006	1,779,006
250,000		250,000	549,899	-	549,899	(289,899)	(289,899)
450,000		450,000	-	-	-	450,000	450,000
525,000		525,000	1,265,821	-	1,265,821	(740,821)	(740,821)
850,000		850,000	782,695	-	782,695	67,305	67,305
400,000		1,464,214	1,563,183	-	1,563,183	(98,969)	(1,163,183)
1,023,968		1,023,968	227,754	-	227,754	796,214	796,214
		446,181	109,375	-	109,375	336,806	(109,375)
18,572,348		18,582,092	291,598	15,293,226	15,384,764	2,997,328	2,987,584
49,044,619	5,001,096	57,734,228	34,316,637	15,727,324	50,043,961	7,190,442	3,721,260
\$ 49,044,619	\$ 21,774,669	\$ 101,633,392	\$ 78,390,384	\$ 16,478,682	\$ 95,069,266	\$ 6,564,303	\$ 3,273,499

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CAPITAL PROJECT FUNDS

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

FOR THE YEAR ENDED JUNE 30, 2021

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, 2021

	Disaster Recovery (4085)	Brodie Road (4149)	Geroses Creek SS (4150)	Orleans Rd Bridge (408B)	Fema Trailer Park (4151)	Evitts Creek (408Q)	Dry Run (409L)	ACM (4140)	Iron Rail (4142)	MTA Hub (421C)	Bridge Ind Park (408C)
REVENUES:											
Intergovernmental:											
Federal:											
FEMA	\$ -		\$ -	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CDBG				\$ 24,960							
Highway				\$ 125,745							
State:											
Dept of Natural Resources	145,548										
State Highway											
MD Transit											24,735
Other Agencies											
Service charges					11,210						
Miscellaneous:											
Interest											
Miscellaneous											
Total Revenues	-	145,548	-	125,745	686,170	-	-	-	-	24,735	-
EXPENDITURES:											
Public Safety					679,521						
Public Works	145,548	69,943	241								16,490
General Govt											
Rec & Culture											
Education											
Total Expenditures	-	145,548	69,943	241	679,521	-	-	-	-	16,490	-
OTHER FINANCING SOURCES and (USES):											
Transfers-in from:											
General Fund											
Other funds											
Transfer Out											
Total Other Financing Sources and Uses											
Net change in fund balances	-	-	(69,943)	125,504	6,649	-	-	-	-	8,245	-
Fund Balance, beginning	200	-	(69,943)	(767,909)	-	(200)	(715)	(12,533)	10,063	(10,994)	(29,039)
Fund Balance, Ending	\$ 200	\$ -	\$ (69,943)	\$ (642,405)	\$ 6,649	\$ (200)	\$ (715)	\$ (12,533)	\$ 10,063	\$ (2,749)	\$ (29,039)

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, 2021

Allegany High School (408H)	Shaft Stream (408X)	ACM (4141)	BS Bridge (4143)	Fairgrounds (408F)	PR Water Study (409T)	Tree Planting (408U)	Frostburg Pond (408Y)	Rural Legacy (408W)	Old Miller (4144)	Borden Tunnel (4145)	LWC (4146)	Cumb St Bridge (4147)	Alleg HS Demo (4148)	Fund Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,000
														24,960
														179,498
														\$ 53,753
11,509														157,057
														24,735
	105,035													191,765
		8,425												19,635
11,509	-	105,035	8,425	-	-	-	-	-	-	72,053	-	68,430	-	1,247,650
6,084		89,874				347								679,521
			29,644											382,488
														29,644
														102,256
6,084	-	89,874	29,644	-	347	-	-	-	-	55,131	47,125	-		972,541
														972,541
														2,166,450
														16,951
														16,951
														16,951
5,425	-	15,161	(21,219)	-	(347)	-	-	-	-	33,873	(47,125)	14,469	(972,541)	(901,849)
(906)	(726)	(119,531)	(30,337)	(114,591)	19,587	1,742	(1,026)	101,778	(52)	(33,873)	(75,769)	(14,469)	(56,733)	(1,136,033)
\$ (906)	\$ 4,699	\$ (119,531)	\$ (15,176)	\$ (135,810)	\$ 19,587	\$ 1,395	\$ (1,026)	\$ 101,778	\$ (52)	\$ -	\$ (122,894)	\$ -	\$ (1,029,274)	\$ (2,037,882)

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, 2021

	Computer Network	Roads Paving Program	Dan's Mountain Tower	LaValc Storm Drains	Gen Ledger Software Upgrades	Public Safety Emergency Capital	Caretaker House	Road Improv
REVENUES:	(418I)	(418R)	(421B)	(420O)	(420S)	(420V)	(420Y)	(4203)
Intergovernmental:								
Federal grants:								
RDA grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Homeland Security								
State grants:								
Maryland highway grant								
Misc State Grant								
State Highway Users Tax								
Other Agency								
Miscellaneous:								
Interest								
Miscellaneous								
Total Revenues								
EXPENDITURES:								
General Government								
Public safety								
Public works				7,800				46,595
Recreation & culture								
Education								
Total Expenditures				7,800				46,595
OTHER FINANCING SOURCES and (USES):								
Transfers-in from:								
General fund								
Other funds			73,500					
Transfers -out to:								
Other funds								
Debt proceeds, capital lease								
Total Other Financing Sources and Uses			73,500					
Net change in fund balances			73,500	(7,800)				(46,595)
Fund Balance, beginning	200,000	424,989	(73,500)	209,222	(20,363)	100,458	(10,385)	(35,100)
Adjustment								
Fund Balance, Ending	\$ 200,000	\$ 424,989	\$ -	\$ 201,422	\$ (20,363)	\$ 100,458	\$ (10,385)	\$ (81,695)

**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, 2021**

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, 2021

ENTERPRISE FUNDS
COMBINING SCHEDULES

WATER DISTRICTS
COMBINING SCHEDULE OF
REVENUES, EXPENSES
AND CHANGES IN
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, 2021

	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	\$ 28,913	\$ 146,174	\$ 39,130	\$ 16,018	\$ 61,379	\$ 37,329	\$ 454,014	\$ 142,429	\$ 762,801
Miscellaneous	26,315								
Total Operating Revenues	55,228	146,174	39,130	16,018	61,379	37,329	454,014	142,429	762,801
OPERATING EXPENSES:									
Salaries	19,925	5,392		13,362		63,135	19,613	61,416	
Fringe benefits	11,843	3,205		7,942		37,526	11,657	36,504	
Utilities	58,915	15,418		63,689	13,604	176,157	73,811	588,899	
Repairs and maintenance	7,100	1,921		4,761		22,496	6,988	21,883	
Professional fees	388	105		260		1,228	382	1,195	
Materials and supplies	2,332	631		1,564		7,390	2,296	7,189	
Indirect cost	8,631	2,335		5,788		27,348	8,495	26,603	
Miscellaneous	175	48		117		552	172	537	
Depreciation	41,431	18,712	44,422	45,689	13,604	114,473	74,119	50,798	
Total Operating Expenses	150,740	47,766	44,422	143,170	13,604	450,305	197,533	795,025	
Operating Income (Loss)	55,228	(4,566)	(8,636)	(28,404)	(81,791)	23,725	3,709	(55,104)	(32,224)
NON-OPERATING REVENUE (EXPENSES):									
Interest income	7,643	2,179	501		3,921		7,725	3,725	11,154
Interest expense	(2,455)	(19,853)	(3,626)	(12,781)	(12,064)			(30,333)	(34,592)
Total Non-operating Revenue (Expenses)	5,188	(17,674)	(3,125)	(12,781)	(8,143)		7,725	(26,608)	(23,438)
Income Before Contributions and Transfers	60,416	(22,240)	(11,761)	(41,185)	(89,934)	23,725	11,434	(81,712)	(55,662)
Capital Contributions:							88,895		
Federal grants									
State grants									
Other governments									
Transfers in:									
General fund									
SR-CDBG									
Revolving Building Fund				19,348					
Transfers Out									
Change in Net Position	\$ 60,416	\$ (22,240)	\$ (11,761)	\$ (21,837)	\$ (89,934)	\$ 23,725	\$ 100,329	\$ (81,712)	\$ (55,662)

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, 2021

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, 2021

	General Fund 511	Bowling Green 516	Cresaptown 517	Braddock Run 518	Bedford Road 519	Jennings Run/Wills Creek 520	McCoole 521	Oldtown 522
OPERATING REVENUES:								
Service charges	\$ 12,941	\$ 412,955	\$ 382,739	\$ 1,303,032	\$ 542,874	\$ 499,579	\$ 71,044	\$ 20,219
Miscellaneous	18,639			28,166				
Total Operating Revenues	31,580	412,955	382,739	1,331,198	542,874	499,579	71,044	20,219
OPERATING EXPENSES:								
Wages and salaries	4,777	125,236	112,548	131,804	174,942	158,075	29,406	6,568
Employee benefits	2,595	68,043	61,150	71,612	95,050	85,886	15,977	3,568
Office expenses	345	9,050	8,133	9,524	12,641	11,423	2,125	475
Utilities	1,971	51,673	46,438	54,383	72,182	65,222	12,133	2,710
Repairs and maintenance	1,908	50,028	44,959	57,781	69,884	63,146	11,747	2,624
Water/Sewage treatment costs	9,059	237,512	213,449	249,968	331,781	299,792	55,769	12,456
Professional fees	143	3,762	3,380	3,959	5,254	4,748	883	197
Materials and supplies	1,631	42,765	38,432	45,007	59,738	53,978	10,041	2,243
Insurance	598	15,687	14,098	16,510	21,913	19,800	3,683	823
Indirect cost	1,920	50,333	45,234	52,973	70,310	63,531	11,818	2,640
Miscellaneous	100	2,627	2,361	2,765	3,670	3,316	617	138
Depreciation	3,491	95,558	85,757	278,020	204,876	230,117	52,373	18,580
Total Operating Expenses	28,539	752,273	675,939	974,305	1,122,242	1,059,033	206,572	53,020
Operating Income (Loss)	3,041	(339,318)	(293,200)	356,893	(579,368)	(559,454)	(135,528)	(32,801)
NON-OPERATING REVENUE (EXPENSES):								
Real and personal property taxes		198,629	183,217	189,548	136,092	54,304	4,597	946
Interest & Penalties, taxes		7,105	6,641	6,555	5,490	4,725	265	49
Discounts, taxes		(1,086)	(929)	(1,033)	(763)	(274)	(26)	(5)
Collection fees		(4,686)	(4,218)	(4,392)	(3,292)	(1,318)	(117)	(24)
Front footage assessments		-	-	-	-	14,931	-	-
Interest income		7,183	8,162	6,207	13,465	10,655	1,228	1,092
Interest income, debt service		-	-	-	-	-	-	-
Interest expense	(8,260)	(40,255)	(37,159)	(67,566)	(21,197)	(16,142)	-	-
Gain (Loss) on disposal of assets		-	-	-	-	-	-	-
Total Nonoperating revenue (expenses)	(8,260)	166,890	155,714	129,319	129,795	66,881	5,947	2,058
Income Before Contributions and Transfers	(5,219)	(172,428)	(137,486)	486,211	(449,573)	(492,573)	(129,581)	(30,743)
Capital Contributions:					328,241			
Federal								
State								
Other								
Transfers in		3,099			5,130			
Transfers out					(3,099)			
Change in Net Position	(2,120)	(172,428)	(137,486)	816,483	(449,573)	(492,573)	(129,581)	(30,743)
Net position - beginning	3,018,673	1,512,078	2,615,469	1,492,393	(1,797,306)	(2,436,203)	(1,046,797)	(736,554)
Net position - ending	\$ 3,016,553	\$ 1,339,650	\$ 2,477,983	\$ 2,308,876	\$ (2,246,879)	\$ (2,928,776)	\$ (1,176,378)	\$ (767,297)

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, 2021

Flintstone	Georges Creek	Franklin/ Brophytown	Celanese Treatment	Mexico Farms	Cash Valley Road	Oldtown Road	Barton Industrial Park	Total All Districts
523	524	525	526	527	528	529	530	5,412,077
\$ 39,726	\$ 978,134	\$ 53,331	\$ 569,936	\$ 377,783	\$ 22,381	\$ 117,667	\$ -	73,705
<u>39,726</u>	<u>978,134</u>	<u>53,331</u>	<u>596,836</u>	<u>377,783</u>	<u>22,381</u>	<u>117,667</u>	<u>7,736</u>	<u>5,485,782</u>
10,897	294,207	11,941		28,361	11,941	45,377		1,146,080
5,920	159,849	6,488		15,409	6,488	24,655		622,690
787	21,260	863		2,049	863	3,279		82,816
4,496	121,391	4,927		11,702	4,927	18,723		472,878
4,353	117,527	4,770		11,329	4,770	18,127		462,953
20,666	557,969	22,647		53,787	22,647	86,059		2,173,560
327	8,837	359		852	359	1,363		34,423
3,721	100,464	4,078		9,684	4,078	15,495		391,355
1,365	36,852	1,496		3,552	1,496	5,684		143,557
4,379	118,244	4,799		11,398	4,799	18,238		460,617
229	6,172	251		595	251	952		24,042
27,456	1,051,181	13,388	457,145	47,776	22,502	77,098	48,558	2,713,875
84,595	2,593,952	76,007	457,145	196,495	85,121	315,049	48,558	8,728,847
(44,869)	(1,615,818)	(22,676)	139,692	181,288	(62,740)	(197,382)	(40,822)	(3,243,065)
1,288	318,962	2,022		10,316	12,425	36,385		1,148,731
152	19,995	58		374	975	900		53,284
(7)	(1,677)	(3)		(59)	(53)	(207)		(6,122)
(35)	(7,908)	(48)		(250)	(325)	(830)		(27,443)
-	-	-		-	-	-		14,931
1,082	29,613	684	17,682	5,549	716	1,691		105,009
(79,825)	-	-	(26,163)	-	(3,920)	(15,482)	-	(315,966)
2,480	279,160	2,713	(8,481)	15,930	9,818	22,457	-	972,424
(42,389)	(1,336,658)	(19,963)	131,211	197,218	(52,922)	(174,925)	(40,822)	(2,270,641)
								328,241
			90,000					90,000
								0
			43,784				48,000	100,013
								(3,099)
(42,389)	(1,336,658)	(19,963)	264,995	197,218	(52,922)	(174,925)	7,178	(1,755,485)
(517,822)	26,428,921	748,630	12,174,800	2,731,383	49,144	1,182,135	892,491	46,311,436
\$ (560,211)	\$ 25,092,263	\$ 728,667	\$ 12,439,795	\$ 2,928,601	\$ (3,778)	\$ 1,007,210	\$ 899,669	\$ 44,555,947

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CUSTODIAL FUND

STATEMENT OF CHANGES IN ASSETS and LIABILITIES

ALLEGANY COUNTY, MARYLAND
CUSTODIAL FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2021

ASSETS:	Balance			Balance
	<u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2021</u>
Taxes levied for State:				
Taxes receivable - State	\$ 618,168	\$ 4,241,055	\$ 4,336,402	\$ 522,821
Bay restoration fee	517,060	1,363,666	1,373,302	507,424
Other receivables	(8,682)			(8,682)
Taxes levied for Special Areas:				
Lonaconing, Town of	45,845	141,842	148,319	39,368
Midland, Town of	14,680	40,562	42,123	13,119
Westernport, Town of	92,595	385,277	398,247	79,625
Barton, Town of	9,115	29,909	30,271	8,753
Cumberland differential	738			738
Bel Air Special Tax Area	1,386	34,365	34,358	1,393
Bowling Green Fire Co.	4,334	46,483	46,820	3,997
Bedford Road Fire Co.	6,366	45,197	46,663	4,900
Bowling Green Special Tax Area	3,719	21,402	22,191	2,930
Cresaptown Ambulance	14,580	138,844	140,381	13,043
Cresaptown Civic Imp. Assoc.	4,958	32,511	32,262	5,207
Cresaptown Fire Co.	18,335	181,513	183,400	16,448
Corriganville Light & Imp.	3,984	23,519	24,088	3,415
Ellerslie Special Tax Area	1,310	10,635	10,860	1,085
LaVale Volunteer Fire Dept.	24,654	189,000	189,402	24,252
LaVale Rescue Squad	12,332	93,368	93,567	12,133
LaVale Sanitary District	51,162	448,819	449,635	50,346
McCoole Special Tax Area	1,476	4,439	4,832	1,083
Moscow Light	784	3,232	3,571	445
Mt. Savage Special Tax Area	3,668	10,853	11,552	2,969
Potomac Park Special Tax Area	1,858	15,731	16,053	1,536
Rawlings Fire Co.	8,791	69,863	70,859	7,795
Sub-total special areas	326,670	1,967,364	1,999,454	294,579
Due from other funds	226,150	7,491,259	7,148,147	569,261
Total Assets	\$ 1,679,368	\$ 15,063,344	\$ 14,857,305	\$ 1,885,357
LIABILITIES:				
Accounts payable	\$ 217,571	\$ 7,606,155	\$ 7,263,653	\$ 560,074
A/P Special Areas	326,512	2,014,848	2,046,335	295,026
Taxes payable - State	618,171	4,233,861	4,329,207	522,826
A/P Bay restoration fee	517,063	1,486,411	1,496,046	507,429
Total Liabilities	\$ 1,679,319	\$ 15,341,275	\$ 15,135,241	\$ 1,885,357

**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, 2021 and 2020

ASSETS	Primary Government			
	At June 30, 2021		Net Book Value	June 30, 2020
	Cost	Accumulated Depreciation		
Land	\$ 27,211,512	\$ -	\$ 27,211,512	\$ 26,562,657
Construction in progress	3,642,781	-	3,642,781	3,779,250
Buildings	65,770,724	33,813,194	31,957,530	31,952,837
Infrastructure	54,996,930	35,764,927	19,232,003	20,061,079
Furniture & fixtures	1,054,110	1,026,781	27,329	33,047
Machinery & equipment	22,465,004	16,212,453	6,252,551	7,523,319
Vehicles	14,819,200	10,830,065	3,989,135	3,494,719
Heavy equipment	5,948,436	4,368,112	1,580,324	1,234,044
Other capital assets	1,251,821	925,054	326,767	374,271
Total Assets	\$ 197,160,524	\$ 102,940,591	\$ 94,219,933	\$ 95,015,223
FUND EQUITY				
Investment in general capital assets acquired before July 1, 1993 - source unidentified			\$ 6,915,024	\$ 8,174,952
Investment in construction in progress			1,892,137	1,892,137
Investment in general capital assets by source:				
General Fund:				
General revenues			17,093,236	16,340,001
Federal grants			4,311,989	4,311,989
State grants			2,849,831	2,849,831
Miscellaneous revenues			761,252	765,526
Debt proceeds			1,575,512	1,575,512
Special Revenue Funds:				
General revenues			54,293,960	54,093,940
Federal grants			7,021,555	6,956,592
State grants			8,402,527	8,323,808
Miscellaneous revenues			271,090	219,090
Debt proceeds			8,926,043	8,926,043
Other			1,477,222	
Capital Project Funds:				
General revenues			22,160,562	22,124,534
Federal grants			12,002,414	11,349,287
State grants			28,025,045	27,954,802
Miscellaneous revenues			1,127,822	1,127,822
Debt proceeds			19,743,149	17,143,163
Other			1,371,590	1,371,590
Less:				
Accumulated depreciation			(106,002,034)	(100,485,393)
Total Fund Equity	\$ 94,219,933	\$ 95,015,223		

ALLEGANY COUNTY, MARYLAND
 CAPITAL ASSETS USED IN THE OPERATION OF
 GOVERNMENTAL FUNDS
 SCHEDULE OF ASSETS BY FUNCTION
 June 30, 2021

Function	Land	Buildings	Infrastructure	Furniture & Fixtures	Equipment	Vehicle	Other Capital Assets	Construction		Total Cost	Less Depreciation	Total
								In Progress	Cost			
General Government	3,678,214	\$ 4,949,223	\$ 39,776	\$ 186,623	\$ 1,759,221	\$ 420,081	\$ 556,790	\$ 11,732,149	\$ (7,203,623)	\$ 4,528,526		
Public Safety	2,359,864	20,132,077	2,647,360	330,345	18,945,404	4,011,459	255,919	48,682,428	(26,487,378)	22,195,050		
Public Works	2,915,382	1,767,520	44,887,793	305,788	918,255	9,213,942		5,867,645	(46,845,863)	21,238,735		
Health	575,119	6,553,202			24,331	199,288	89,080	4,121	7,132,442	(3,080,485)	4,051,957	
Social Services	116	3,250	2,774,928	328,939	21,911		931,700	39,200	1,286,965	(997,923)	289,042	
Recreation & Culture	1,524,781					194,893	36,162	390,248	5,281,862	(2,246,893)	3,034,969	
Libraries		6,000	1,631,033						1,631,033	(1,061,362)	575,671	
Education									27,484	460,655	(31,838)	428,817
Natural Resources	428,817						15,839	15,999				
Urban Development & Housing	56,637	242,367			4,160	35,846	9,302			348,312	(291,578)	56,734
Economic Development	15,656,580	27,717,123			5,995	506,465	183,759		86,324	1,264,797	(14,611,915)	37,877,858
Total General Capital Assets	<u>27,211,510</u>	<u>\$ 65,770,723</u>	<u>\$ 7,068,730</u>	<u>\$ 54,996,929</u>	<u>\$ 1,054,110</u>	<u>\$ 22,465,003</u>	<u>\$ 14,819,201</u>	<u>\$ 7,200,254</u>	<u>\$ 3,642,768</u>	<u>\$ 197,160,501</u>	<u>\$ (102,858,860)</u>	<u>\$ 94,301,645</u>

ALLEGANY COUNTY, MARYLAND
 CAPITAL ASSETS USED IN THE OPERATION OF
 GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Function	General Capital Assets June 30, 2020	Transfers to Other Funds		Additions	Deductions	Cost	Accumulated Depreciation June 30, 2020	Current Year Depreciation	Less Depreciation	Add Asset Transfer	Deprec Disposal	General Capital Assets June 30, 2021
		\$	\$	Asset Reclass	\$	\$						
General Government	\$ 11,762,930	\$	\$	\$ 1,124,488	\$ (30,780)	\$ 11,732,149	\$ (7,080,265)	\$ (145,702)	\$ 22,345	\$ 4,528,526		
Public Safety	47,594,080			2,663,783	(641,783)	(36,139)	48,682,428	(23,967,698)	30,536	22,195,050		
Public Works	66,062,596						(46,134,836)	(1,351,227)	640,200	21,238,735		
Health	7,132,442						7,132,442	(2,862,045)	(218,440)		4,051,957	
Social Services	1,638,522						1,286,965	(1,273,048)	(89,434)	364,559	289,042	
Recreation & Culture	5,421,615	(175,838)		55,131	(351,557)	(19,045)	5,281,862	(2,146,350)	(119,588)	19,045	575,671	
Libraries	1,637,033						1,637,033	(1,019,353)	(42,009)			
Education	10,994			16,490			27,484				27,484	
Natural Resources	460,655						460,655	(31,838)				
Urban Development & Housing	532,453						348,312	(467,854)	180,540			
Economic Development	52,333,426	\$ 175,838					52,489,773	(14,585,032)	930,077			
Total General Capital Assets	<u>\$ 194,586,756</u>	<u>\$ 8,984,997</u>	<u>\$ 5,125,105</u>	<u>\$ (5,144,589)</u>	<u>\$ (6,408,034)</u>	<u>\$ 197,160,501</u>	<u>\$ (14,585,032)</u>	<u>\$ (5,477,840)</u>	<u>\$ 2,187,302</u>	<u>\$ 94,301,645</u>		

STATISTICAL SECTION

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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.

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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.	
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Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax	
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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.	
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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.	
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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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in										
Capital Assets	\$2,634,048	78,548,257	77,576,495	78,396,353	84,396,712	86,497,352	86,142,012	87,441,448	89,130,241	85,075,724
Restricted	1,921,413	3,083,383	3,030,834	11,975,277	16,354,328	16,237,133	4,265,467	12,316,383	1,544,087	7,841,911
Unrestricted	9,060,676	18,220,459	24,080,546	9,739,329	3,595,497	2,573,629	(13,519,261)	(28,370,540)	(18,226,415)	(23,649,340)
Total governmental activities net position	\$ 93,816,137	\$ 98,852,059	\$ 104,667,885	\$ 100,100,859	\$ 104,336,537	\$ 105,308,114	\$ 76,878,218	\$ 73,387,291	\$ 72,447,923	\$ 69,268,295
Business-type activities										
Net investment in										
Capital Assets	81,346,531	82,603,601	88,732,280	93,011,267	97,611,312	98,160,878	95,880,101	98,563,365	97,116,640	97,889,075
Restricted	239,902	288,615	261,383	442,291	247,369	240,345	155,066	161,080	194,232	162,484
Unrestricted	1,520,472	1,783,058	1,016,651	(633,330)	(2,817,398)	(4,239,596)	(3,373,873)	(8,879,863)	(9,644,846)	(11,487,378)
Total business-type activities net position	\$ 83,106,905	\$ 84,675,274	\$ 80,010,314	\$ 92,820,226	\$ 95,041,283	\$ 94,161,628	\$ 92,841,284	\$ 88,844,582	\$ 88,866,026	\$ 88,584,178
Primary Government										
Net investment in										
Capital Assets	\$ 164,180,579	\$ 161,151,858	\$ 166,308,785	\$ 171,357,620	\$ 182,098,024	\$ 184,658,230	\$ 182,002,113	\$ 184,004,813	\$ 186,246,881	\$ 182,984,798
Restricted	2,161,315	3,371,988	3,282,217	12,417,568	16,601,697	16,477,478	4,410,533	12,477,463	1,738,329	8,004,395
Unrestricted	10,581,148	20,003,517	25,077,197	9,105,999	788,099	(1,856,986)	(16,893,134)	(33,250,403)	(28,871,281)	(35,116,718)
Total primary government net position	\$ 178,923,042	\$ 184,527,373	\$ 194,678,179	\$ 192,921,187	\$ 199,377,820	\$ 199,469,742	\$ 169,519,512	\$ 163,231,873	\$ 161,113,949	\$ 156,852,470

Allegany County, Maryland
Changes In Net Position, Last Ten Fiscal Years
(accrual basis of accounting)^[1]

Expenses	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
General Government:										
Payment to data processing	9,275,787	9,087,280	8,745,293	8,971,206	10,098,884	12,288,849	9,768,944	12,711,146	12,883,978	13,980,498
Public Safety	388,754	358,754	332,996	313,562	261,943	182,712	188,456	145,424	146,465	108,828
Public Works	16,387,997	16,640,877	17,406,223	18,606,877	20,125,044	20,723,459	24,440,852	28,788,857	27,462,769	30,600,972
Health	12,565,697	12,250,889	13,699,806	13,039,773	13,263,932	14,148,806	13,892,496	15,613,977	14,227,947	14,618,577
Social Services	2,279,912	1,966,200	1,967,479	2,073,143	2,131,859	2,093,988	2,08,164	2,333,585	4,274,237	8,019,965
Education:	1,692,412	1,553,615	1,588,214	1,277,778	1,467,194	1,387,194	861,055	1,258,655	1,485,198	1,733,627
Payment to public school system	582,642	640,888	682,409	623,625	1,389,052	797,321	10,365,096	3,162,750	2,612,606	1,936,310
Payments to community college	28,240,000	28,391,988	29,770,045	30,224,471	30,014,167	30,169,985	30,424,308	30,424,308	31,138,670	31,138,335
Recreation, culture & libraries:	7,425,000	7,555,000	7,555,000	7,815,000	7,630,560	7,980,550	7,980,498	8,066,856	8,066,856	8,066,856
Payment to public library system	888,620	884,822	722,533	749,376	626,930	583,538	1,214,252	1,191,689	1,418,456	691,457
Conservation of natural resources	905,000	905,000	940,000	947,500	947,500	956,975	956,975	956,975	966,545	966,545
Community development & housing	201,107	240,204	287,382	264,450	249,936	265,253	284,317	142,584	66,702	404,182
Economic Development	884,528	1,033,325	915,389	1,042,086	1,176,904	1,026,337	1,021,156	1,005,058	1,012,235	1,589,952
Interest on long term debt	2,879,427	2,548,700	3,602,112	2,672,959	2,674,595	3,355,189	4,111,276	3,194,349	3,460,798	5,801,705
Total governmental activities expenses	\$ 86,307,652	\$ 85,914,814	\$ 88,775,760	\$ 89,002,523	\$ 93,202,815	\$ 96,287,730	\$ 108,151,053	\$ 108,827,988	\$ 109,620,805	\$ 120,762,383
Business-type activities:										
Water	4,018,864	4,270,983	4,344,329	4,429,254	4,772,141	4,723,474	4,645,473	4,741,156	4,858,397	5,033,414
Sewer	8,485,797	8,622,450	8,988,94	9,354,485	9,865,143	10,782,298	10,545,774	11,426,210	10,221,511	9,044,813
Other Funds	749,976	353,648	187,348	334,585	225,788	202,981	195,390	167,778	151,357	318,008
Total business-type activities expenses	\$ 13,254,637	\$ 13,247,061	\$ 13,518,388	\$ 14,118,324	\$ 14,963,073	\$ 15,708,764	\$ 15,386,637	\$ 16,335,144	\$ 15,231,265	\$ 14,396,235
Total primary government expenses	\$ 99,552,289	\$ 99,161,875	\$ 102,294,048	\$ 103,120,847	\$ 108,165,888	\$ 111,996,494	\$ 123,537,680	\$ 126,163,082	\$ 124,852,070	\$ 135,156,618
Program Revenues										
Governmental activities:										
Changes For services:										
Public Safety	1,394,969	1,263,372	1,247,166	1,16,243	1,266,935	1,181,723	2,414,882	3,698,282	3,062,954	2,279,905
Public works	931,374	952,807	993,315	1,403,788	1,036,634	1,020,139	1,152,083	1,294,889	1,365,791	1,221,356
Economic development	3,458,473	3,446,157	3,336,528	1,004,159	3,367,800	3,300,433	3,307,020	3,424,141	3,442,730	3,172,085
Other activities	779,868	739,760	804,327	3,786,001	872,000	819,358	1,832,419	1,550,337	1,363,163	1,078,471
Operating grants and contributions	4,123,606	5,100,079	4,470,054	4,320,956	4,230,909	4,507,723	5,503,162	5,733,357	8,288,736	13,034,986
Capital grants and contributions	2,770,368	388,323	1,296,010	1,086,127	2,076,835	3,235,959	1,401,461	1,894,195	2,658,561	3,256,409
Total governmental activities program revenues	\$ 13,458,859	\$ 11,870,488	\$ 12,153,490	\$ 12,071,273	\$ 12,851,113	\$ 14,085,395	\$ 15,611,037	\$ 17,595,149	\$ 20,181,935	\$ 24,044,922
Business-type activities:										
Changes For services:										
Water	3,646,217	3,688,155	3,957,267	4,182,774	4,257,317	4,197,525	4,166,328	4,183,777	4,198,183	4,176,794
Sanitary	5,411,747	5,444,477	5,735,184	5,905,018	6,082,372	6,382,842	6,040,900	6,118,466	6,138,652	5,485,782
Other Funds	255,457	281,017	269,480	316,477	106,300	72,442	59,200	44,187	48,913	43,906
Operating grants and contributions	2,547,845	3,908,635	7,473,345	6,016,681	5,404,171	2,827,122	2,169,945	1,725,700	1,922,922	1,160,559
Total business-type activities										
Program Revenues	11,861,266	13,322,284	17,435,286	16,420,930	15,850,160	13,479,931	12,426,373	12,072,160	12,308,670	10,867,071
Total primary government program revenues	\$ 25,319,925	\$ 25,192,782	\$ 29,588,886	\$ 28,438,203	\$ 28,701,273	\$ 27,545,266	\$ 28,037,410	\$ 29,667,309	\$ 32,490,605	\$ 34,911,093

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense)/Revenue										
Governmental activities	\$ (72,848,983)	\$ (74,044,316)	\$ (76,622,360)	\$ (76,985,250)	\$ (80,351,702)	\$ (82,222,395)	\$ (92,540,016)	\$ (92,232,789)	\$ (89,438,870)	\$ (96,718,361)
Business-type activities	\$ (1,393,371)	\$ 75,223	\$ 3,916,998	\$ 2,302,606	\$ (2,228,833)	\$ (2,228,833)	\$ (2,980,264)	\$ (4,292,984)	\$ (2,922,595)	\$ (3,539,164)
Total primary government net expense	\$ (74,242,364)		\$ (73,968,983)	\$ (72,705,382)	\$ (74,682,644)	\$ (79,464,615)	\$ (84,451,228)	\$ (86,405,773)	\$ (92,381,486)	\$ (100,247,525)
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Taxes										
Property taxes	41,271,372	40,882,732	41,324,050	40,209,077	40,285,516	40,900,084	40,525,539	42,099,543	42,056,853	43,025,595
Income taxes	24,657,767	24,460,225	24,169,537	26,089,413	26,836,166	25,911,041	26,117,557	28,295,496	28,719,134	31,138,685
Other local taxes	2,985,692	4,011,282	4,389,620	4,689,358	5,343,333	6,185,089	6,720,568	7,036,187	6,753,500	8,036,628
Licenses	415,088	415,158	414,862	425,841	441,304	447,143	434,575	426,574	418,760	420,472
Unrestricted grants	7,359,609	8,940,541	9,172,981	9,165,836	9,210,566	9,205,270	9,244,141	8,939,143	8,939,231	8,939,389
Investment earnings	1,163,443	868,087	1,745,196	1,353,238	1,181,160	1,375,762	1,383,672	1,544,105	1,486,467	1,635,283
Gain/(loss) on sale/retirement of capital assets	81,820	387,597	18,915	342,101	403,037	997,998	65,351	102,550	33,531	426,242
Miscellaneous	191,234	208,120	323,216	(187,799)	(189,824)	(147,927)	(155,527)	386,375	401,359	601,978
Transfers	(167,252)	(93,464)						(102,098)	(489,942)	(83,561)
Special item										
Total governmental activities	\$ 77,938,671	\$ 80,080,278	\$ 81,350,588	\$ 82,175,020	\$ 83,553,155	\$ 84,875,960	\$ 84,785,894	\$ 88,741,862	\$ 88,499,502	\$ 93,558,733
Business-type activities:										
Property taxes	986,575	986,573	1,019,059	997,240	982,268	993,937	1,133,343	1,144,089	1,159,250	1,183,381
Investment earnings	175,200	309,448	208,641	201,728	191,339	195,916	214,705	220,085	94,846	180,380
Miscellaneous	5,924	103,861	22,553	21,003	16,835	3,800				
Gain/(loss) on sale/retirement of capital assets	129,278	93,464		167,799	89,824	147,927	155,527	91,884	102,095	489,942
Transfers	167,252	\$ 1,493,146	\$ 1,418,042	\$ 1,308,805	\$ 1,331,369	\$ 1,349,180	\$ 1,439,932	\$ 1,466,268	\$ 1,744,038	83,561
Total business-type activities	\$ 1,474,229									\$ 1,447,322
Total primary government	\$ 79,412,900		\$ 81,573,424	\$ 82,768,630	\$ 83,484,825	\$ 84,880,524	\$ 86,225,140	\$ 86,525,826	\$ 90,208,131	\$ 94,986,035
Change In Net Position										
Governmental activities, restated	\$ 5,089,678	\$ 6,025,962	\$ 4,728,843	\$ 5,189,770	\$ 3,201,453	\$ 2,683,565	\$ 7,774,122	\$ (3,480,927)	\$ (939,388)	\$ (3,179,528)
Business-type activities	\$ 80,558	\$ 1,568,369	\$ 5,335,040	\$ 3,612,411	\$ 2,224,456	\$ (879,653)	\$ (1,520,332)	\$ (2,766,714)	\$ (1,178,566)	\$ (2,081,841)
Total primary government	\$ 5,170,536		\$ 7,604,331	\$ 10,083,953	\$ 8,802,181	\$ 5,425,309	\$ 1,773,912	\$ (8,294,454)	\$ (6,287,642)	\$ (5,261,470)

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 Decrease due to grant related projects being completed and projects financed more with loans
- b Decrease due to donation of building in FY 2012 in the amount of \$ 1.6 million and no such donation in FY 13
- c Increase due to increase in federal and state funding for the Mount Savage Water/Sewer project
- d Increase due to expenditures largely due to additional road and 'Pot-hole' work
- e Increase due to increase in federal and state funding for the Mt Savage & Rawlings Water projects and Jennings Run Sewer project
- f Increase largely due to GASB 68 required entries to pension expense - liability increased
- g Increase largely due to GASB 68 required entries to pension expense - liability increased and GASB 72 entries
- h Increase largely due to GASB 68 required entries to pension expense - liability decreased and GASB 72 entries
- i Increase due to adding a new ambulance service to County residents
- j Increase due to contribution to new county high school
- k Increase due to renovations to Library buildings
- l Increase due to paving and road projects
- m County added new ambulance service
- n Increase in both revenues
- o Increase in COVID relief funding grants revenue and related expenditures

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Nonspendable	1,200,453	1,201,255	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Restricted	123,912	146,883	148,863	148,863	1786,530	173,170	131,979	80,748	78,907	78,907
Committed					150,000	967,195	1,571,586	830,551	760,245	1,446,583
Assigned	881,313	447,970	3,414,000	5,084,000	4,014,000	5,886,328	8,423,165	6,714,643	6,987,078	7,301,025
Unassigned	15,678,397	17,801,886	18,595,272	18,642,135	18,082,412	18,648,983	15,818,000	16,795,112	16,778,282	20,022,041
Reserved										
Unreserved										
Total General Fund	<u>\$ 17,891,065</u>	<u>\$ 19,895,784</u>	<u>\$ 23,458,135</u>	<u>\$ 27,604,317</u>	<u>\$ 25,252,842</u>	<u>\$ 26,886,656</u>	<u>\$ 25,244,740</u>	<u>\$ 25,621,040</u>	<u>\$ 25,814,492</u>	<u>\$ 30,048,536</u>
All Other Governmental Funds										
Nonspendable										
Restricted	1,719,081	3,050,872	2,966,844	10,197,951	45,460	42,233	41,920	39,977	42,801	41,236
Committed	5,488,432	8,901,702	10,738,989	12,138,663	9,734,927	8,700,167	10,717,434	12,255,640	9,416,664	14,955,871
Assigned	2,695,550	2,442,285	1,497,237	1,394,288	1,342,978	2,288,721	2,216,031	10,482,198	9,229,048	9,782,923
Unassigned	43,002	(11,060)	(191,236)	(305,634)	(419,033)	(397,597)	(787,986)	(1,201,625)	1,369,307	1,410,029
Total all other governmental funds	<u>\$ 9,918,045</u>	<u>\$ 14,383,799</u>	<u>\$ 15,011,634</u>	<u>\$ 23,423,276</u>	<u>\$ 23,430,255</u>	<u>\$ 26,386,197</u>	<u>\$ 16,330,907</u>	<u>\$ 22,955,491</u>	<u>\$ 18,616,639</u>	<u>\$ 24,103,879</u>

Reserved
Unreserved, reported in:
Special revenue funds
Capital project funds
Debt service funds
Total all other
governmental funds

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	42,049,578	40,302,290	43,948,120	41,737,685	41,018,789	42,106,441	41,529,472	43,599,529	41,586,027	44,893,617
Income taxes	24,854,127	24,249,252	24,112,733	25,910,575	26,880,919	26,435,017	25,797,515	28,388,370	28,670,090	31,190,781
Highway user taxes	229,448	424,914	671,589	468,089	547,328	539,372	680,000	1,001,551	977,329	1,057,788
Other local taxes	3,223,768	4,087,133	4,088,216	3,578,481	4,043,446	4,380,110	4,074,450	3,984,644	3,913,567	4,418,576
Licenses and permits	659,513	664,287	666,233	678,422	700,480	672,859	666,528	720,563	620,500	542,024
Intergovernmental:										
Federal	3,617,971	2,991,120	2,044,238	3,250,446	2,372,945	2,630,386	2,922,197	3,174,134	7,665,837	8,545,082
State	8,681,983	10,909,579	12,151,477	12,255,365	13,546,119	16,123,698	15,920,794	13,648,716	14,907,789	16,367,813
Other	514,765	537,554	467,561	600,745	308,747	178,297	901,053	975,797	986,436	2,139,566
Service charges	2,232,599	1,758,235	1,740,331	1,888,021	1,805,043	1,938,922	2,446,454	2,934,658	2,871,158	2,469,764
Fines and forfeitures	141,880	96,119	170,927	150,249	152,942	80,907	74,561	142,983	163,281	206,843
Interest	121,670	126,522	103,748	152,354	237,085	312,861	340,649	472,486	607,400	267,899
Miscellaneous	3,644,683	3,902,225	3,949,663	4,142,621	4,080,911	4,342,068	4,254,946	4,373,154	4,584,932	4,113,464
Total revenues	\$ 89,972,005	\$ 90,049,230	\$ 94,134,836	\$ 94,822,063	\$ 95,692,784	\$ 99,740,938	\$ 99,818,619	\$ 103,416,585	\$ 107,514,346	\$ 116,213,217
Expenditures										
General government	8,622,086	8,436,402	7,999,532	8,552,724	9,210,525	9,301,186	9,420,158	10,548,564	10,610,633	10,239,132
Public safety	16,110,171	16,144,972	16,216,972	17,572,571	18,216,000	19,184,708	23,217,837	24,405,819	24,215,680	26,424,276
Public works	11,496,843	11,118,747	11,806,708	11,465,679	12,282,927	11,734,735	12,297,757	13,717,805	12,176,117	13,040,777
Health and Hospitals	425,309	438,291	411,510	432,996	452,436	425,494	541,244	630,653	2,431,012	5,840,861
Social Services	1,497,113	1,378,693	1,483,664	1,283,500	1,318,831	1,276,688	1,251,241	1,118,301	1,273,006	1,529,861
Education	23,761	28,754	-	-	-	-	-	-	-	-
Recreation, culture and libraries	712,577	736,413	616,169	628,708	932,890	795,045	1,076,056	903,302	1,326,234	528,957
Conservation of natural resources	201,090	239,976	319,102	254,682	244,974	263,677	282,314	278,219	336,083	348,993
Community Development and Housin	870,841	1,018,262	900,783	1,027,692	1,162,941	1,012,374	1,007,193	991,180	998,406	1,582,428
Economic development	3,260,393	1,690,366	2,084,527	1,936,365	5,481,683	1,956,960	3,305,352	2,479,758	2,862,673	3,051,891
Miscellaneous	27,089	34,803	31,222	33,046	38,599	44,631	47,199	82,174	78,453	51,157
Appropriation to other governments	1,245,199	1,347,973	1,376,033	1,461,027	1,476,610	1,495,989	1,484,063	1,525,705	1,601,443	1,485,190
Capital Outlay	1,741,884	2,320,671	3,076,325	4,096,988	6,070,469	13,507,913	14,858,728	8,935,674	10,232,221	11,447,794
Debt Service:										
Interest	1,271,904	1,083,631	666,802	558,774	762,344	649,037	834,194	736,306	2,166,605	1,103,951
Principal	4,593,988	16,833,941	3,937,149	4,397,552	3,213,641	3,325,019	2,405,547	2,312,554	1,166,354	8,984,176
Payments to Component Units	36,928,754	38,080,712	39,280,450	38,234,206	38,601,988	38,940,222	39,200,289	39,517,257	39,836,843	40,281,900
Total expenditures	\$ 89,029,012	\$ 100,933,607	\$ 90,206,948	\$ 91,916,480	\$ 99,466,768	\$ 104,213,678	\$ 111,239,172	\$ 108,183,271	\$ 111,311,773	\$ 125,941,344
Excess of revenues over (under) Expenditures	\$ 942,993	\$ (10,884,377)	\$ 3,927,888	\$ 2,905,583	\$ (3,774,004)	\$ (4,472,740)	\$ (11,620,553)	\$ (4,766,686)	\$ (3,797,427)	\$ (9,728,127)
Other Financing Sources (Uses)										
Proceeds from borrowing			9,740,351		9,000,000			11,767,124		3,000,000
Proceeds from refinancing			14,736,467							15,572,346
Payments to escrow agent										
Transfers in	7,283,320	5,877,961	6,239,177	4,368,114	10,639,108	6,435,360	3,504,113	4,894,278	4,467,929	19,130,973
Transfers from component units	(7,460,574)	(5,971,428)	(6,406,976)	(4,457,938)	(10,787,034)	(6,590,887)	(3,595,987)	(4,996,373)	(4,957,871)	(19,214,534)
Transfers out	84,771	2,517,850	626,087	1,716	63,586	13,706	15,231	102,550	40,958	1,068,378
Sale of capital assets										
Total Other Financing Sources (Uses)	\$ (82,483)	\$ 17,160,850	\$ 458,298	\$ 9,652,243	\$ (84,340)	\$ 8,858,179	\$ (76,683)	\$ 11,767,579	\$ (448,984)	\$ 19,557,163
Net Change in fund balances	\$ 860,510	\$ 6,276,473	\$ 4,386,186	\$ 12,557,826	\$ (3,858,344)	\$ 4,385,439	\$ (11,697,208)	\$ 7,000,893	\$ (4,246,411)	\$ 9,829,036
Debt service as a percentage of noncapital expenditures	6.8%	18.1%	5.2%	5.5%	4.4%	4.2%	3.0%	3.0%	3.2%	8.6%
<i>Note:</i> Expenditures for Capital Assets are reported about as "Capital outlays" as well as departmental expenditures. The total expenditures for capital assets is utilized for computing the ratio above.										
Total Expenditures for Capital Assets	\$ 2,362,598	\$ 1,721,256	\$ 2,267,159	\$ 2,284,182	\$ 8,428,204	\$ 9,472,687	\$ 4,220,066	\$ 6,492,539	\$ 7,279,030	\$ 8,984,997

REVENUE CAPACITY

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

Fiscal Year	Real Property		Real Property		Corporate Personal Property		Totals		Personal & Corporate Personal	
	Market Value	Assessed Value	Total Direct Tax Rate	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Total Direct Tax Rate
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
2015	3,469,830,592	3,469,830,592	1.0035	4,997,740	4,997,740	345,858,616	345,858,616	3,820,686,948	3,820,686,948	2,5088
2016	3,487,280,029	3,487,280,029	0.9999	6,494,120	6,494,120	337,155,996	337,155,996	3,830,930,145	3,830,930,145	2,4748
2017	3,506,924,084	3,506,924,084	0.9893	6,705,040	6,705,040	346,994,870	346,994,870	3,860,623,994	3,860,623,994	2,4733
2018	3,528,551,083	3,528,551,083	0.9885	7,678,200	7,678,200	329,114,435	329,114,435	3,865,343,718	3,865,343,718	2,4713
2019	3,556,120,766	3,556,120,766	0.9921	7,192,380	7,192,380	353,252,397	353,252,397	3,916,565,543	3,916,565,543	2,4803
2020	3,551,676,996	3,551,676,996	0.9871	6,782,280	6,782,280	355,204,219	355,204,219	3,913,663,495	3,913,663,495	2,4678
2021	3,600,849,587	3,600,849,587	0.9852	6,471,980	6,471,980	382,221,227	382,221,227	3,989,542,794	3,989,542,794	2,4630

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Municipal Direct Tax Rates (1,2)										
Barton	0.1900	0.1712	0.1712	0.1736	0.1727	0.1718	0.1728	0.1649	0.1662	0.1709
Cumberland	1.0595	1.0595	1.0595	1.0595	0.9654	0.9654	0.9654	0.9654	0.9654	0.9654
Frostburg	0.6800	0.6600	0.6600	0.6600	0.6400	0.6200	0.5820	0.5665	0.5665	0.5665
Lonaconing	0.3509	0.3460	0.3460	0.3512	0.3498	0.3527	0.3552	0.3400	0.3400	0.3400
Luke	1.2040	1.0577	1.0601	1.0604	1.0600	1.0600	0.7500	0.5500	0.5500	0.5500
Midland	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800
Westernport	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
Allegany County Direct Tax Rates (1,3)										
Barton	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8976	0.8910	0.8892	0.9038
Cumberland	0.8166	0.8223	0.8385	0.8324	0.8452	0.8486	0.8530	0.8424	0.8371	0.8519
Frostburg	0.8273	0.8355	0.8494	0.8405	0.8530	0.8560	0.8597	0.8497	0.8436	0.8579
Lonaconing	0.8422	0.8526	0.8641	0.8573	0.8696	0.8714	0.8761	0.8675	0.8655	0.8834
Luke	0.8408	0.8511	0.8620	0.8551	0.8670	0.8687	0.8735	0.8645	0.8620	0.8799
Midland	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8976	0.8910	0.8892	0.9038
Westernport	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8847	0.8745	0.8702	0.8854
Unincorporated	0.9750	0.9750	0.9750	0.9760	0.9770	0.9780	0.9790	0.9800	0.9810	0.9820
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	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Braddock Run	0.0420	0.0420	0.0420	0.0420	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070
Cresaptown	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
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	0.1860	0.1860	0.1860	0.1860	0.1860
McCoole	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310
Flintstone/ Gilpin	0.0160	0.0160	0.0160	0.0160	0.1600	0.1600	0.1500	0.1500	0.1500	0.1500
Franklin/ Brophytown	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190
Oldtown	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330
George's Creek	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100
Mexico Farms	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510
Oldtown Road	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300
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	0.0430
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	0.0550	0.0550	0.0550	0.0550	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650
Bowling Green Volunteer Fire Co	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Corriganville Light & Imp Assoc.	0.0700	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	0.0500	0.0500	0.0500	0.0500	0.0500
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	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0400
LaVale Sanitary Commission	0.0750	0.0650	0.0550	0.0530	0.0470	0.0420	0.0520	0.0520	0.0530	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	0.1000	0.1000	0.1000	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	0.0450	0.0450	0.0450	0.0450
Rawlings Special Fire Tax Area	0.1000	0.1000	0.1000	0.1200	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Total County Direct Rate (1,5)	0.9852	0.9871	0.9921	0.9885	0.9893	0.9899	1.0035	0.9880	0.9877	0.9997

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

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value
Columbia Gas of Maryland	78,510,620	1	2.04%	24,450,160	7	0.62%
Potomac Edison Co	70,295,080	2	1.82%	44,209,560	4	1.12%
AES WR Limited Partnership	\$ 52,790,794	3	1.37%	75,140,027	1	1.90%
CSX Transportation	40,895,160	4	1.06%	31,613,397	6	0.80%
New Page (Mead/Westvaco/Verso)	29,805,370	5	0.77%	62,921,022	2	1.59%
Trans-Allegheny Interstate Line	27,735,980	6	0.72%	46,922,230	3	1.19%
Country Club Mall Realty LLC	23,460,633	7	0.61%	-	-	0.00%
Western MD Health System	21,199,160	8	0.55%	32,556,800	5	0.82%
LaVale Associates	17,644,967	9	0.46%	14,853,762	10	0.38%
Allegany Coal-Land	15,549,479	10	0.40%	16,045,060	9	0.41%
Hunter Douglas Northeast, Inc.				24,225,970	8	0.61%
Verizon-Maryland (Bell Atlantic)						
Total	\$ 377,887,243		9.80%	\$ 372,937,988		9.44%

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
2012	33,037,418	30,557,037	92.49%	(43,963)	2,425,829	32,993,455	32,982,866	99.97%
2013	32,760,110	30,023,529	91.65%	(23,154)	2,702,329	32,736,956	32,725,858	99.97%
2014	32,615,476	30,189,373	92.56%	(31,193)	2,379,486	32,584,283	32,568,859	99.95%
2015	32,363,414	29,837,271	92.19%	(17,501)	2,484,011	32,345,913	32,321,282	99.92%
2016	32,407,750	29,866,195	92.16%	(19,852)	2,488,077	32,387,898	32,354,272	99.90%
2017	32,533,553	30,119,478	92.58%	(23,519)	2,344,981	32,510,034	32,464,459	99.86%
2018	31,928,292	29,405,769	92.10%	(15,588)	2,445,033	31,912,704	31,850,802	99.81%
2019	32,200,047	29,636,851	92.04%	(52,056)	2,434,723	32,147,991	32,071,574	99.76%
2020	32,253,424	29,278,562	90.78%	(9,062)	1,741,614	32,244,362	31,020,176	98.20%
2021	32,569,391	30,041,196	92.24%			32,569,391	30,041,196	92.24%

Personal Property and 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
2012	8,281,531	7,494,836	90.50%	(33,772)	715,784	8,247,759	8,210,620	99.55%
2013	8,027,385	7,204,178	89.75%	13,477	795,516	8,040,862	7,999,894	99.49%
2014	8,284,170	7,770,966	93.69%	(311,470)	181,369	7,982,700	7,952,335	99.62%
2015	8,022,819	7,682,332	95.76%	(8,289)	301,762	8,014,530	7,984,094	99.62%
2016	7,832,203	7,650,947	97.69%	17,740	169,271	7,849,943	7,820,218	99.62%
2017	7,854,575	7,718,722	98.27%	(37,426)	48,865	7,817,149	7,767,587	99.37%
2018	7,422,103	7,176,320	96.69%	70,861	286,949	7,492,964	7,463,269	99.80%
2019	7,802,902	7,546,060	96.71%	(9,208)	189,957	7,793,694	7,736,017	99.26%
2020	7,951,402	7,017,349	88.25%	54,958	843,812	8,006,360	7,861,161	98.19%
2021	8,770,986	8,453,687	96.38%			8,770,986	8,453,687	96.38%

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
2012	41,318,949	38,051,873	92.09%	(77,735)	3,141,613	41,241,214	41,193,486	99.88%
2013	40,787,495	37,227,707	91.27%	(9,677)	3,497,845	40,777,818	40,725,552	99.87%
2014	40,909,646	37,960,339	92.79%	(342,663)	2,560,855	40,566,983	40,521,194	99.89%
2015	40,386,233	37,519,603	92.90%	(25,790)	2,785,773	40,360,443	40,305,376	99.86%
2016	40,239,953	37,517,142	93.23%	(2,112)	2,657,348	40,237,841	40,174,490	99.84%
2017	40,388,128	37,838,200	93.69%	(60,945)	2,393,848	40,327,183	40,232,046	99.76%
2018	39,350,395	36,582,089	92.96%	55,273	2,731,982	39,405,668	39,314,071	99.77%
2019	40,002,949	37,182,911	92.95%	(61,264)	2,624,680	39,941,685	39,807,591	99.66%
2020	40,204,826	36,295,911	90.28%	45,896	2,585,426	40,250,722	38,881,337	96.60%
2021	41,340,377	38,494,893	93.12%	-	-	41,340,377	38,494,893	93.12%

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

DEBT CAPACITY

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

Fiscal Year	Governmental Activities				Business - Type Activities				Total Primary Government	Percentage of Personal Income	Debt Per Capita		
	General Obligation Bonds	Term Notes		State Loans	Water Term Notes	Water Federal Loans	Water State Loans	Sanitary State Notes	Sanitary Federal Loans				
		Capital Leases	Term Notes										
2012	14,215,926	8,502,021	74,090	3,199,049	362,737	7,588,062	10,928,261	17,670	15,108,960	3,684,134	52,732,649		
2013	20,948,078	219,629	36,080	2,203,357	344,380	325,424	10,859,917	17,251	14,519,950	4,966,713	54,185,698		
2014	17,922,268	212,915	18,560	1,765,300	0	1,471,847	305,853	16,814	13,698,637	4,902,290	49,852,390		
2015	23,531,007	205,809	0	0	0	1,237,420	301,066	10,710,507	236,488	16,355	4,633,387		
2016	20,487,355	205,809	0	0	0	994,296	285,640	15,876	10,934,967	12,726,747	54,038,000		
2017	26,343,366	203,465	0	0	0	264,761	264,761	10,897,952	386,918	12,461,588	50,672,167		
2018	24,987,722	203,465	0	0	0	842,883	243,204	10,851,104	523,988	15,375	4,742,446		
2019	33,807,041	203,465	0	0	0	429,216	220,941	10,691,226	497,759	14,303	55,386,733		
2020	31,747,498	195,841	0	0	0	222,236	197,948	10,424,659	390,025	13,729	4,652,100		
2021	41,367,633	188,321	0	0	0	66,580	174,201	10,149,509	372,126	13,129	7,521,862		
											55,481,117		
											2,000%		
											775		
											62,531,445		
											2,200%		
											881		
											58,696,035		
											833		
											2,00%		
											66,503,482		
											2,20%		
											949		

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

Source: Allegany County Finance Office and Bureau Of Economic Analysis

Allegany County, Maryland
Ratios of General Obligation Debt Outstanding
Last Ten Fiscal Years

General Obligation Debt Outstanding

Fiscal Year	General Obligation Bonds	Taxable Value of Property	Percentage of Actual Taxable Value of Property		Population	Debt Per Capita
			0.36%	0.54%		
2012	14,215,926	3,906,468,828			74,692	190.33
2013	20,948,078	3,883,871,212			74,012	283.04
2014	17,922,268	3,874,923,264			73,521	243.77
2015	23,531,007	3,820,686,948			72,952	322.55
2016	20,487,355	3,835,441,204			72,528	282.48
2017	26,343,366	3,860,623,994			72,130	365.22
2018	24,967,722	3,865,343,718			71,614	348.64
2019	33,807,041	3,916,565,543			70,975	476.32
2020	31,747,498	3,913,763,495			70,416	450.86
2021	41,367,633	3,989,542,794			70,057	590.49

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

Source: Allegany County Finance Office and Bureau Of Economic Analysis

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Population Inmate population excluded	74,692 3,279	74,012 3,279	73,521 3,279	72,952 3,279	72,528 3,279	72,130 3,279	71,614 3,279	70,975 3,279	70,416 3,279	70,057 3,279
Net population for debt limit	71,413	70,733	70,242	69,673	69,249	68,851	68,335	67,696	67,137	66,778
Debt Per Capita Debt Limit	585 41,776,605	585 41,378,805	585 41,091,570	585 40,758,705	585 40,510,665	585 40,277,835	585 39,975,975	585 39,602,160	585 39,275,145	585 39,065,130
Total Net Debt applicable to limit	25,991,086	23,407,144	19,469,995	24,272,444	21,058,803	26,733,783	25,071,143	32,920,681	30,754,077	39,444,901
Legal Debit Margin	15,785,519	17,971,661	21,621,575	16,486,261	19,451,862	13,544,052	14,904,832	6,681,479	8,521,068	(379,771)
Total net debt applicable to the limit as a percentage of debt limit	62.2%	56.6%	47.4%	59.6%	52.0%	66.4%	62.7%	83.1%	78.3%	101.0%

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
2021	6,774,172	6,014,972	759,200	1,302,716	315,966	1,618,682	0.47
2020	7,352,311	7,281,686	70,625	1,283,824	329,172	1,612,996	0.04
2019	7,396,797	8,456,266	(1,059,469)	1,276,976	347,997	1,624,973	(0.65)
2018	7,304,477	7,595,770	(291,293)	1,259,331	329,051	1,588,382	(0.18)
2017	7,498,515	7,866,612	(368,097)	1,208,866	319,082	1,527,948	(0.24)
2016	7,202,103	7,080,788	121,315	1,187,281	335,926	1,523,207	0.08
2015	7,056,321	6,576,768	479,553	1,114,763	338,240	1,453,003	0.33
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

WATER DISTRICTS

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2021	4,252,165	3,293,931	958,234	316,796	304,322	621,118	1.54
2020	4,238,302	3,145,476	1,092,826	307,294	313,466	620,760	1.76
2019	4,269,542	3,079,209	1,190,333	298,370	322,229	620,599	1.92
2018	4,250,353	2,989,839	1,260,514	283,355	356,489	639,844	1.97
2017	4,270,876	3,143,760	1,127,116	272,042	316,284	588,326	1.92
2016	4,325,074	3,228,218	1,096,856	269,427	348,335	617,762	1.78
2015	4,250,167	3,127,808	1,122,359	173,006	333,202	506,208	2.22
2014	4,030,154	3,058,543	971,611	164,640	335,939	500,579	1.94
2013	3,819,651	3,065,376	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

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

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
2012	74,692	2,453,991	32,855	8,414	8.02%
2013	74,012	2,400,000	32,000	8,409	8.60%
2014	73,521	2,659,178	35,929	8,349	7.20%
2015	72,952	2,958,277	40,551	8,357	7.30%
2016	72,528	3,014,191	41,559	8,317	6.40%
2017	72,130	2,975,363	41,250	8,212	5.80%
2018	71,614	2,815,878	39,320	8,191	6.10%
2019	70,975	2,875,694	40,517	8,070	5.80%
2020	70,416	2,191,024	41,454	7,982	9.70%
2021	70,057	3,080,438	43,970	8,075	7.40%

Source - Population, personal income and per capita - Bureau of Economic Analysis

Public School Enrollment - Allegany County Board Of Education-Does not include Pre-K

Unemployment Rate - Maryland Department Of Labor, Licensing and Regulation

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

Employer	2021			2012			Percentage Of Total County Employment
	Employees	Rank	Percentage Of Total County Employment	Employees	Rank	Percentage Of Total County Employment	
Western Md Health Systems (UPMC)	2,200	1	6.14%	2,290	1	6.67%	
Allegany County Board Of Education	1,350	2	3.77%	1,346	3	3.92%	
Northrhum Grumman(ATK Tactical)	1,050	3	2.93%	1,396	2	4.06%	
Frostburg State University	1,003	4	2.80%	922	4	2.68%	
Hunter Douglas	900	5	2.51%	580	7	1.69%	
New Page Corporation (VERSO)			0.00%	870	6	2.53%	
CSX Transportation	635	6	1.77%	900	5	2.62%	
Western Correctional Institution	588	7	1.64%	552	10	1.61%	
North Branch Correctional Institution	574	8	1.60%	557	9	1.62%	
American Woodmark	572	9	1.60%				
Allegany College	509	10	1.42%	559	8	1.63%	
Total	9,381		26.18%	9,972		29.03%	

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Commissioners & Staff	6	5	5	5.75	5.75	5.75	5.75	5.75	5.75	8.15
Judicial	27.9	27.9	29.05	28.75	28.75	29.9	28.5	28.5	30.1	30.1
Finance	9	8	6	5	5	6	6	6	6	6
Tax Office	7.7	7.7	7.7	7.7	7.7	6.7	6.7	6.7	6.7	6.7
Maintenance	15	14	13.9	13.9	13.9	13.9	13.85	13.85	13.85	13.85
Other	38.3	36.9	37.45	40.8	40.5	39.5	38.9	37.15	37.15	37.15
Public Safety										
Sheriff/Bureau of Police	34.4	34.4	34.5	34.4	34.4	35.4	35.4	35.4	38.85	39.85
Detention Center	85.8	85.8	85.8	81	81	81.7	81.7	83.7	82.7	84
911	25.9	25.9	26.55	29.05	29.05	29.05	30.5	30.5	30.5	31.5
Other	31.1	30.1	26.6	24.714	24.714	24.714	24.35	63.35	80.3	82.3
Public Works										
Roads division	68.4	67.4	67.4	66.4	66.4	66.5	66.4	66.4	66.4	66.7
Engineering	12	12	9.9	9.9	9.9	9.45	9.45	9.45	9.45	9.45
Solid Waste	4.3	4.3	5.05	5.46	5.46	4.81	4.81	4.81	4.81	4.81
Transit	27.9	27.9	27.9	27.76	27.76	27.76	27.75	27.75	27.75	27.75
Health and Hospitals										
Social Services	2	2.0	2	2.0	2.0	2.0	2.0	2.0	2.8	2.8
Recreation, culture, libraries, tourism	1	1.0	1	1.0	1.0	1.0	1.0	1.0	1.0	4.5
Conservation of natural resources	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Community Development and Housing	1	1.0	1	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Development	7.7	6.3	5.7	5.7	5.0	5.0	5.5	7.0	8.5	8.5
Sanitary	34	34.0	34	36.0	36.0	36.0	36.0	36.0	36.0	36.0
Nursing Home										
Total	440.8	433.0	427.9	427.6	426.7	427.5	427.0	468.5	496.9	504.4

Source: Allegany County Finance Office-Budget

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Average number of tax bills issued	38,529	38,530	38,535	38,475	38,625	38,650	38,363	38,305	38,355	38,355
Public Safety										
Total Number of arrests	1,593	1,860	1,792	not avail						
Total Number of traffic stops	1,782	1,492	1,558	not avail						
Average number of inmates	150	153	150	134	142	140	147	147	147	147
Number of Volunteer Fire Stations	22	21	21	21	19	19	18	18	18	18
Public Works										
Miles of roads maintained	544	544	544	544	544	544	544	544	544	544
Social Services										
Transit route miles	381,238	376,369	409,383	** N/A						
Transit passengers	219,995	210,601	205,090	** N/A						
Sanitary										
Average number of sanitary/water customers	9,500	9,750	9,850	10,130	10,280	10,295	10,350	10,385	10,450	10,450
Gaming										
Games Sold	32,701	30,699	27,437	26,013	25,754	26,651	25,530	26,867	47,281	25,217
Operators Licensed	100	81	80	70	63	75	74	75	58	45
Inspections Conducted	851	610	748	701	701	644	689	637	372	372

Source: Various County Departments

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Number of major buildings maintained	11	11	11	11	11	11	12	12	12	12
Public Safety										
Number of police stations	4	4	4	4	4	4	4	4	4	4
Number of patrol vehicles	36	40	33	39	42	42	43	43	43	43
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	5	5	5	5	5	5	5	5	5	5
Number of operating transit buses	22	22	18	18	18	18	21	21	21	21
Economic Development										
Number of Industrial parks	8	8	8	8	8	8	8	8	8	8
Number of Buildings leases	13	12	11	11	11	12	12	12	12	12
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

Source: Various County Departments

