

ALLEGANY COUNTY MARYLAND

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

# 2022

## ALLEGANY COUNTY BOARD OF COUNTY COMMISSIONERS

JACOB C. SHADE  
PRESIDENT

CREADE V. BRODIE, JR.  
COMMISSIONER

DAVID J. CAPORALE  
COMMISSIONER

JASON M. BENNETT  
COUNTY ADMINISTRATOR

Allegany County Finance Office  
[www.Alleganygov.org](http://www.Alleganygov.org)





**ALLEGANY COUNTY, MARYLAND**

**ANNUAL COMPREHENSIVE**

**FINANCIAL REPORT**

**FOR THE FISCAL YEAR**

**JULY 1, 2021 - JUNE 30, 2022**

**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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Department of Finance

David J. Caporale, President

William R. Atkinson, Commissioner

Creade V. Brodie, Jr., Commissioner

Jason M. Bennett, CPA, Administrator

T. Lee Beeman, Esq, Attorney

Pamela S. Diaz, CPA, Deputy Director

**February 17, 2023**

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, 2022, 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, 2022, 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, 2022, 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.

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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 2010 census showed a population of 75,087; according to the 2020 Census, the population is 68,106 for the County. The County seat and principal city is Cumberland, with a 2020 population of 19,076.

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, 2021 at 7.4% to 5.8% for June 30, 2022. 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 30,583.

**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.

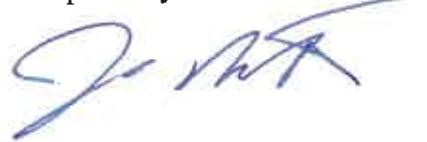
The County has partnered with Fed Ex and recently completed the construction of a new distribution facility in Mexico Farms that will bring additional jobs to our County.

#### **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

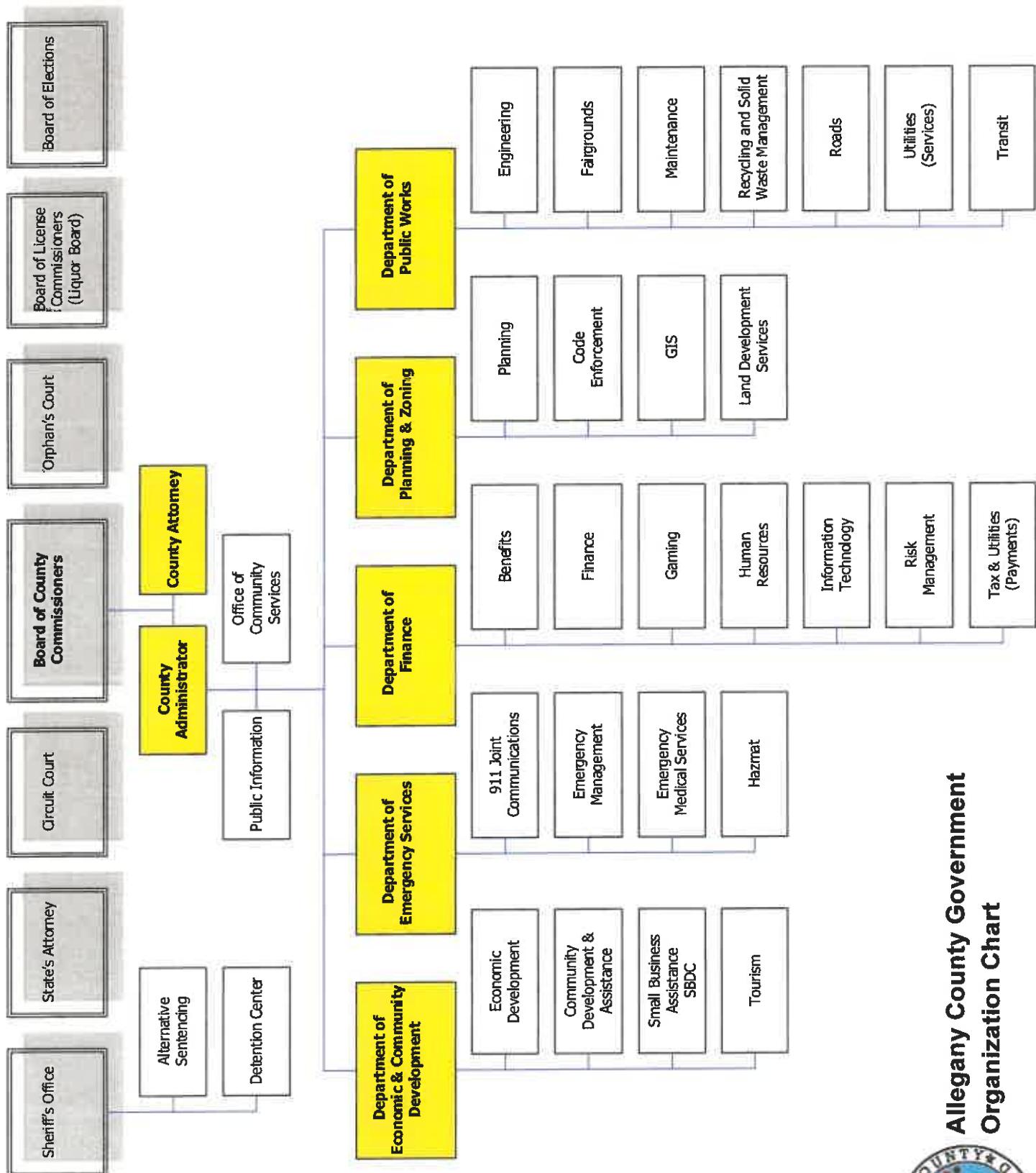
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Allegany County, Maryland  
Summary of Certain Officials  
June 30, 2022

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	Adam Patterson
Director of Economic & Community Development	Jeff Barclay
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



**Allegany County Government  
Organization Chart**



# **FINANCIAL SECTION**

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



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#### **INDEPENDENT AUDITORS' REPORT**

#### **Opinions**

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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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, 2022, 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.

We did not audit the financial statements of the Allegany County Board of Education, Allegany College of Maryland, and the Allegany County Library System, which represent 93 percent, 94 percent, and 97 percent, respectively, of the assets, net position, and revenues of the component units as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. 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, Allegany College of Maryland, and the Allegany County Library System, is based solely on the reports of the other auditors.

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Allegany County, Maryland, and to meet our other ethical responsibilities, in accordance

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Allegany County, Maryland's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Emphasis of Matter-Change in Accounting Principle**

As described in Note 1 and Note 21, the County implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

### **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 is the responsibility of management and, 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.

### **Supplementary 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 combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying

accounting and other records used to prepare the basic financial statements. The 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 and the reports of the other auditors, the combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement or the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2023, 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.

*Tumulka, Haasen : Lach, P.L.*

Cumberland, Maryland  
February 17, 2023

## 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, 2022. 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 \$164.4 million (*net position*). Of this amount, \$183 million is net investment in capital assets and \$6.2 million is restricted for specific purposes (restricted net position). The County's total unrestricted net position is (\$24.8 million). This total unrestricted net position amount includes (\$18.4 million) from governmental activities, and unrestricted net position balance from business-type activities of (\$6.4 million).
- The government's total net position increased by \$8.5 million or 5.5%. The governmental net position increased \$2.5 million. Business-type net assets increased by \$6 million during the year.
- As of the close of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of \$55.9 million, an increase of \$ 1.7 million in comparison with the prior year. Approximately 42% of the ending fund balance, \$23.4 million, is *available for spending* at the government's discretion (*unassigned fund balance*), \$ 12 million is restricted, \$ 11 million is committed to certain programs and \$9.4 million is assigned to specific programs.
- Allegany County's governmental activity outstanding debt decreased by \$1 million (or 2%) during the current fiscal year. The County's business-type debt increased by \$ 1.8 million (or 7%).

### 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 ARP 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 \$164.4 million at the close of the most recent fiscal year.

By far the largest portion of Allegany County's net position (\$183.2 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 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
<b>Assets:</b>						
Current and other assets	\$ 102,331,748	\$ 83,323,801	\$ (3,409,914)	\$ (7,243,700)	\$ 98,921,834	\$ 76,080,101
Capital assets	94,201,491	94,119,932	125,486,980	122,770,202	219,688,471	216,990,134
Total assets	196,533,239	177,543,733	122,077,066	115,526,502	318,610,305	293,070,235
Deferred Outflows of Resources	8,887,155	5,329,149	499,403	283,706	9,386,558	5,612,855
<b>Liabilities:</b>						
Current and other liabilities	26,743,204	22,959,604	3,514,752	3,023,191	30,257,956	25,982,795
Long-term liabilities outstanding	84,525,172	88,015,427	25,918,038	26,126,372	110,443,210	114,141,799
Total liabilities	111,268,376	110,975,031	29,432,789	29,149,562	140,701,165	114,141,799
Deferred Inflows of Resources	22,402,521	2,629,556	510,112	76,471	22,912,633	2,706,027
<b>Net position:</b>						
Net investment in capital assets	84,103,156	85,075,724	98,831,785	97,889,075	182,934,941	182,964,799
Restricted	6,085,554	7,841,911	155,488	162,484	6,241,042	8,004,395
Unrestricted	(18,439,213)	(23,649,340)	(6,353,707)	(11,467,378)	(24,792,920)	(35,116,718)
Total net position	\$ 71,749,497	\$ 69,268,295	\$ 92,633,567	\$ 86,584,179	\$ 164,383,063	\$ 155,852,476

An additional portion of Allegany County's net position (4%) represents resources that are subject to external restrictions on how they may be used. The County has a negative *unrestricted net position* balance of (\$24.8 million). The *unrestricted net position* balance for the governmental activities was (\$18.4 million) and the business-type activities have a balance of (\$6.4 million).

During the current fiscal year, the government's net position increased by \$8.5 million. Revenues increased by \$17.5 million to \$147.4 million while expenses increased by \$ 3.7 million from the prior year to \$138.9 million. The revenue increase was largely due to an increase of \$ 7.2 million received in capital grants for water/sewer projects.

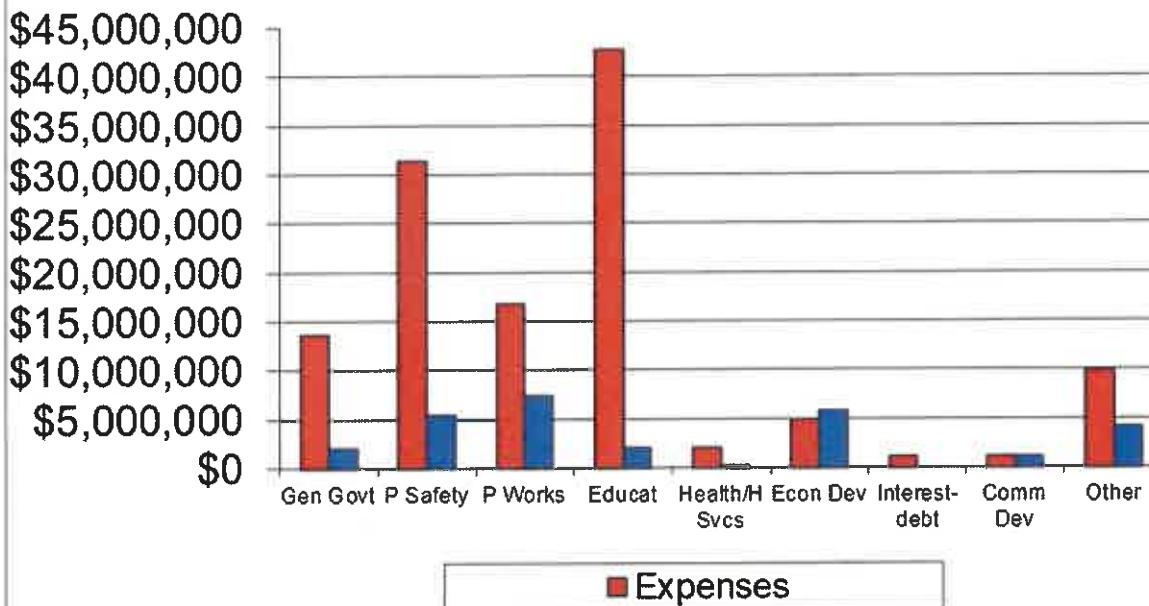
**ALLEGANY COUNTY'S CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 8,908,496	\$ 7,751,517	\$ 11,387,414	\$ 9,706,482	\$ 20,295,910	\$ 17,457,999
Operating grants and contributions	16,909,992	13,034,096			16,909,992	13,034,096
Capital grants and contributions	2,383,082	3,258,409	8,372,352	1,160,589	10,755,434	4,418,998
General revenues:						
Property taxes	43,696,143	43,025,595	1,242,709	1,183,381	44,938,852	44,208,976
Income taxes	33,003,260	31,188,685			33,003,260	31,188,685
Other local taxes	9,443,240	8,036,628			9,443,240	8,036,628
Franchise taxes	417,590	420,472			417,590	420,472
Grants and contributions not restricted to specific programs	8,939,578	8,939,389			8,939,578	8,939,389
Unrestricted fees						
Unrestricted investment earnings	1,500,407	1,635,283	203,396	180,380	1,703,803	1,815,663
Gain on sale/retirement of capital assets	636,518		4,800		641,318	
Miscellaneous	363,728	426,242			363,728	426,242
<b>Total revenues</b>	<b>126,202,034</b>	<b>117,666,316</b>	<b>212,10,671</b>	<b>12,230,832</b>	<b>147,412,705</b>	<b>129,897,148</b>
<b>Expenses:</b>						
General government	13,541,978	13,980,499			13,541,978	13,980,499
Payment to data processing	108,086	109,829			108,086	109,829
Public safety	3,139,1856	30,600,972			3,139,1856	30,600,972
Public works	16,739,713	14,618,577			16,739,713	14,618,577
Health	2,050,301	8,019,965			2,050,301	8,019,965
Social services	4,625,319	1,733,627			4,625,319	1,733,627
Education	2,252,313	1,936,310			2,252,313	1,936,310
Payment to public school system	32,349,768	31,188,670			32,349,768	31,188,670
Payment to community college	8,066,856	8,066,856			8,066,856	8,066,856
Recreation, culture & libraries	3,896,128	691457			3,896,128	691457
Payment to public library system	999,000	966,545			999,000	966,545
Conservation of natural resources	355,681	404,182			355,681	404,182
Community development & housing	1,137,795	1,589,652			1,137,795	1,589,652
Economic development	4,881,991	5,801,705			4,881,991	5,801,705
Interest on long-term debt	1,066,807	1,103,537			1,066,807	1,103,537
Water			4,979,909	5,033,414	4,979,909	5,033,414
Sewer			10,020,927	9,044,813	10,020,927	9,044,813
Nursing Home						
Other proprietary funds			417,684	318,008	417,684	318,008
<b>Total expenses</b>	<b>123,463,592</b>	<b>120,762,383</b>	<b>15,418,520</b>	<b>14,396,235</b>	<b>138,882,112</b>	<b>135,158,618</b>
<b>Increase in net position before transfers</b>	<b>2,738,442</b>	<b>(3,096,067)</b>	<b>5,792,151</b>	<b>(2,165,403)</b>	<b>8,530,593</b>	<b>(5,261,470)</b>
Transfers	(257,240)	(83,561)	257,240	83,561		
<b>Increase (decrease) in net position</b>	<b>2,481,202</b>	<b>(3,179,628)</b>	<b>6,049,392</b>	<b>(2,081,841)</b>	<b>8,530,593</b>	<b>(5,261,470)</b>
<b>Net position, beginning, restated</b>	<b>69,268,295</b>	<b>72,447,923</b>	<b>86,584,175</b>	<b>88,666,023</b>	<b>155,852,470</b>	<b>161,113,946</b>
<b>Net position, ending</b>	<b>\$ 71,749,497</b>	<b>\$ 69,268,295</b>	<b>\$ 92,633,567</b>	<b>\$ 86,584,175</b>	<b>\$ 164,383,061</b>	<b>\$ 155,852,476</b>

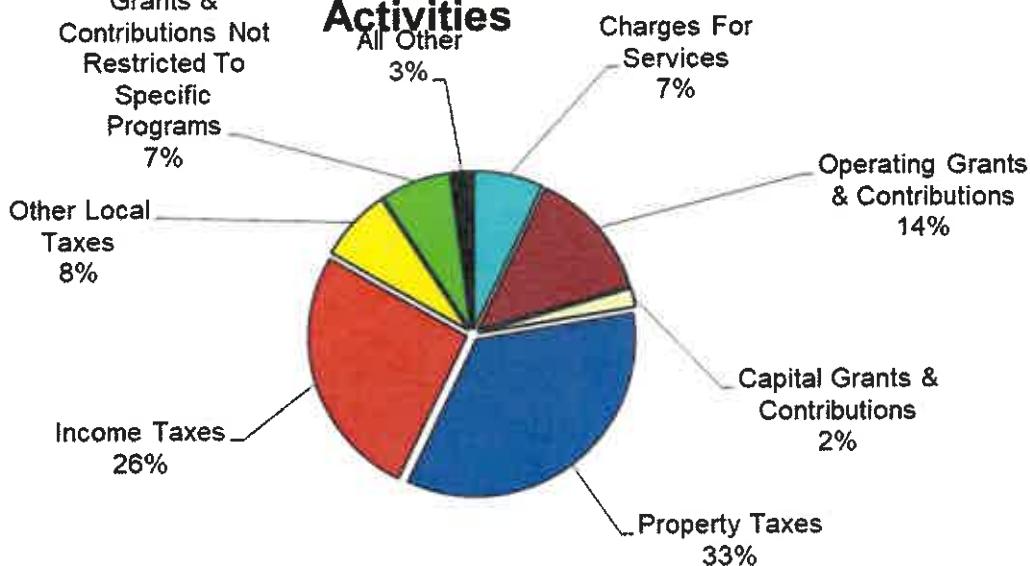
**Governmental activities.** Governmental activities increased Allegany County's net assets by \$2.5 million. Total revenues increased \$ 8.5 million (or 7.2%) and expenses increased \$ 2.7 million (or 2%). Key elements of the changes in governmental net position are as follows:

- Approximately \$2.5 million dollars in American Rescue grant funds were received and \$ 3 million was received in rental assistance funds.
- Increase of \$ 2 million in income tax revenue and increase of \$ 1 million in recordation and transfer fees attributed to high house sale activity.
- Expenses increased due to the receipt and expenditures of American Rescue grant awards and rental assistance funds.

## Expenses and Program Revenues - Governmental Activities



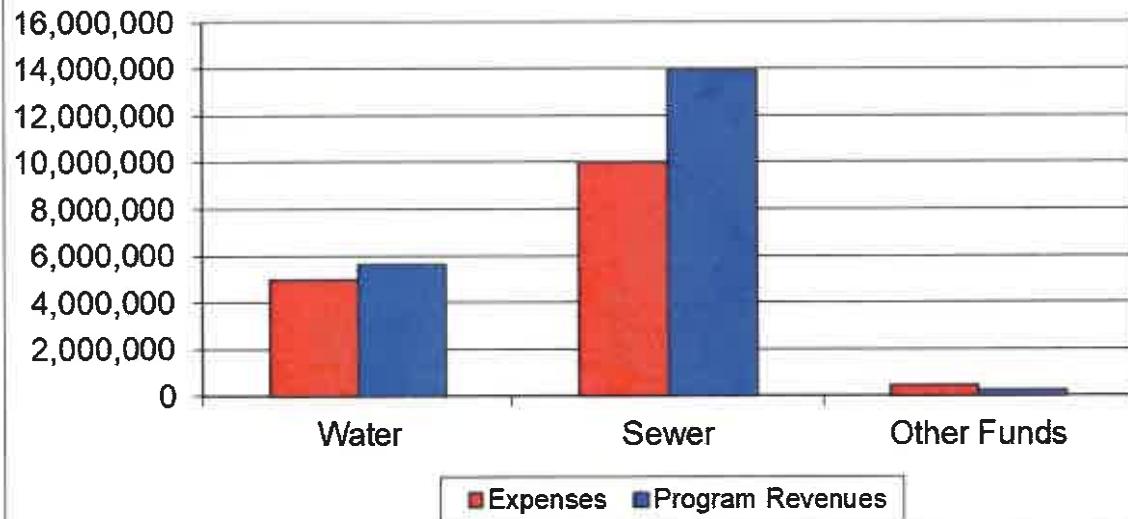
## Revenues By Source - Governmental Activities



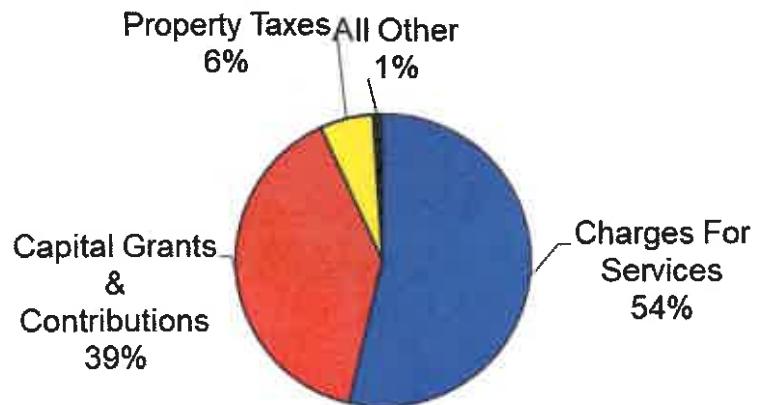
**Business-type activities.** The net position of the County's business-type activities increased by \$6 million after transfers. Key elements of the decrease were:

- Revenues increased \$ 9 million largely due to increase in federal/state grants for water/sewer projects..
- Sewer expenses increased 1 million, which was largely due to an increase in sewer treatments costs.

### Expenses and Program Revenues - Business Type Activities



### Revenues By Source - Business Type Activities



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of Allegany County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Allegany County's financing requirements. In particular, *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 \$55.9 million, an increase of \$ 1.7 million in comparison with the prior year. Approximately 42 percent of this total amount (\$23.4 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Other fund balance classifications are:

- 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 - \$12 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 - \$9.4 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 \$24.9 million, out of a total fund balance of \$34.9 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 25 percent of total general fund expenditures, while total fund balance represents 35 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	\$35,060,847	\$ 62,961,473	\$ 809,465	\$ 98,831,785
Restricted for debt service	-	155,488	-	155,488
Unrestricted	4,235,587	(11,687,161)	1,097,867	(6,353,707)
Total net position	<u>\$39,296,434</u>	<u>\$ 51,429,800</u>	<u>\$ 1,907,332</u>	<u>\$ 92,633,566</u>
Change in net position during the year, increase (decrease)	<u>\$ 715,229</u>	<u>\$ 5,565,980</u>	<u>\$ (231,816)</u>	<u>\$ 6,049,392</u>

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 \$ 101.2 million.

Significant changes between the original budget and actual are summarized as follows:

- Actual revenue exceeded budgeted revenue by 4.2 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, 2022 was \$219.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, furniture and fixtures, equipment, vehicles, heavy equipment and other miscellaneous assets. The total increase in Allegany County's investment in capital assets for the current fiscal year was 1.2 percent, almost all of which was attributed to 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 \$67.2 million. Governmental activities debt consists of \$39.8 million in general obligation bonds including premium and \$.7 million of debt incurred with creditors for which the full faith and credit of the County has also been pledged. The \$26.7 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	
	2022	2021	2022	2021	2022	2021
General obligation	\$ 37,805,000	\$ 39,190,000	\$ -	\$ -	\$ 37,805,000	\$ 39,190,000
Notes	688,321	188,321	-	-	688,321	188,321
Capital leases	-	-	-	-	-	-
State loans	25,406	66,580	8,788,355	7,662,931	8,813,761	7,729,511
Federal loans	-	-	17,866,647	17,218,433	17,866,647	17,218,433
Premium on Bond	2,029,517	2,177,633	-	-	2,029,517	2,177,633
Total	<u>\$ 40,548,245</u>	<u>\$ 41,622,535</u>	<u>\$ 26,655,002</u>	<u>\$ 24,881,145</u>	<u>\$ 67,203,028</u>	<u>\$ 66,503,898</u>

Allegany County governmental activities retired \$ 1.6 million in total during the current fiscal year and loan proceeds in the amount of \$ 500,000 were received and debt was incurred. The total debt outstanding decreased 3.8 percent.

New debt was incurred for Business type activities in the amount of 3.5 million. Business type debt retired during the year was \$1.7 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 2022 for Allegany County was 5.8 percent, which decreased from 7.4 percent when compared to June 2021.

All of these factors were considered in preparing Allegany County's budget for the 2023 fiscal year.

During the current fiscal year, spendable fund balance in the general fund increased to \$25 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 2023 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](mailto:finance@allconet.org).

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**BASIC  
FINANCIAL  
STATEMENTS**

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**GOVERNMENT WIDE  
FINANCIAL  
STATEMENTS**

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**ALLEGANY COUNTY, MARYLAND  
STATEMENT OF NET POSITION  
JUNE 30, 2022**

ASSETS:	Primary Government			Component Units				
	Governmental Activities		Business-type Activities	Total	Board of Education	Allegany College of Maryland	Allegany County Library	LaVale Sanitary Commission
Current Assets:								
Cash	\$ 44,762,286	\$ 73,799	\$ 44,836,085	\$ 35,159,098	\$ 11,823,033	\$ 773,885	\$ 3,634,821	
Investments	3,834,602	439,206	4,273,808		75,000	277,012		
Property taxes receivable	4,553,677		4,553,677					
Receivables:								
Accounts	141,562	2,867,570	3,009,132	28,782,326	666,294	274,771	322,965	
Lease	13,406,649		13,406,649					227,668
Other	10,763,810	4,503,959	15,267,769		1,931,879			
Internal balances	11,747,831	(11,747,831)						
Inventory	35,669	82,050	117,719	332,515	117,248		189,867	
Prepaid expenses				2,030,772	711,062	7,795	38,558	
Miscellaneous	360,989		360,989					
Restricted Assets:								
Cash	3,984,863	215,845	4,200,708		269,689		305,796	
Investments	8,739,810		8,739,810		19,217,685		49,442	
Taxes - receivable		154,033	154,033					
Receivables		1,455	1,455					
Total current assets	101,331,748	(3,409,914)	98,921,834	66,304,711	34,811,890	1,333,463	4,769,117	
Non-current Assets:								
Long term Investment, Market					4,575,713			
Restricted asset-Cash							122,599	
Net OPEB Asset							24,435	
Lease Asset	291,651		291,651					
Land	27,180,167	192,532	27,372,699	7,643,505	1,591,352		413,750	
Work In Progress	584,886	9,526,174	10,111,060	4,477,187	1,257,875	3,820,931	159,244	
Other non-depreciable assets					167,827			
Capital assets subject to depreciation/amortization	173,638,666	208,700,006	382,338,672	243,284,511	79,302,133	9,259,981	31,270,164	
Accumulated depreciation	(107,493,879)	(92,931,732)	(200,425,611)	(133,068,112)	(41,641,699)	(5,094,289)	(16,028,702)	
Total non-current assets	94,201,491	125,486,980	219,688,471	122,337,091	45,253,201	7,986,623	15,961,490	
<b>Total Assets</b>	<b>196,33,239</b>	<b>122,077,066</b>	<b>318,610,305</b>	<b>188,641,802</b>	<b>80,065,091</b>	<b>9,320,086</b>	<b>20,730,607</b>	
Deferred Outflows of Resources								
Deferred Outflows for Pensions-State	6,992,285	499,403	7,491,688	2,066,477	388,934	10,255	721,611	
Deferred Outflows for Pensions-LOSAP	1,259,937		1,259,937					
Deferred Outflows for OPEB	634,933		634,933	4,524,438		16,727	1,591,647	
<b>Total Deferred Outflows of Resources</b>	<b>8,887,155</b>	<b>499,403</b>	<b>9,386,558</b>	<b>6,590,915</b>	<b>388,934</b>	<b>26,982</b>	<b>2,315,258</b>	
LIABILITIES:								
Current Liabilities:								
Accounts payable	4,704,837	1,392,578	6,097,415	3,531,549	1,026,306	308,177	234,267	
Accrued wages payable	920,005	56,049	976,054	1,747,181	547,396	41,088	16,328	
Accrued fringe benefits payable	397,455		29,175	426,630		202,218		
Accrued interest	502,579		65,843	568,422			11,138	
Current portion of long-term debt:								
Bonds and loans	1,483,365	1,652,775	3,136,140				239,588	
Leases	37,858		37,858	104,477	60,274			
Compensated absences	1,396,999	174,752	1,571,751	246,988	762,689		29,896	
Due to Agency Fund	712,411		712,411					
Due to State of MD Commerce	1,500,000		1,500,000					
Due to Trust Fund								
Unearned Revenue	11,780,445		11,780,445	4,687,089	1,204,162			
Accrued health claims	574,600		574,600	8,693,252	261,820			
Miscellaneous liabilities	2,732,650	143,580	2,876,230	1,933,027	1,505			
Total current liabilities	26,743,204	3,514,752	30,257,956	20,943,563	4,066,370	349,265	531,217	
Non-current liabilities:								
Cash advance due general fund								
Bonds and loans	39,064,879	24,384,185	63,449,064				3,580,391	
Capital leases				154,632	211,787			
Lease liability	257,902		257,902					
Annuity payment liability					1,636			
Termination benefits					629,180			
Net pension liability-State	13,850,231	1,158,214	15,008,445	4,476,487	632,956	22,610	317,359	
Net pension liability-LOSAP	5,684,072		5,684,072					
Net OPEB liability	21,691,713		21,691,713	13,426,485				
Post-employment benefits	3,976,375	375,639	4,352,014	1,929,693		109,243		
Compensated absences	84,525,172	25,918,038	110,443,210	19,987,297	1,475,559	67,871	31,211	
Total non-current liabilities	111,268,376	29,432,790	140,701,165	40,930,860	5,541,929	199,724	3,928,961	
<b>Total Liabilities</b>	<b>122,077,066</b>	<b>318,610,305</b>	<b>22,912,633</b>	<b>5,679,463</b>	<b>370,207</b>	<b>57,805</b>	<b>3,370,957</b>	
Deferred Inflows of Resources								
Deferred Inflows for Pensions-State	7,824,183	510,112	8,334,295	2,483,371	370,207	12,544	110,213	
Deferred Inflows for Pensions-LOSAP	300,263		300,263					
Deferred Inflows for OPEB	1,122,847		1,122,847	3,196,092		45,261	3,260,744	
Deferred Inflows for Leases	13,155,228		13,155,228					
<b>Total Deferred Inflows of Resources</b>	<b>22,402,521</b>	<b>510,112</b>	<b>22,912,633</b>	<b>5,679,463</b>	<b>370,207</b>	<b>57,805</b>	<b>3,370,957</b>	
NET POSITION								
Net investment in Capital Assets	84,103,156	98,831,785	182,934,941	122,077,982	40,378,426	7,986,623	11,994,477	
Restricted for:								
Public safety	1,126,872		1,126,872					
Highways	57,201		57,201					
Education	12,164		12,164					
Community development & housing								
Economic development								
Capital projects					11,477,145			
Other purposes	4,889,317	155,488	5,044,805	2,363,287	18,685,675	470,012	477,837	
Unrestricted	<b>(18,439,213)</b>	<b>(6,353,707)</b>	<b>(24,792,920)</b>	<b>12,703,980</b>	<b>15,477,787</b>	<b>283,639</b>	<b>2,742,416</b>	
<b>Total Net Position</b>	<b>71,749,497</b>	<b>92,633,567</b>	<b>\$ 164,383,065</b>	<b>\$ 148,622,394</b>	<b>\$ 74,541,883</b>	<b>\$ 8,740,274</b>	<b>\$ 15,114,730</b>	

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, 2022**

Functions/Programs	Expenses		Expenses		Program Revenues		
	Before Indirect Expense Allocation	Indirect Expense Allocation	After Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>							
Governmental activities:							
General government:	\$ 14,235,490	\$ (693,512)	\$ 13,541,978	\$ 1,102,021	\$ 898,449		
Payment to data processing	108,086	-	108,086	-	-		
Public safety	31,259,975	-	31,391,856	2,903,115	2,431,801	131,881	
Public works	16,739,713	-	16,739,713	1,641,238	3,531,456	2,251,201	
Health & Hospitals	2,050,301	-	2,050,301	-	220,649		
Social services	4,625,319	-	4,625,319	9,200	3,799,353		
Education:	2,252,313	-	2,252,313	-	2,007,159		
Payment to public school system	32,349,768	-	32,349,768	-	-		
Payment to community college	8,066,856	-	8,066,856	-	-		
Recreation, culture & libraries:	3,896,128	-	3,896,128	228,526	42,500		
Payment to public library system	999,000	-	999,000	-	-		
Conservation of natural resources	355,681	-	355,681	20,612	21,003		
Community development and housing	1,137,795	-	1,137,795	-	1,127,522		
Economic development	4,881,991	-	4,881,991	3,003,784	2,830,100		
Interest on long term debt	1,066,807	-	1,066,807	-	-		
Total governmental activities	<u>124,025,223</u>	<u>(693,512)</u>	<u>123,463,592</u>	<u>8,908,496</u>	<u>16,909,992</u>	<u>2,383,082</u>	
Business-type activities:							
Water	4,734,328	245,581	4,979,909	4,714,228	-	910,629	
Sewer	9,572,996	447,931	10,020,927	6,613,271	-	7,328,068	
Other funds	417,684	-	417,684	59,915	-	133,655	
Total business-type activities	<u>14,725,008</u>	<u>693,512</u>	<u>15,418,520</u>	<u>11,387,414</u>	<u>-</u>	<u>8,372,352</u>	
Total primary government	<u><u>\$ 138,750,231</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 138,882,112</u></u>	<u><u>\$ 20,295,910</u></u>	<u><u>\$ 16,909,992</u></u>	<u><u>\$ 10,755,434</u></u>	
<b>Component units:</b>							
Board of Education			\$ 151,471,521	\$ 45,576	\$ 36,872,027	\$ 9,302,897	
Allegany College of Md.			38,668,406	9,990,602	21,776,834		
County Library			2,308,846	197,298	151,050	2,518,226	
LaVale Sanitary Commission			5,369,796	4,692,779	-		
Total component units			<u>\$ 197,818,569</u>	<u>\$ 14,926,255</u>	<u>\$ 58,799,911</u>	<u>\$ 11,821,123</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, 2022**

<b>Net (Expense) Revenue and Changes in Net Position</b>						
<b>Primary Government</b>			<b>Component Units</b>			
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Board of Education</b>	<b>Allegany College of MD</b>	<b>County Library</b>	<b>LaVale Sanitary Commission</b>
\$ (11,541,508)	\$ -	\$ (11,541,508)	\$ -	\$ -	\$ -	\$ -
(108,086)	-	(108,086)	-	-	-	-
(25,925,059)	-	(25,925,059)	-	-	-	-
(9,315,818)	-	(9,315,818)	-	-	-	-
(1,829,652)	-	(1,829,652)	-	-	-	-
(816,766)	-	(816,766)	-	-	-	-
(245,154)	-	(245,154)	-	-	-	-
(32,349,768)	-	(32,349,768)	-	-	-	-
(8,066,856)	-	(8,066,856)	-	-	-	-
(3,625,102)	-	(3,625,102)	-	-	-	-
(999,000)	-	(999,000)	-	-	-	-
(314,066)	-	(314,066)	-	-	-	-
(10,273)	-	(10,273)	-	-	-	-
951,893	-	951,893	-	-	-	-
(1,066,807)	-	(1,066,807)	-	-	-	-
<u>(95,262,022)</u>	<u>-</u>	<u>(95,262,022)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	644,948	644,948	-	-	-	-
-	3,920,412	3,920,412	-	-	-	-
-	(224,114)	(224,114)	-	-	-	-
-	4,341,246	4,341,246	-	-	-	-
<u>(95,262,022)</u>	<u>4,341,246</u>	<u>(90,920,776)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
			(105,251,021)	(6,900,970)	557,728	(677,017)
			<u>(105,251,021)</u>	<u>(6,900,970)</u>	<u>557,728</u>	<u>(677,017)</u>
43,696,143	1,242,709	44,938,852	-	-	-	406,292
33,003,260	-	33,003,260	-	-	-	838,473
2,755,252		2,755,252				
536,686		536,686				
1,139,219		1,139,219				
1,042,872		1,042,872				
3,335,235		3,335,235				
120,265		120,265				
513,711		513,711				
			31,962,998	8,066,856	999,000	
417,590	-	417,590	-	-	-	
8,939,578	-	8,939,578	83,815,953	1,950,854	928,924	
1,500,407	203,396	1,703,803	14,193	296,182	(4,885)	16,978
636,518	4,800	641,318				
363,728		363,728	652,365		6,665	147
(257,240)	257,240	-				
<u>97,743,224</u>	<u>1,708,145</u>	<u>99,451,369</u>	<u>116,445,509</u>	<u>10,313,892</u>	<u>1,929,704</u>	<u>1,261,890</u>
<u>2,481,202</u>	<u>6,049,392</u>	<u>8,530,593</u>	<u>11,194,490</u>	<u>3,412,922</u>	<u>2,487,432</u>	<u>584,873</u>
<u>69,268,295</u>	<u>86,584,175</u>	<u>155,852,470</u>	<u>137,427,906</u>	<u>71,128,966</u>	<u>6,252,842</u>	<u>14,629,857</u>
<u>\$ 71,749,497</u>	<u>\$ 92,633,567</u>	<u>\$ 164,383,065</u>	<u>\$ 148,622,394</u>	<u>\$ 74,541,888</u>	<u>\$ 8,740,274</u>	<u>\$ 15,214,730</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, 2022**

<b>ASSETS:</b>	<b>General</b>	<b>American</b>	<b>Revolving</b>	<b>Other</b>	<b>Total</b>
	<b>Fund</b>	<b>Rescue</b>	<b>Building</b>	<b>Governmental</b>	
Cash	\$ 42,357,950	\$ -	\$ -	\$ 2,404,336	\$ 44,762,286
Cash -restricted				3,984,863	3,984,863
Investments	3,000,000				3,000,000
Investments-restricted	3,470,384			5,269,426	8,739,810
Property tax receivable	4,675,677				4,675,677
Receivables					
Notes and loans				141,562	141,562
Lease receivables			13,406,649		13,406,649
Other receivables	6,209,676		219,992	3,618,656	10,048,324
Due from other funds		11,751,286	6,859,737	7,146,583	25,757,606
Advances to other funds					
Inventory				35,669	35,669
Prepads					
Miscellaneous assets	61,689				61,689
<b>Total Assets</b>	<b>\$ 59,775,376</b>	<b>\$ 11,751,286</b>	<b>\$ 20,486,378</b>	<b>\$ 22,601,095</b>	<b>\$ 114,614,135</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</b>					
Liabilities:					
Accounts payable	\$ 1,438,247	\$ 555,368	\$ 210,863	\$ 2,317,771	\$ 4,522,249
Accrued payroll	856,548	4,878	14,810	43,769	920,005
Accrued payroll fringe	368,195	2,659	6,643	19,958	397,455
Due to other funds	15,481,702			3,587,346	19,069,048
Amounts held in escrow	1,872,645			857,505	2,730,150
Unearned revenue	67,439	11,188,381		666,199	11,922,019
Miscellaneous liabilities			2,500		2,500
<b>Total Liabilities</b>	<b>\$ 20,084,776</b>	<b>\$ 11,751,286</b>	<b>\$ 234,816</b>	<b>\$ 7,492,548</b>	<b>\$ 39,563,426</b>
Deferred inflows of resources:					
Leases			13,155,228		13,155,228
Unavailable revenue	4,740,181			1,285,493	6,025,674
<b>Total Deferred inflows of resources</b>	<b>\$ 4,740,181</b>	<b>\$ -</b>	<b>\$ 13,155,228</b>	<b>\$ 1,285,493</b>	<b>\$ 19,180,902</b>
Fund Balances:					
Nonspendable				35,669	35,669
Restricted				11,782,463	11,782,463
Committed	2,561,190		7,096,334	1,605,868	11,263,392
Assigned	7,484,384			1,939,446	9,423,830
Unassigned	24,904,845			(1,540,392)	23,364,453
<b>Total Fund Balances</b>	<b>\$ 34,950,419</b>	<b>\$ -</b>	<b>\$ 7,096,334</b>	<b>\$ 13,823,054</b>	<b>\$ 55,869,807</b>
<b>Total Liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 59,775,376</b>	<b>\$ 11,751,286</b>	<b>\$ 20,486,378</b>	<b>\$ 22,601,095</b>	
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.				93,909,563	
Other long -term assets are not available to pay current -period expenditures and are deferred in the funds.				883,230	
Deferred Inflows of Resources				1,806,329	
Deferred Outflows for Pension and OPEB benefits				8,887,155	
Effect on assets/liabilities due to internal service fund allocation to Governmental activities				4,725,445	
Long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.				(45,921,619)	
Deferred Inflows for Pension and OPEB benefits				(9,247,293)	
Other long -term liabilities are not due and payable in the current period and therefore are not reported in the funds.				(39,163,120)	
<b>Net position of governmental activities</b>				<b>\$ 71,749,497</b>	

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, 2022**

<b>REVENUES:</b>	<b>General Fund</b>	<b>American Rescue Plan</b>	<b>Revolving Building Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
Taxes:					
Property taxes	\$ 45,135,441	\$ -	\$ -	\$ 45,135,441	
Income taxes	32,874,736	-	-	32,874,736	
Other local taxes	6,080,353	-	-	607,632	6,687,985
Licenses and permits	715,504	-	-	-	715,504
Intergovernmental:					
Federal	5,877,396	2,547,810	-	4,436,335	12,861,541
State	10,651,339	-	-	4,740,838	15,392,177
Other	1,231,710	-	-	2,650,161	3,881,871
Service charges	2,361,941	-	-	320,124	2,682,065
Fines and forfeitures	10,521	-	-	163,313	173,834
Interest	131,883	-	310,012	30,830	472,725
Lease Revenue	-	-	3,178,857	-	3,178,857
Rent	475,829	-	-	-	475,829
Miscellaneous	392,182	-	-	501,874	894,056
Total Revenues	<u>105,938,835</u>	<u>2,547,810</u>	<u>3,488,869</u>	<u>13,451,107</u>	<u>125,426,621</u>
<b>EXPENDITURES:</b>					
Current:					
General government	10,959,848	79,525	-	882,574	11,921,947
Public safety	26,346,424	289,613	-	2,264,224	28,900,261
Public works	11,271,165	886,955	-	2,374,591	14,532,711
Health and Human Services	689,770	-	-	21,052	710,822
Social Services	4,428,022	-	-	-	4,428,022
Education	-	997,686	-	-	997,686
Recreation, culture and libraries	1,010,799	-	-	-	1,010,799
Conservation of natural resources	364,218	-	-	-	364,218
Community Development and Housing	-	-	-	1,136,887	1,136,887
Economic development	958,595	100,000	2,895,436	-	3,954,031
Miscellaneous	349,969	-	-	-	349,969
Appropriation to other governments	1,879,200	-	-	200,000	2,079,200
Payments to component units	40,668,853	-	-	854,857	41,523,710
Debt Service:					
Principal	37,063	-	-	1,426,175	1,463,238
Interest	6,713	-	-	1,325,675	1,332,388
Capital Outlay:					
General government	332,823	-	-	95,624	428,447
Public safety	-	131,881	-	489,552	621,433
Public works	-	-	-	3,440,550	3,440,550
Education	-	-	-	1,073,139	1,073,139
Recreation, culture and libraries	-	-	2,011,514	2,740,590	2,740,590
Economic development	-	-	-	-	2,011,514
Miscellaneous	-	-	-	-	-
Total Expenditures	<u>99,303,462</u>	<u>2,485,660</u>	<u>4,906,950</u>	<u>18,325,490</u>	<u>125,021,562</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,635,374</u>	<u>62,150</u>	<u>(1,418,081)</u>	<u>(4,874,383)</u>	<u>405,059</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	32,702	-	-	2,493,329	2,526,031
Transfers out	(2,192,714)	(62,150)	(182,611)	(345,796)	(2,783,271)
Debt issued	-	-	500,000	-	500,000
Inception of lease	332,823	-	-	-	332,823
Sale of capital assets	93,698	-	352,587	283,719	730,004
Total Other Financing Sources and uses	<u>(1,733,491)</u>	<u>(62,150)</u>	<u>669,976</u>	<u>2,431,252</u>	<u>1,305,587</u>
Net change in fund balances	4,901,883	-	(748,105)	(2,443,131)	1,710,646
Fund balance, beginning	30,048,536	-	7,844,439	16,266,185	54,159,160
Fund balance, ending	<u>\$ 34,950,419</u>	<u>\$ -</u>	<u>7,096,334</u>	<u>\$ 13,823,054</u>	<u>\$ 55,869,807</u>

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

**ALLEGANY COUNTY, MARYLAND**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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) \$ 1,710,646

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	\$ 5,547,475	
Depreciation	<u>(5,765,273)</u>	

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (92,296)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (1,373,866)

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	(500,000)	
Payment of principal	<u>1,426,175</u>	

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. 1,494,544

Effect of revenues, expenditures and other changes in net position of the internal service funds allocated to governmental activities 33,797

Change in net position of governmental activities (pages C6-C7) \$ 2,481,202

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, 2022

ASSETS	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
Current Assets:					
Cash:					
Cash	\$ 219,598	\$ 293,407	\$ -	\$ 513,005	834,602
Cash - restricted	-	215,845	-	215,845	
Investments					
Receivables:					
Accounts (net)	1,390,247	1,465,580	11,743	2,867,570	1,907
Taxes - restricted	-	154,033	-	154,033	
Accounts (net) - restricted		1,455	-	1,455	
Other	6,008	4,178,892	319,059	4,503,959	
Due from other funds	3,247,891	19,152,217	220,142	22,620,250	4,346,861
Hospital Deposit	-	-	-	-	299,300
Bid Deposit	-	-	-	-	
Inventory	-	82,050	-	82,050	
Total current assets	4,863,744	25,543,479	550,944	30,958,167	5,482,670
Non-current Assets:					
Other receivables	-	-	618,236	618,236	
Land	125,250	67,282	-	192,532	
Construction in Progress	294,086	9,232,088	-	9,526,174	
Capital assets subject to depreciation	68,330,491	134,628,104	5,741,411	208,700,006	
Accumulated depreciation	(22,525,071)	(65,474,715)	(4,931,946)	(92,931,732)	
Total noncurrent assets	46,224,756	78,452,759	1,427,701	126,105,216	
Total Assets	51,088,502	103,996,239	1,978,645	157,063,385	5,482,670
Deferred Outflows of Resources					
Deferred Outflows Related to Pension	136,572	362,831	-	499,403	-
Total Deferred Outflows of Resources	136,572	362,831	-	499,403	-
LIABILITIES					
Current Liabilities:					
Accounts payable	211,567	1,177,573	3,438	1,392,578	182,589
Accrued payroll	14,665	41,384	-	56,049	
Accrued payroll fringe	8,209	20,966	-	29,175	
Accrued interest	28,436	37,407	-	65,843	
Current portion of long-term debt					
Revenue debt:					
Bonds and loans	335,857	1,316,918	-	1,652,775	
Other loans	25,333	656	-	25,989	
Compensated absences	3,368	171,384	-	174,752	
Due to other funds	-	34,300,210	67,875	34,368,085	
Health Insurance Reserve	-	143,581	-	143,581	
Miscellaneous liabilities	-	-	-	-	
Total current liabilities	627,435	37,210,079	71,313	37,908,827	757,189
Noncurrent Liabilities:					
Cash advances due to General Fund	-	-	-	-	
Long term debt:					
Net Pension Liability	266,051	892,163	-	1,158,214	
Revenue debt:					
Bonds and loans	10,678,380	13,705,805	-	24,384,185	
Other loans	124,339	467,907	-	592,246	
Compensated absences	86,275	289,363	-	375,638	
Total noncurrent liabilities	11,155,045	15,355,238	-	26,510,283	
Total Liabilities	11,782,480	52,565,318	71,313	64,419,110	757,189
Deferred Inflows of Resources					
Deferred Inflows Related to Pension	146,160	363,952	-	510,112	-
Total Deferred Inflows of Resources	146,160	363,952	-	510,112	-
NET POSITION					
Net investment in capital assets	35,060,847	62,961,473	809,465	98,831,785	
Restricted for debt service	-	155,488	-	155,488	
Unrestricted	4,235,587	(11,687,161)	1,097,867	(6,353,707)	4,725,481
Total Net Position	\$ 39,296,434	\$ 51,429,800	\$ 1,907,332	\$ 92,633,566	\$ 4,725,481

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, 2022**

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
<b>OPERATING REVENUES:</b>					
Service charges	\$ 4,668,460	\$ 6,568,989	\$ 59,915	\$ 11,297,364	8,687,963
Federal Grant-ARC					
Other Agency Revenue					
Miscellaneous	45,768	44,282		90,050	
<b>Total Operating Revenues</b>	<b>4,714,228</b>	<b>6,613,271</b>	<b>59,915</b>	<b>11,387,414</b>	<b>8,687,963</b>
<b>OPERATING EXPENSES:</b>					
Salaries	460,409	1,196,920		1,657,329	
Employee benefits	202,645	499,336		701,981	8,654,168
Office expenses		74,073	38,671	112,744	
Utilities	2,188,385	529,893	8,923	2,727,201	
Repairs & maintenance	120,706	724,208	14,878	859,792	
Contractual services					
Treatment costs		2,698,652		2,698,652	
Professional services	9,488	137,807	116,487	263,782	
Materials and supplies	34,745	668,203	5,706	708,654	
Insurance		71,933	1,582	73,515	
Indirect cost	245,581	447,931		693,512	
Miscellaneous	1,433	25,546	3,044	30,023	
Depreciation	1,420,409	2,658,821	228,393	4,307,623	
<b>Total operating expenses</b>	<b>4,683,801</b>	<b>9,733,324</b>	<b>417,684</b>	<b>14,834,808</b>	<b>8,654,168</b>
<b>Operating Income (Loss)</b>	<b>30,427</b>	<b>(3,120,052)</b>	<b>(357,769)</b>	<b>(3,447,394)</b>	<b>33,795</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>					
Real and personal property taxes		1,234,747		1,234,747	
Interest & penalties on taxes		42,418		42,418	
Discounts on taxes		(6,809)		(6,809)	
Enterprise/industrial exemptions					
Collection fees		(28,533)		(28,533)	
Front footage assessments		882		882	
Interest income	64,159	139,237		203,396	
Interest income, debt service					
Interest expense	(296,108)	(287,603)		(583,711)	
Gain (Loss) on sale of capital assets		4,800		4,800	
<b>Total non-operating revenue (expenses)</b>	<b>(231,949)</b>	<b>1,099,139</b>	<b>-</b>	<b>867,190</b>	<b>-</b>
<b>Income (Loss) before contributions and transfers</b>	<b>(201,522)</b>	<b>(2,020,913)</b>	<b>(357,769)</b>	<b>(2,580,204)</b>	<b>33,795</b>
<b>Capital contributions:</b>					
Federal grants	116,131	2,939,913		3,056,044	
State grants	794,498	4,388,155	133,655	5,316,308	
Other					
<b>Transfers:</b>					
Transfers in	19,348	373,555	25,000	417,903	
Transfers out	(13,226)	(114,731)	(32,702)	(160,659)	
<b>Change in net position</b>	<b>715,229</b>	<b>5,565,980</b>	<b>(231,816)</b>	<b>6,049,392</b>	<b>33,795</b>
<b>Total net position</b>	<b>39,889,080</b>	<b>44,555,947</b>	<b>2,139,148</b>	<b>86,584,175</b>	<b>4,691,686</b>
<b>Move Asset</b>	<b>(1,307,873)</b>	<b>1,307,873</b>			
<b>Total net position - ending</b>	<b>\$ 39,296,434</b>	<b>\$ 51,429,800</b>	<b>\$ 1,907,332</b>	<b>\$ 92,633,566</b>	<b>\$ 4,725,481</b>

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, 2022**

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 4,724,505	\$ 6,462,665	\$ 153,526	\$ 11,340,696	8,626,708
Cash payments for goods and services	(2,551,671)	(4,860,396)	(201,369)	(7,613,436)	(8,758,777)
Cash payments to employees for services	(649,088)	(1,666,741)	-	(2,315,829)	
Other operating revenues					
Net cash provided (used) by operating activities	<u>1,523,746</u>	<u>(64,472)</u>	<u>(47,843)</u>	<u>1,411,431</u>	<u>(132,069)</u>
<b>Cash flows from noncapital financing activities:</b>					
Advances from other funds	(4,347,619)	(14,995,528)	(810,428)	(20,153,575)	8,659,776
Advances to other funds	2,430,874	15,147,993	963,140	18,542,007	(8,527,707)
Transfers from other funds	19,348	373,555	25,000	417,903	-
Transfers to other funds	(13,226)	(114,731)	(32,702)	(160,659)	-
Net cash provided (used) by noncapital financing activities	<u>(1,910,623)</u>	<u>411,289</u>	<u>145,010</u>	<u>(1,354,324)</u>	<u>132,069</u>
<b>Cash flows from capital and related financing activities:</b>					
Proceeds from capital debt	794,498	2,664,350	-	3,458,848	
Acquisition and construction and disposal of capital assets	(723,567)	(6,349,727)	(230,822)	(7,304,116)	
Principal paid on capital debt	(326,216)	(1,358,556)	-	(1,684,772)	
Interest paid on capital debt	(295,436)	(298,072)	-	(593,508)	
Deferred inflows/outflows/pension lia	(37,190)	86,777	-		
Grant revenues	910,629	3,469,603	133,655	4,513,887	
Debt fees/Other	64,159	1,386,742	-	1,450,901	
Net cash used for capital and related financing activities	<u>386,877</u>	<u>(398,883)</u>	<u>(97,167)</u>	<u>(158,760)</u>	
<b>Cash flows from investing activities:</b>					
Hospital Deposit					
Purchase of investments					
Sale of investments	219,598	219,608	-	439,206	
Interest on investments					
Net cash used in investing activities	<u>219,598</u>	<u>219,608</u>		<u>439,206</u>	
Net increase (decrease) in cash	219,598	167,542	-	387,140	
Cash at beginning of the year		341,710	-	341,710	
Cash at end of year	<u>\$ 219,598</u>	<u>\$ 509,252</u>	<u>\$</u>	<u>\$ 728,850</u>	<u>\$</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					
Operating income (loss)	\$ 30,427	\$ (3,120,052)	\$ (357,769)	\$ (3,447,394)	(206,006)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,420,409	2,658,821	228,393	4,307,623	
Provision for uncollectible accounts					
Change in assets & liabilities:					
(Increase) decrease in receivables	10,277	(150,606)	93,611	(46,718)	17,910
(Increase) decrease in inventory					
(Increase) decrease in prepaid exp					
Increase (decrease) in acc'ts payable	48,667	517,851	(12,078)	554,440	56,027
Increase (decrease) in accrued payroll	13,966	29,514	-	43,480	
Total adjustments	<u>1,493,319</u>	<u>3,055,580</u>	<u>309,926</u>	<u>4,858,825</u>	<u>73,937</u>
Net cash provided (used) by operating activities	<u>\$ 1,523,746</u>	<u>\$ (64,472)</u>	<u>\$ (47,843)</u>	<u>\$ 1,411,431</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, 2022**

	OPEB Trust Fund	Custodial Fund
<b>ASSETS:</b>		
Cash	\$ 761,023	\$ -
Investments, at fair value		
Pooled Cash-MACO	2,753,720	
Certificates of Deposit		
Accounts receivable		1,211,215
Due from other funds		712,416
Prepaid Expenses		
Hospital deposit		
<b>Total Assets</b>	<b>3,514,743</b>	<b>1,923,631</b>
<b>LIABILITIES:</b>		
Health claim reserves		-
Other Liabilities		1,923,631
<b>Total Liabilities</b>	<b>-</b>	<b>1,923,631</b>
<b>NET POSITION:</b>		
Restricted for OPEB	\$ 3,514,743	\$ -

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	OPEB Trust Fund	Custodial Fund
<b>ADDITIONS:</b>		
Contributions:		
Employer contributions	\$ 1,171,314	
Employee contributions		
Plan Members	82,707	
Other		
Total contributions	1,254,021	-
Other additions:		
Interest	64,678	
Investment activity	(508,852)	
Less: Investment expense	(12,024)	
Total other additions	(456,198)	-
Real Estate collections for other governments		8,099,691
<b>Total additions</b>	<b>797,823</b>	<b>8,099,691</b>
<b>DEDUCTIONS:</b>		
Benefits	990,311	
Administrative expenses	(2,525)	
Payments of real estate collections to other governments		8,099,691
<b>Total deductions</b>	<b>987,786</b>	<b>8,099,691</b>
Net increase in net position	(189,963)	-
Net position restricted - beginning	3,704,706	-
<b>Net position restricted- ending</b>	<b>\$ 3,514,743</b>	<b>\$ -</b>

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

**Notes  
to the  
Financial Statements**

**June 30, 2022**

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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 1. Summary of Significant Accounting Policies

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*A. Introduction*

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

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

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

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

*B. Reporting Entity*

The reporting entity includes Allegany County's departments and agencies (the primary government) and its component units, entities for which the government is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that 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, 2022**

**Note 1. Summary of Significant Accounting Policies - continued**

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**B. *Reporting Entity – continued***

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

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

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

**Administrative Offices:**

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

Allegany County Library System  
31 Washington Street  
Cumberland, Maryland 21502

LaVale Sanitary Commission  
1 Roselawn Avenue  
LaVale, Maryland 21502

Allegany College  
12401 Willowbrook Road  
Cumberland, Maryland 21502

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 1. Summary of Significant Accounting Policies - continued

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C. *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net 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, 2022**

**Note 1. Summary of Significant Accounting Policies - continued**

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

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

1. General fund – the general 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 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, 2022**

Note 1. Summary of Significant Accounting Policies - continued

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

Additionally, the government reports the following fund 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, 2022**

Note 1. Summary of Significant Accounting Policies - continued

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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, 2022**

**Note 1. Summary of Significant Accounting Policies - continued**

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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 2022 are as follows:

	<u>Real</u>	<u>Personal Property</u>
Unincorporated	.9750	2.4375
Barton	.9094	2.2734
Cumberland	.8315	2.0788
Frostburg	.8627	2.1567
Lonaconing	.8773	2.1932
Luke	.8753	2.1882
Midland	.9094	2.2734
Westernport	.9094	2.2734

**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, 2022**

Note 1. Summary of Significant Accounting Policies - continued

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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, 2022**

Note 1. Summary of Significant Accounting Policies - continued

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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, 2022, compensated absence liabilities for Allegany County are summarized as follows:

	Current Portion	Long-term Portion	Total Liability
Total Governmental Fund Types	\$ 1,396,999	\$ 3,976,375	\$ 5,373,374
Sanitary Districts	174,751	375,639	550,390
	<u>\$ 1,571,750</u>	<u>\$ 4,352,014</u>	<u>\$ 5,923,764</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies - continued**

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**7. Long-term obligations:**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net 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, 2022**

**Note 1. Summary of Significant Accounting Policies - continued**

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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 assets 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 assets 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.

Lease-related amounts are recognized at the inception of leases in which the County is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies - continued**

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The governmental funds reports unavailable revenues from the following sources:

	<b>Non Major</b>		
	<b>General Fund</b>	<b>Governmental Funds</b>	<b>Total</b>
Property taxes	4,219,345		4,219,345
Public Safety Grants	82,897	35,200	118,097
Public Works Grants	212,780	1,250,293	1,463,073
General Govt Grant	76,035		76,035
EMS Fees	107,680		107,680
Other	41,444		41,444
<b>Total</b>	<b>4,740,181</b>	<b>1,285,493</b>	<b>6,025,674</b>

**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 \$45,921,619 are as follows:

Bonds payable (including premiums)	\$39,834,517
Notes payable	688,321
State loans	25,406
Compensated absences	<u>5,373,374</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$45,921,618</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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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 (\$ 217,798) difference are as follows:

Capital outlay	\$5,547,475
Depreciation expense	<u>(5,765,273)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u>(\$217,798)</u>

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 (\$ 92,296) difference is as follows:

In the statement of activities, only the *gain* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. (92,296)

Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net position of governmental act* ( 92,296)

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 \$ 926,175 difference are as follows:

Loan Proceeds	(500,000)
Principal repayments:	
Principal payments	<u>1,426,175</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activites	<u>\$926,175</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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 \$ 1,487,797 difference are as follows:

Compensated absences	(\$383,688)
OPEB Expense	(77,155)
Pension Expense	1,354,345
Other Misc expense	148,116
GASB 87 Lease Expense	328,714
Accrued interest adjustment, net	<u>117,465</u>
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u>\$1,487,797</u>

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Note 3. Stewardship, Compliance, and Accountability

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*A. Budgetary Information*

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

Budget-to-actual comparisons for the non-major governmental funds, though not required, are presented as supplementary information. Budget-to-actual comparisons are not required for component units and the enterprise funds and are not presented.

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

1. Prior to January 15, the County Administrator submits recommended budget guidelines to the Board of Commissioners for their approval.
2. After receiving approval of the budget guidelines, the County Administrator and the Director of Finance meet with the various departments and agencies to explain and distribute the guidelines.
3. The County Administrator and the Director of Finance compile all budget requests; after making departmental and agency review of the requests, a recommended budget is presented to the Board of County Commissioners for review and approval.
4. A public hearing is held to obtain public input and opinion of a preliminary budget.
5. Under Local Code Home Rule, the property tax rate must be set by June 30, and by that time, the budget is publicly adopted by the County Commissioners.
6. During the year supplemental appropriations shall be made by public approval of the Board of Commissioners. No supplemental appropriations were made in FY 22.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 3. Stewardship, Compliance, and Accountability - continued

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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, 2022, expenditures exceeded appropriations for the following funds (the legal level of budgetary control):

<b>Fund</b>	<b>Excess</b>
Coal Haul Roads	79,541
Transit Fund	4,966
Block Grant Fund	243,294
Community Develop & Housing Fund	893,593
Fire and Rescue Funds	86,482
Sheriff Drug Task Force Fund	171,795
Narcotics Task Force Fund	30,090
CARES Fund	21,052
Gaming Fund	272,184
Rocky Gap Gaming Fund	453,320
Public Improvement Bonds Fund	2,526,270
Pay Go Fund	115,091
American Rescue Plan Fund	47,810

- 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, 2022**

**Note 3. Stewardship, Compliance and Accountability -continued**

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**C. Deficit Fund Equity**

At June 30, 2022, one governmental fund, the Capital Projects Fund had a deficit fund balance in the amount of (\$1,565,668).

**Note 4. Deposits and Investments**

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*Allegany County Primary Government:*

As of June 30, 2022, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturity in Months			
		Less Than 1	1-6	6-12	Greater than 12
Statement of Net Position					
Group Annuity Fixed	\$ 3,470,384	\$ 3,470,384			
US Treasury Bills	\$ 8,269,426	\$ 455,306	\$ 3,031,697	\$ 2,808,292	\$ 1,974,131
Certificates of Deposit	-	-			
Total Stmt of Net Position	\$ 11,739,810	\$ 3,925,690	\$ 3,031,697	\$ 2,808,292	\$ 1,974,131
OPEB MACO Trust (a)	\$ 2,753,720	\$ 2,753,720	\$ -	\$ -	\$ -

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 was not in compliance with its investment policy and State law having all deposits and

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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Investments (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. At June 30, 2022, the County was collateralized at 92%, due to a large unanticipated deposit made on June 30, 2022. Collateral was adjusted on July 1 to bring the coverage back up to 102%.

**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 \$ 3,470,384.

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](http://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 \$35,159,098 and the bank balances were \$36,992,584. Of the bank balances, \$293,471 was covered by depository insurance and \$36,698,843 was covered by collateral.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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, 2022, the Board of Education had the following investments and maturities:

Investment Type	Investment Maturity (in months)				
	Less than				
	1	1-6	6-12	More than	12
Certificates of Deposit	\$ 459,874	\$ 30,297	\$ 336,703	\$ 52,831	\$ 40,043
	<u>\$ 459,874</u>	<u>\$ 30,297</u>	<u>\$ 336,703</u>	<u>\$ 52,831</u>	<u>\$ 40,043</u>

**Allegany County Library System**

**Cash – Risks and Policies**

As of June 30, 2022, the carrying amount of the Library's deposits was \$773,885 and the bank balances were \$ 739,867.

Custodial credit risk for deposits is the risk that in the event of a bank failure the Library's deposits may not be returned or 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, 2022 are fully collateralized with securities held by the Library's agent in the Library's name.

As of June 30, 2022, the Library had the following investments and maturities:

Investment Type	Investment Maturity					Credit Rating
	Less than		90 Days	Over		
	90 Days	to One Year	One Year			
U.S. Treasury Bonds	\$ 30,636	\$ -		\$ 30,636		N/A
Investment in MD Local Government Fund Pool	246,376	246,376	-	\$ 30,636		AAA
	<u>\$ 277,012</u>	<u>\$ 246,376</u>	<u>\$ -</u>	<u>\$ 30,636</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, 2022**

**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 \$4,063,216 and the bank balance was \$ 4,134,923. 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, 2022, \$ 3,884,918 of the government's bank balance of \$ 4,134,923 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>\$ 3,962,616</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 \$ 858,390 and the bank balance was 1,061,726.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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The bank balance was fully collateralized with securities held by the college's agent in the College's name.

**Investments -** As of June 30, 2022, the College had the following investments and maturities:

Investment Type	Total	Less Than		90 Days To One Year
		90 Days	90 Days	
Certificates of deposit	\$ 75,000	\$ -	\$ -	\$ 75,000
Maryland Local Government				
Investment Pool	10,201,515	10,201,515		-
	<u>\$ 10,276,515</u>	<u>\$ 10,201,515</u>		<u>\$ 75,000</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**

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Fair values of the County's assets measured on a recurring basis at June 30, 2022 are as follows:

Investment Type	Fair Value	Investment Maturity in Months			
		Less Than 1	1-6	6-12	Greater than 12
Statement of Net Position					
Group Annuity Fixed	\$ 3,470,384	\$ 3,470,384			
US Treasury Bills	\$ 8,269,426	\$ 455,306	\$ 3,031,697	\$ 2,808,292	\$ 1,974,131
Certificates of Deposit	-	-			
Total Stmt of Net Position	<u>\$ 11,739,810</u>	<u>\$ 3,925,690</u>	<u>\$ 3,031,697</u>	<u>\$ 2,808,292</u>	<u>\$ 1,974,131</u>
OPEB MACO Trust (a)	<u>\$ 2,753,720</u>	<u>\$ 2,753,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 5: Fair Value Measurements (continued)

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(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, 2022:

-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, 2022**

**Note 5: Fair Value Measurements (continued)**

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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, 2022, 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**

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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, 2022 was \$4,675,677 (before an allowance of \$ 122,000) of which 2,629,154 were current year's taxes receivable and the balance of \$2,046,523 was prior years' unpaid taxes.

**Note 7. Other Receivables**

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

Governmental Activities:	General Fund	RBF Fund	Non-major Governmental Funds	Internal Svc Fund	Total
<b>Receivables:</b>					
Interest	\$ 69,338	\$ -	\$ -		\$ 69,338
Income taxes	3,177,238	-	-		3,177,238
Other taxes	876,901	-	25,984		902,885
Leases		13,406,648			13,406,648
<b>Current:</b>					
Accrued revenues	2,799,778	219,992	3,592,672	1,907	6,614,349
<b>Long-term:</b>					
Loans, notes	-	-	141,562		141,562
<b>Total receivables</b>	<b>\$ 6,923,255</b>	<b>\$ 13,626,640</b>	<b>\$ 3,760,218</b>	<b>\$ 1,907</b>	<b>\$ 24,312,020</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 7. Other Receivables-continued

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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	6,008	4,178,892	319,059	4,503,959
Accounts, trade	1,684,627	1,804,681	11,743	3,501,051
Less allowance	(294,380)	(339,101)	-	(633,481)
Net accounts, trade	1,390,247	1,465,580	11,743	2,867,570
Accounts, restricted		155,488	-	155,488
Less allowance			-	
Net accounts, restricted		155,488	-	155,488
Loans			968,236	968,236
Less allowance			(350,000)	(350,000)
Net loans			618,236	618,236
Total receivables	\$1,396,255	\$ 5,799,960	\$ 949,038	\$ 8,145,253

*Leases-County as Lessor:*

As part of the County's economic development mission, several County owned buildings are leased to various County employers and thus lease agreements are entered into by both parties. During FY 22, GASB 87 was implemented. As a result, \$ 15,268,827 was recorded as the balance at 7/1/21 for both lease receivable and deferred inflows representing several lease agreements in place at that time. During the year, an additional lease agreement was entered into and added \$ 674,094 to both the receivable and deferred inflows. FY 22 lease payments were recorded in the amount of \$ 2,536,273, reducing the lease receivable at 6/30/22 to \$ 13,406,648. FY 22 amortization for deferred inflows was \$ 2,787,693, which reduced the deferred inflows at 6/30/22 to \$ 13,155,228.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 7. Other Receivables-continued**

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**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.

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	\$ 11,713,018
Unearned ticket revenue\other	67,439
Long term housing loans receivable	141,562
	<hr/> <u>\$ 11,922,019</u>

*Loans receivable:*

The following table summarizes the loan receivable balances in the County Loan Fund at June 30, 2022:

Entity	Source of funds	Balance June 30, 2022
County Loan Fund loans:		
Western Maryland Scenic Railroad	Gen Fund/PIB of 1988	\$ 250,000
Aeon Technologies	RBF Fund	\$ 226,882
YMCA	General Fund	100,000
Flood Wall Loan-Cintas	General Fund	1,292
Employee loan	General Fund	36,005
WebRestaurant Loan	RBF Fund	30,000
Allowance for doubtful accounts		(350,000)
Sub-total		<hr/> \$ 294,179
Allconet II Fund loans:		
TWR loan	General Fund	24,880
Total		<hr/> \$ 319,059
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, 2022**

**Note 8. Capital Assets**

Capital asset activity for the year ended June 30, 2022 for the primary government was as follows:

<b>Primary Government:</b> Governmental activities:	Beginning Balance	Increases	Decreases	Transfers In(Out)	Ending Balance
Leased Asset:					
Building		332,823			332,823
Less: Accumulated Amortization		(41,172)			(41,172)
Leased Asset, net		291,651			291,651
Capital assets, not being depreciated:					
Land	\$ 27,211,512		\$ (31,342)		\$ 27,180,167
Work in Progress	3,642,768	2,823,878		(5,881,760)	584,886
Total capital assets not being depreciated:	30,854,280	2,823,878	(31,342)	(5,881,760)	27,765,053
Capital assets, being depreciated:					
Buildings	65,770,725		(405,960)	4,503,085	69,867,849
Infrastructure	54,996,930	84,101	-	1,378,675	56,459,713
Furniture & Fixtures	1,054,110	115,475	-		1,169,586
Equipment	22,465,003	205,665	(4,500)		22,666,171
Vehicles	14,819,200	2,098,410	(582,062)		16,335,547
Heavy Equipment	5,948,435	219,945	(280,404)		5,887,979
Other Capital Assets	1,251,821				1,251,821
Total capital assets, being depreciated:	166,306,224	2,723,596	(1,272,926)	5,881,760	173,638,685
Less accumulated depreciation for:					
Buildings	(33,813,194)	(1,829,072)	405,960		(35,236,303)
Infrastructure	(35,764,926)	(816,166)			(36,581,093)
Furniture & Fixtures	(1,026,781)	(20,806)			(1,047,586)
Equipment	(16,212,450)	(1,703,835)	4,500		(17,911,787)
Vehicles	(10,830,065)	(1,077,997)	576,690		(11,331,371)
Heavy Equipment	(4,368,109)	(314,924)	224,814		(4,458,219)
Other Capital Assets	(925,052)	(2,470)			(927,524)
Total accumulated depreciation	(102,940,577)	(5,765,270)	1,211,964		(107,493,888)
Total capital assets, being depreciated, net:	63,365,647	(3,041,674)	(60,962)	5,881,760	66,144,797
Governmental activities capital assets, net	\$ 94,219,926	\$ (217,796)	\$ (92,304)	\$ -	\$ 93,909,837

<b>Primary Government:</b> 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	4,550,502	6,337,538		(1,361,865)	9,526,174
Total capital assets not being depreciated:	4,743,034	6,337,538	-	(1,361,865)	9,718,706
Capital assets, being depreciated:					
Buildings	256,346	456,061	-		712,407
Infrastructure	192,833,055			1,361,865	194,194,928
Furniture & Fixtures	17,681				17,681
Equipment	7,597,677	230,822	(10,189)		7,818,309
Vehicles	1,608,193		(23,730)		1,584,463
Heavy Equipment	1,534,621				1,534,621
Other Capital Assets	2,837,063				2,837,063
Total capital assets, being depreciated:	206,685,186	686,883	(33,919)	1,361,865	208,700,006
Less accumulated depreciation for:					
Buildings	(204,581)	(15,657)	-	-	(220,238)
Infrastructure	(76,656,094)	(3,836,012)	-	-	(80,492,106)
Furniture & Fixtures	(17,680)		-		(17,680)
Equipment	(6,549,800)	(289,168)	10,189		(6,828,779)
Vehicles	(1,484,519)	(38,460)	23,730		(1,499,249)
Heavy Equipment	(1,359,591)	(105,350)			(1,464,941)
Other Capital Assets	(2,385,767)	(22,997)			(2,408,764)
Total accumulated depreciation	(88,658,014)	(4,307,644)	33,919	-	(92,931,732)
Total capital assets, being depreciated, net:	118,027,172	(3,620,761)	0	1,361,865	115,768,274
Business-type activities capital assets, net	\$ 122,770,200	\$ 2,716,777	\$ -	\$ -	\$ 125,486,980

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 8. Capital Assets - continued**

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Depreciation expense was charged to functions/programs of the primary government, as reported in the statement of activities, for the year ended June 30, 2022 as follows:

<b>Governmental activities:</b>	
General government	\$ 113,152
Public safety	2,620,823
Public works	1,484,151
Health	218,440
Social services	84,339
Recreation, culture and libraries	159,542
Community development and housing	97
Economic development	1,084,726
<b>Total depreciation expense - governmental activities</b>	<b><u>\$ 5,765,270</u></b>
<b>Business type activites:</b>	
Water districts	\$ 1,420,417
Sewer districts	2,658,833
Allconet II	228,393
<b>Total depreciation expense - governmental activities</b>	<b><u>\$ 4,307,644</u></b>

*Construction Commitments*

The County has active construction projects as of June 30, 2022. The projects include industrial park infrastructure and water quality and service improvements. At year end the County's commitments with contractors are as follows:

<b>Project</b>	<b>Spent-to-date</b>	<b>Remaining Commitment</b>
Locust Grove Project	3,237,317	2,465,682
Sewer Pumping Station Project	1,516,475	10,293,817
Allegany High School		200,000
Barton Park Shell Building	3,962,266	30,000
<b>Totals</b>	<b><u>8,716,058</u></b>	<b><u>12,989,499</u></b>

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, 2022**

**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, 2022 (not including component units), was as follows:

<b>Board of Education</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Transfers/ Decreases</b>	<b>Ending Balance</b>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,643,505	\$ 4,220,479	(2,540,880)	\$ 7,643,505
Work in process	2,797,588			4,477,187
Total capital assets not being depreciated:	<u>10,441,093</u>	<u>4,220,479</u>	<u>(2,540,880)</u>	<u>12,120,692</u>
Capital assets, being depreciated:				
Land Improvements	10,468,605	322,525	579,220	11,370,350
Buildings & Improvements	202,331,235	2,431,641	1,856,266	206,619,142
Furniture, Equipment & Vehicles	24,102,237	1,930,575	(737,792)	25,295,020
Total capital assets, being depreciated:	<u>236,902,077</u>	<u>4,684,741</u>	<u>1,697,694</u>	<u>243,284,512</u>
Less accumulated depreciation for:				
Land Improvements	(5,289,195)	(548,848)	9,027	(5,829,016)
Buildings & Improvements	(105,221,772)	(4,111,892)	80,640	(109,253,024)
Furniture, Equipment & Vehicles	(17,320,147)	(1,401,867)	735,942	(17,986,072)
Total accumulated depreciation	<u>(127,831,114)</u>	<u>(6,062,607)</u>	<u>825,609</u>	<u>(133,068,112)</u>
Total capital assets, being depreciated, net:	<u>109,070,963</u>	<u>(1,377,866)</u>	<u>2,523,303</u>	<u>110,216,400</u>
Governmental activities capital assets, net	<u>\$ 119,512,056</u>	<u>\$ 2,842,613</u>	<u>\$ (17,577)</u>	<u>122,337,091</u>
<b>Board of Education</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Business-type activities:				
Capital assets, not being depreciated:				
Work in process	\$ -	\$ -	\$ -	\$ -
Capital assets, being depreciated:				
Furniture, Equipment & Vehicles	483,946	-	(61,857)	422,089
Less accumulated depreciation	(483,946)		61,857	(422,089)
Total capital assets, being depreciated, net:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital asset activity for the Library of Allegany County for the year ended June 30, 2022

<b>Library</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Governmental activities:				
Non-depreciable assets:				
Construction in Progress	\$ 1,302,706	\$ 2,518,225		\$ 3,820,931
Capital assets, being depreciated:				
Buildings & Improvements	\$ 4,958,615	\$ 30,000		\$ 4,988,615
Furniture & Equipment	976,170	38,191		1,014,361
Vehicles/Bookmobile	91,036			91,036
Library Books	3,055,779	177,693	(67,503)	3,165,969
Total capital assets, being depreciated:	<u>9,081,600</u>	<u>245,884</u>	<u>(67,503)</u>	<u>9,259,981</u>
Less accumulated depreciation for:				
Buildings & Improvements	(1,415,875)	(99,461)	-	(1,515,336)
Furniture & Equipment	(738,845)	(53,957)		(792,802)
Vehicles/Bookmobile	(62,539)	(6,545)	-	(69,084)
Library Books	(2,601,610)	(182,960)	67,503	(2,717,067)
Total accumulated depreciation	<u>(4,818,869)</u>	<u>(342,923)</u>	<u>67,503</u>	<u>(5,094,289)</u>
Total capital assets, being depreciated, net:	<u>\$ 4,262,731</u>	<u>\$ (97,039)</u>	<u>\$ -</u>	<u>\$ 4,165,692</u>
Governmental activities capital assets, net	<u>\$ 5,565,437</u>	<u>\$ 2,421,186</u>	<u>\$ -</u>	<u>\$ 7,986,623</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 8. Capital Assets - continued**

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*Discretely Presented Component Units - continued:*

Capital asset activity for Allegany College of Maryland and its component units for the year ended June 30, 2022 were as follows:

<b>Allegany College of Maryland</b> Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,564,352	\$ 27,000	\$ -	1,591,352
Library Collections	153,740	14,087	-	167,827
Work in Progress	13,212,886	1,966,613	(13,921,624)	1,257,875
Total capital assets not being depreciated:	<u>14,930,978</u>	<u>2,007,700</u>	<u>(13,921,624)</u>	<u>3,017,054</u>
Capital assets, being depreciated:				
Buildings	51,436,227	14,580,783	-	66,017,010
Equipment	12,019,136	747,780	(164,312)	12,602,605
Auxiliary Equipment	152,649			152,649
Library Books	584,925	12,485	(67,542)	529,868
Total capital assets, being depreciated:	<u>64,192,937</u>	<u>15,341,048</u>	<u>(231,854)</u>	<u>79,302,133</u>
Less accumulated depreciation:	(39,419,696)	(2,450,260)	228,257	(41,641,699)
Total capital assets, being depreciated, net:	<u>24,773,241</u>	<u>12,890,788</u>	<u>(3,597)</u>	<u>37,660,434</u>
Business-type activities capital assets, net	<u>\$ 39,704,219</u>	<u>\$ 14,898,488</u>	<u>\$ (13,925,221)</u>	<u>\$ 40,677,488</u>

Capital asset activity for the LaVale Sanitary Commission for the year ended June 30, 2022, was as follows:

<b>LaVale Sanitary Commission</b> Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 413,750		\$ -	\$ 413,750
Work in Progress	168,389	57,042	(66,187)	159,244
Total capital assets not being depreciated:	<u>582,139</u>	<u>57,042</u>	<u>(66,187)</u>	<u>572,994</u>
Capital assets, being depreciated:				
Buildings	807,388	3,679	-	811,067
Infrastructure	28,997,123	76,387		29,073,510
Machinery, Vehicles & Equipment, Office Furniture and Equipment	1,378,152	7,435		1,385,587
Total capital assets, being depreciated:	<u>31,182,663</u>	<u>87,501</u>		<u>31,270,164</u>
Less accumulated depreciation for:	(15,472,359)	(556,343)		(16,028,702)
Total capital assets, being depreciated, net:	<u>15,710,304</u>	<u>(468,842)</u>	<u>0</u>	<u>15,241,462</u>
Business-type activities capital assets, net	<u>\$ 16,292,443</u>	<u>\$ (411,800)</u>	<u>\$ (66,187)</u>	<u>\$ 15,814,456</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 9. Interfund Receivables, Payables, and Transfers**

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The composition of interfund balances as of June 30, 2022, is as follows:

**A. Due to/from other funds**

	Due From Other Funds	Due To Other Funds
<b>Governmental funds:</b>		
General Fund	\$ -	\$ 15,481,702
American Rescue Fund	11,751,286	
Revolving Building Fund	6,859,737	
Non-major Governmental Funds	7,146,583	3,587,346
Sub-total	25,757,606	19,069,048
<b>Enterprise Funds:</b>		
Water Districts	3,247,891	-
Sanitary Districts	19,152,217	34,300,210
Non-major Enterprise Funds	220,142	67,875
Sub-total	22,620,250	34,368,085
Internal Service Fund	4,346,861	
<b>Fiduciary Funds:</b>		
Custodial Fund	712,416	-
<b>TOTALS</b>	<b>\$ 53,437,133</b>	<b>\$ 53,437,133</b>

The interfund balances as of June 30, 2022 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. Loans To/From Other Funds**

	Advances to Other Funds	Advances from Other Funds
<b>Loans:</b>		
Loan Fund	618,237	
Allegany County Sanitary Districts:		
Long-term debt-Bonds & Loans		467,907
Current portion of long-term debt		656
Allegany County Water Districts:		
Current portion of long-term debt		25,333
Long-term debt		124,341
	<b>\$ 618,237</b>	<b>\$ 618,237</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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, 2022 are as follows:

Transferred From:	Transferred To:	Amount	Total By Fund
From the General Fund to:			
Non-major funds governmental funds		\$ 2,075,930	
Enterprise funds:			
Alconet		25,000	
Water/Sewer fund		91,784	\$ 2,192,714
From the Revolving Building Fund To:			
General Fund		0	
Water Fund		19,348	
Sanitary Fund		134,227	
Non-major funds governmental funds		29,036	182,612
From the Sanitary Fund To:			
Water/Sewer fund		127,957	127,957
From the ARP Fund To:			
Non-major governmental fund		62,150	62,150
From the Non-major Governmental Funds to:			
Enterprise funds:			
Water/Sewer fund			
Other Non-major governmental fund		345,796	345,796
From the Non-major Enterprise Funds to:			
Water/Sewer fund		32,702	
General Fund			32,702
<b>TOTALS</b>		<b>\$ 2,943,930</b>	<b>\$ 2,943,930</b>

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, 2022 are as follows:

Payment From:	Payment To:	Amount	Total By Fund Type
From the General Fund (appropriations) to:			
Board of Education		\$ 31,854,911	
Board of Education, Data Processing		108,086	
Allegany College of Maryland		7,706,856	
Library		999,000	\$ 40,668,853
From the Gaming Fund to:			
Board of Education		494,857	494,857
From the Rocky Gap Slots Fund to:			
Allegany College of MD Foundation		360,000	360,000
<b>Total</b>		<b>\$ 41,523,710</b>	<b>\$ 41,523,710</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 10. Short-term Debt**

Allegany County did not issue short-term debt during the fiscal year ending June 30, 2022 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, 2022, was as follows:

<b>Long-term Debt</b>					
<b>Governmental Activities</b>					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
General Obligation Notes	\$ 39,190,000 188,321	\$ 500,000	\$ (1,385,000) (41,174)	\$ 37,805,000 688,321 25,406	\$ 1,450,000 108,152 25,406
State Loans	66,580	-	(148,116)	2,029,517	148,116
Premium on Bonds Payable	2,177,633	-	-	-	-
<b>Total</b>	<b>\$ 41,622,534</b>	<b>\$ 500,000</b>	<b>\$ (1,574,290)</b>	<b>\$ 40,548,245</b>	<b>\$ 1,731,674</b>
<b>Business-type activities</b>					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Water districts:					
Rural development loans	\$ 10,149,509	\$ 794,498	\$ (283,622)	\$ 9,865,887	\$ 292,635
Maryland water quality loans	372,126	-	(18,065)	1,148,559	43,222
County loans	174,201	-	(24,529)	149,672	25,333
Total water districts	<b>10,695,836</b>	<b>794,498</b>	<b>(326,216)</b>	<b>11,163,909</b>	<b>361,190</b>
Sewer districts:					
Maryland water quality loans	364,608	-	(28,290)	336,318	28,622
Maryland environmental loans	6,738,429	1,116,008	(1,169,475)	6,684,962	1,105,281
Rural development loans	7,068,924	1,092,000	(160,164)	8,000,760	183,015
Other loans	13,129	456,342	(627)	468,844	656
Total sewer districts	<b>14,185,090</b>	<b>2,664,350</b>	<b>(1,358,556)</b>	<b>15,491,286</b>	<b>1,317,574</b>
Total business-type activities:					
Maryland water quality loans	736,734	794,498	(46,355)	1,484,877	71,844
Maryland environmental loans	6,738,429	1,116,008	(1,169,475)	6,684,962	1,105,281
Rural development loans	17,218,433	1,092,000	(443,786)	17,866,647	475,650
Other loans	187,330	456,342	(25,156)	618,516	25,989
Total business-type activities	<b>\$ 24,880,926</b>	<b>\$ 3,458,848</b>	<b>\$ (1,684,772)</b>	<b>\$ 26,655,002</b>	<b>\$ 1,678,764</b>
<b>Other Long-term Liabilities</b>					
	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Governmental Activities					
Leases	\$ 0	\$ 332,823	\$ (37,063)	\$ 295,760	\$ 37,858
Compensated Absences	4,989,685	721,463	(337,773)	5,373,374	1,396,999
Net Pension Liability-St of MD	19,178,494	(5,328,263)	-	13,850,231	-
Net Pension Liability-LOSAP	5,216,858	467,214	-	5,684,072	-
Net OPEB	21,167,587	524,126	-	21,691,713	-
Business-type activities					
Water & sewer districts					
Compensated absences	\$ 518,404	\$ 50,024	\$ (18,038)	\$ 550,390	\$ 174,752
Net Pension Liability	1,500,125	(341,911)	-	1,158,214	-

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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.

*Leases-County as Lessee:*

The County, as a lessee, has entered into a lease agreement to rent building space to be used as the County's District Courthouse. The total of the lease asset is recorded at a cost of \$ 332,823, less accumulated amortization of \$ 37,063. The future lease payments under lease agreements are

	<b>Leases</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	37,858	5,918	43,776
2024	38,671	5,105	43,776
2025	41,033	4,263	45,296
2026	42,223	3,377	45,600
2027	43,129	2,471	45,600
2028-2030	92,846	2,153	94,999
<b>Total</b>	<b>295,760</b>	<b>23,287</b>	<b>319,047</b>

Annual debt service requirements to maturity for Allegany County's governmental activities long-term debt outstanding as of June 30, 2022 are as follows:

Year Ending June 30,	Notes from Direct Borrowing				State Loans from Direct Borrowing				Totals	
	General Obligation Bonds		Capital Leases		Premium Bond Pay					
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	1,450,000	1,194,196	108,152	12,499	-	-	25,406	236	148,116	1,731,674
2024	1,895,000	1,131,345	54,198	10,977					148,116	2,097,314
2025	2,075,000	1,058,445	55,868	9,309					148,116	2,278,984
2026	2,150,000	981,120	57,568	7,908					148,116	2,355,684
2027	2,225,000	905,645	59,308	6,169					148,116	2,432,424
2028-2032	10,735,000	3,295,275	259,417	11,955	-	-			553,475	11,547,892
2033-2037	9,280,000	1,622,844	74,482	-	-	-			445,507	9,799,989
2038-2042	6,870,000	506,434	19,328	-	-	-			267,289	7,156,617
2043-2048	1,125,000	29,980	-	-					22,666	1,147,666
	\$ 37,805,000	\$ 10,725,284	\$ 688,321	\$ 58,817	\$ 0	\$ 0	\$ 25,406	\$ 236	\$ 2,029,517	\$ 40,548,245
										\$ 10,784,337

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

Annual debt service requirements to maturity for Allegany County's business-type activities long-term debt outstanding as of June 30, 2022 are as follows:

The annual debt service requirements to maturity for the Water Districts long-term debt outstanding at June 30, 2022 are:										
Year Ending June 30,	Farmers Home Admin. Loans		Water Quality/MDE Loans		Other Loans				Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	292,635	275,306	43,222	8,893	25,333	6,153	361,190	290,352		
2024	301,991	265,950	43,491	8,343	22,933	5,320	368,415	279,613		
2025	311,706	256,235	43,763	11,931	4,430	4,557	359,899	272,723		
2026	321,795	246,145	44,036	7,798	4,633	4,353	370,464	258,296		
2027	332,275	235,666	44,312	7,525	4,846	4,140	381,433	247,331		
2028-2032	1,811,366	934,153	225,792	33,403	27,781	17,150	2,064,939	984,706		
2033-2037	1,869,235	714,363	212,330	25,252	34,777	9,854	2,116,342	749,469		
2038-2042	1,684,309	438,764	183,775	18,037	24,940	2,020	1,893,024	458,821		
2043-2047	1,396,653	239,826	163,454	13,613	0	0	1,560,107	253,439		
2048-2052	1,321,081	90,545	144,380	9,026	0	0	1,465,461	99,571		
2053-2057	219,790	6,226			0	0	219,790	6,226		
2058-2062	2,844	18			0	0	2,844	18		
Totals	\$ 9,865,680	\$ 3,703,197	\$ 1,148,555	\$ 143,821	\$ 149,673	\$ 53,547	\$ 11,163,909	\$ 3,900,565		

The annual debt service requirements to maturity for the Sanitary Districts long-term debt outstanding at June 30, 2022 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
2023	28,623	4,767	1,105,280	86,057	183,015	214,007	656	560	1,317,574	305,391
2024	28,979	4,429	1,119,372	71,736	188,320	208,702	686	530	1,337,357	285,397
2025	29,300	4,089	1,086,517	57,442	193,892	203,130	717	499	1,310,426	265,160
2026	29,645	3,744	705,561	43,462	199,562	197,460	750	465	935,518	245,131
2027	29,994	3,395	672,461	32,777	205,455	191,567	785	431	908,695	228,170
2028-2032	145,692	11,126	1,141,905	60,390	1,122,902	848,402	4,501	1,582	2,415,000	921,500
2033-2037	44,085	-	334,827	26,413	1,252,379	682,632	460,749	462	2,092,040	709,507
2038-2042	-	-	194,378	18,687	1,293,290	501,462			1,487,668	520,149
2043-2047	-	-	198,297	14,769	1,491,527	302,312			1,689,824	317,081
2048-2052	-	-	126,364	8,190	936,381	144,410			1,062,745	152,600
2053-2057	-	-	-	-	723,529	58,544			723,529	58,544
2058-2062	-	-	-	-	210,508	10,029			210,508	10,029
Totals	\$ 336,318	\$ 31,550	\$ 6,684,962	\$ 419,923	\$ 8,000,760	\$ 3,562,657	\$ 468,844	\$ 4,529	\$ 15,491,286	\$ 4,018,659

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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,	
				2022	2021
<b>General Obligation Bonds:</b>					
Public Improvement Bonds:					
Bonds of 2013-Nontax	03/11/13	03/11/27	2.11	3,460,000	4,090,000
Bonds of 2014	12/16/14	12/16/35	2.88	6,820,000	7,195,000
Bonds of 2019	12/14/18	12/14/38	3.5-5	9,850,000	10,230,000
Bonds of 2020-Nontax	11/24/20	07/15/41	2.44	7,170,000	7,170,000
Bonds of 2020	11/24/20	04/15/43	2.50	10,505,000	10,505,000
Premium on Bonds	03/11/13	03/11/27	n/a	149,688	187,108
Premium on Bonds	12/16/14	12/16/35	n/a	335,472	362,489
Premium on Bonds	12/14/18	12/14/38	n/a	711,253	754,359
Premium on Bonds	11/24/20	04/15/43	n/a	485,430	508,096
Premium on Bonds-Nontax	11/24/20	07/15/41	n/a	347,677	365,583
Notes:					
Farmers Home Admin	1992	2032	5.75	188,322	188,322
Other Agency Loan	2022	2032	2.50	500,000	0
Md Environmental Loan	2003	2023	0.89	<u>25,406</u>	<u>66,580</u>
Total Long - Term General Obligation Debt				40,548,245	41,622,539
Compensated Absences				<u>5,373,374</u>	<u>4,989,686</u>
Total long-term liabilities				<u>\$ 45,921,619</u>	<u>\$ 46,612,225</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Water Districts Debt:	Date of Issue	Maturity Date	Interest Rate %	June 30, 2022	June 30, 2021
Eckhart FHA Loan 1991 Series A	02/21/91	2031	6.0	\$ 52,485	\$ 56,701
Eckhart FHA Loan 1991 Series B	02/21/91	2031	6.0	127,962	138,267
Eckhart/Clarysville RDA Loan	04/17/11	2051	2.5	179,086	183,307
Borden/Zhitman FHA Loan 1998	10/22/97	2037	4.5	203,461	212,400
Carks/Shafit FHA Loan 2000	12/28/99	12/28/2039	3.25	302,286	314,995
Oldtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	142,651	148,644
Oldtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	145,622	151,741
Grahmtown FHA Loan 2001 R-2	2001	2042	4.5	418,819	432,022
Consol FHA loan	2004	2044	4.5	77,910	79,993
McCoole FHA Loan	1999	2039	4.5	688,160	715,853
Barton Industrial Park	2005	2045	4.5	272,453	279,346
Klondike FHA	2005	2045	4.5	356,284	365,133
Morantown FHA Loan	2005	2046	4.25	131,076	134,284
Mexico Farms	1992	2032	5.5	205,427	219,676
Bowmans Addition RDA Loan	10/01/10	2051	3.75	506,460	516,277
Bowmans Addition Phase 2 RDA	12/16/11	2052	2.00	509,780	521,852
Bedford Rd/Shades Lane MDE	06/28/12	2052	1.00	31,525	33,022
Cresaptown RDA Loan	06/28/12	2052	2.00	1,229,242	1,258,860
Cresaptown RDA Loan 2	06/28/12	2052	2.00	380,946	390,127
Mt Savage-FHA Loan	06/30/13	2053	2.00	2,927,594	2,997,437
Mt Savage-MDE Loan	10/31/12	2042	1.00	65,108	67,997
Rawlings	03/31/14	2054	2.00	161,553	165,244
Rawlings-MDE Loan	2015	2020	2.00	125,660	134,734
Rawlings-RDA Loan	2016	2057	2.00	408,634	417,139
Oldtown Road -FHA Loan	2017	2057	2.00	90,945	92,744
Route 36 District -FHA	2017	2057	2.00	72,044	76,724
Route 36 District -MDE	2017	2036	2.00	89,247	91,190
Route 36 District -FHA	2018	2058	2.00	93,727	95,622
Route 36 District -MDE	2018	2037	2.00	131,766	136,373
Pond Circle, FHA	2018	2058	2.00	91,693	93,592
Bedford Rd-MDE loan	2022	2052	0.40	307,194	
Cresaptown -MDE Loan	2022	2052	0.40	487,304	
Sub-total				11,014,240	10,521,432
Carlos/Shafit Loan	2006	2040	4.5	35,026	36,263
Missick Road Loan	2006	2040	4.5	55,188	57,136
Route 51 Loan	2006	2040	4.5	19,477	20,164
PSC Rate case	2007	2024	4.5	39,982	60,638
Sub -total				149,673	174,203
Total debt				11,163,909	10,695,635
Less: Current maturities of long - term debt				(361,190)	(326,214)
Total Water Districts long - term debt				\$ 10,802,719	\$ 10,369,421
Sanitary Districts Debt:					
Bedford Road	2013	2032	1.4	139,539	152,467
Jennings Run	2014/2015	2036	1.0	196,777	212,139
Braddock Run	2016	2034	1.0	643,762	689,842
Bedford Road	2017	2031	1.2	73,772	82,117
Celanese WWTP Upgrade	06/03	2023	0.40	1,256,949	1,683,862
Inflow and Infiltration Study I	12/03	2023	0.40	0	77,686
Celanese	2006	2026	0.40	171,291	213,160
Inflow and Infiltration Study II	2008	2028	1.00	392,260	454,173
George Creek WWTP Upgrade	2009	2029	0.40	2,948,134	3,401,166
Inflow and Infiltration Study II	2010	2030	1.00	119,368	136,421
Georges Creek	2007	2047	4.125	402,564	411,612
Cash Valley Road	1996	2036	4.50	80,840	85,028
Oldtown Road	1996	2036	4.50	306,576	322,459
Bowling Green/Cresaptown	2007	2047	4.125	1,817,916	1,858,773
Bedford Road	2012	2052	2.000	387,492	396,831
Bedford Road	2013	2052	2.000	422,894	432,861
Jennings Run	2013	2052	2.000	734,996	752,457
Wrights Crossing-Brad Run	2018	2057	2.000	2,755,479	2,808,900
Oldtown	2006	2036	4.5	12,502	13,130
Braddock Run	2022	2052	0.4	449,214	
Bedford Road	2022	2052	0.4	551,949	
Bedford Road	2022	2052	0.4	78,665	
Mexico Farms	2022	2062	2.0	1,092,000	
Utility Building	2022	2032		456,342	
Total				15,491,286	14,185,492
Less: Current maturities of long - term debt				(1,317,574)	(1,321,973)
Total Sanitary Districts Long - term Debt				\$ 14,173,712	\$ 12,863,519

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

<b>Long-term Liabilities - Component Units</b>																																																																																										
Long-term debt activity for the year ended June 30, 2022:																																																																																										
	Allegany College of Maryland			LaVale Sanitary Commission																																																																																						
Payable at July 1, 2021		\$ 338,510			\$ 4,055,590																																																																																					
Amount issued																																																																																										
Amount retired		(66,449)			(235,611)																																																																																					
Payable at June 30, 2022		<u>\$ 272,061</u>			<u>\$ 3,819,979</u>																																																																																					
Annual debt service requirements to maturity:																																																																																										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 15%;">Fiscal Year</th> <th style="text-align: center; width: 15%;">Allegany College of Maryland (Capital Leases)</th> <th colspan="5" style="text-align: center; width: 70%;">LaVale Sanitary Commission</th> </tr> <tr> <th></th> <th style="text-align: center;">Principal</th> <th style="text-align: center;">Interest</th> <th style="text-align: center;">Total</th> <th style="text-align: center;">Principal</th> <th style="text-align: center;">Interest</th> <th style="text-align: center;">Total</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td style="text-align: right;">60,274</td> <td style="text-align: right;">2,063</td> <td style="text-align: right;">62,337</td> <td style="text-align: right;">239,589</td> <td style="text-align: right;">65,073</td> <td style="text-align: right;">304,662</td> </tr> <tr> <td>2024</td> <td style="text-align: right;">52,023</td> <td style="text-align: right;">1,465</td> <td style="text-align: right;">53,488</td> <td style="text-align: right;">218,672</td> <td style="text-align: right;">61,225</td> <td style="text-align: right;">279,897</td> </tr> <tr> <td>2025</td> <td style="text-align: right;">48,729</td> <td style="text-align: right;">1,071</td> <td style="text-align: right;">49,800</td> <td style="text-align: right;">222,563</td> <td style="text-align: right;">57,423</td> <td style="text-align: right;">279,986</td> </tr> <tr> <td>2026</td> <td style="text-align: right;">49,109</td> <td style="text-align: right;">691</td> <td style="text-align: right;">49,800</td> <td style="text-align: right;">226,469</td> <td style="text-align: right;">53,543</td> <td style="text-align: right;">280,012</td> </tr> <tr> <td>2027</td> <td style="text-align: right;">49,493</td> <td style="text-align: right;">307</td> <td style="text-align: right;">49,800</td> <td style="text-align: right;">230,391</td> <td style="text-align: right;">49,594</td> <td style="text-align: right;">279,985</td> </tr> <tr> <td>2028-2032</td> <td style="text-align: right;">12,433</td> <td style="text-align: right;">16</td> <td style="text-align: right;">12,449</td> <td style="text-align: right;">1,214,330</td> <td style="text-align: right;">186,346</td> <td style="text-align: right;">1,400,676</td> </tr> <tr> <td>2033-2037</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">1,016,815</td> <td style="text-align: right;">80,573</td> <td style="text-align: right;">1,097,388</td> </tr> <tr> <td>2038-2042</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">274,157</td> <td style="text-align: right;">28,057</td> <td style="text-align: right;">302,214</td> </tr> <tr> <td>2043-thereafter</td> <td></td> <td></td> <td></td> <td style="text-align: right;">176,993</td> <td style="text-align: right;">9,116</td> <td style="text-align: right;">186,109</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$ 272,061</u></td> <td style="text-align: right;"><u>\$ 5,613</u></td> <td style="text-align: right;"><u>\$ 277,674</u></td> <td style="text-align: right;"><u>\$3,819,979</u></td> <td style="text-align: right;"><u>\$ 590,950</u></td> <td style="text-align: right;"><u>\$ 4,410,928</u></td> </tr> </tbody> </table>							Fiscal Year	Allegany College of Maryland (Capital Leases)	LaVale Sanitary Commission						Principal	Interest	Total	Principal	Interest	Total	2023	60,274	2,063	62,337	239,589	65,073	304,662	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	49,109	691	49,800	226,469	53,543	280,012	2027	49,493	307	49,800	230,391	49,594	279,985	2028-2032	12,433	16	12,449	1,214,330	186,346	1,400,676	2033-2037	-	-	-	1,016,815	80,573	1,097,388	2038-2042	-	-	-	274,157	28,057	302,214	2043-thereafter				176,993	9,116	186,109		<u>\$ 272,061</u>	<u>\$ 5,613</u>	<u>\$ 277,674</u>	<u>\$3,819,979</u>	<u>\$ 590,950</u>	<u>\$ 4,410,928</u>
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## **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, 2022**

**Note 12. Pension and Retirement Systems-continued**

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**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, 2022, 2021 and 2020, were \$ 2,338,861, \$ 2,216,381, and \$ 1,961,655, 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, 2022**

**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 1<sup>st</sup> of each year.

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

At June 30, 2022, the County reported total net pension liability of \$ 15,008,358 for its proportionate share of the MD State Retirement System's net pension liability. The net pension liability was measured as of June 30, 2021 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, 2021, the County's proportion was .10 percent, which was an increase of .0915 from its proportion measured as of June 30, 2020.

Pension expense for the pension plan for the year ended June 30, 2022 was \$ 1,931,873.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 12. Pension and Retirement Systems-continued**

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At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ (898,108)
Change of assumptions	(630,201)	
Net difference between projected and actual earnings on pension plan investments		8,262,163
County contributions subsequent to the measurement date	2,338,861	
<b>Total</b>	<b>\$ 1,708,660</b>	<b>\$ 7,364,055</b>

The amount \$ 2,338,861 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
2023	\$ (154,247)
2024	(316,981)
2025	(324,761)
2026	(421,907)
2027	4,228
<b>Total</b>	<b>(1,213,668)</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 12. Pension and Retirement Systems-continued

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**Actuarial Assumptions**

The total pension liability in the June 30, 2021 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	6.80%
Investment rate of return	6.80%
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, 2021 and the June 30, 2020 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 both the the discount rate and investment rate of return decreased from 7.4% to 6.80%

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, 2022**

Note 12. Pension and Retirement Systems-continued

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	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	37%	4.70%
Private Equity	13%	6.50%
Rate Sensitive	19%	-0.40%
Credit Opportunity	9%	2.60%
Real Assets	14%	4.20%
Absolute Return	8%	2.00%
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 6.8%, 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 (5.8%) or 1% higher (7.8%) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.8%	1% Increase 7.80%
County's proportionate share of the net pension liability	25,561,337	15,008,358	6,254,731

**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, 2022**

**Note 12. Pension and Retirement Systems-continued**

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*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, 2022, there were 3 members enrolled in the plan.

The defined contribution plan requires the County to contribute 10.56% to the Management Contractual Employees Retirement Plan of annual covered payroll. The required contribution was \$ 20,589, 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, 2022.

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, 2022 were \$ 6,798,173, which were equal to the State's required contributions for that year. The Board's contributions for the year ended June 30, 2022 were \$ 2,586,615 and \$ 582,676 to the TRS, TPS and ERS, respectively. The Board recorded pension expense for the FY 22 in the amount of \$ (49,722) and the net pension liability recorded was \$ 4,476,487. Deferred outflows of resources was recorded in the amount of \$ 2,066,477, of which, \$ 866,462 was for change in assumptions, \$ 492,693 for change in share and \$ 707,322 was for contributions made subsequent to the measurement date. Deferred inflows of resources was recorded in the amount of \$ 2,483,371, of which \$ 343,098 for the net difference between projected and actual experience, \$ 2,044,327 for difference between projected and actual earnings and \$ 95,946 for change in assumptions.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 12. Pension and Retirement Systems-continued**

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**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, 2022. The Library's pension expense for the year was \$ 158,015. Net pension liability was \$ 22,610 at June 30, 2022. Deferred outflows of resources was \$ 10,255 of which \$ 4,377 was due to changes in assumptions, \$ 2,399 change in share and \$ 3,479 was the Library's contributions subsequent to the measurement date. Deferred inflows of resources was recorded in the amount of \$ 12,544, of which \$ 1,733 was for the net difference between expected and actual experience and \$ 485 was the change in assumptions and \$ 10,326 net difference between projected and actual earnings on pension plan investments.

**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, 2021. Allegany College's pension expense for FY 22 was \$ 95,579 and net pension liability was \$ 632,956. Deferred outflows of resources were recorded at \$ 388,934, of which \$ 122,238 was due to change in pension assumptions, \$ 72,156 was for the net difference employee contributions and share of contributions, \$ 100,715 was for change in proportionate share between actual and projected experience and \$ 93,825 was attributed to contributions made subsequent to the measurement date. Deferred inflows of resources was recorded at (\$ 370,207) for the net difference between projected and actual experience (\$46,098), change in proportionate share of (\$17,504) and change in assumptions of (\$ 11,645) and (\$294,960) net difference between projected and actual earnings on pension investments.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**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, 2022. LaVale Sanitary's pension expense for the fiscal year ended was \$ 150,730. Net pension liability was \$ 317,359.

At June 30, 2022, the Commission reported deferred outflows of resources in the amount of \$ 721,611 of which, \$ 131,954 was the difference between expected and actual experience, \$309,944 was the change in assumption amount and \$ 279,713 was the net difference between projected and actual earnings on pension plan investments.. The deferred inflows of resources was \$ (110,213), all of which was attributed to change in assumptions.

**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 452 eligible active members and 97 retirees and 8 vested terminated members. 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, 2022**

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, 2022, the County reported total net pension liability of \$ 5,684,072. The net pension liability was measured as of December 31, 2021 and the total pension liability was determined by an actuarial valuation as of January 1, 2021, the results of which were rolled forward to the December 31, 2021 measurement date, in accordance with actuarial standards of practice.

Pension expense for the plan for FY 22 was \$ 683,068

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,135	\$ 281,352
Change of assumptions	<u>1,257,802</u>	<u>18,911</u>
<b>Total</b>	<b><u>\$ 1,259,937</u></b>	<b><u>\$ 300,263</u></b>

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

Year ended June 30:	Deferred Outflows (Inflows) of Resources
2022	\$ 182,874
2023	\$ 182,874
2024	\$ 182,874
2025	\$ 182,876
2026 and thereafter	<u>\$ 228,176</u>
<b>Total</b>	<b><u>\$ 959,674</u></b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 13. Pension and Retirement Systems-LOSAP-continued**

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**Actuarial Assumptions**

The total pension liability in the January 1, 2021 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	1.84%
Investment rate of return	1.84%, 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 1.84%. This single discount rate was based on the expected rate of return on pension plan investments of 1.84%. The discount rate of 1.84% is based on the 20-year AA general obligation bond rate as of December 31, 2021.

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 1.84% from the previous year's rate of 2.0%.

**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 1.84%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (.84%) or 1% higher (2.84%) than the current rate:

	1% Decrease 0.84%	Current Discount Rate 1.84%	1% Increase 2.84%
County's proportionate share of the net pension liability	6,854,268	5,684,072	4,778,637

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 13. Pension and Retirement Systems-LOSAP-continued**

**Changes in Net Pension Liability**

Total Net Pension Liability	
Service Cost	405,115
Interest	95,079
Changes in Benefit Terms	
Difference between expected and actual experience	(80,770)
Changes in assumptions, including discount rate	153,331
Benefit payments and expenses	<u>(105,541)</u>
Net Change in total pension liability	467,214
 Total Net Pension Liability-beginning	 5,216,858
Total Net Pension Liability-ending	<u>5,684,072</u>

**Note 14. Governmental Fund Balance Classifications**

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 14. Governmental Fund Balance Classifications (continued)**

Fiscal Year 2022 Fund Balance Classifications					
Fund Balances:			Major Special Revenue Fund		Total
	General Fund	Revolving Building	Other Funds		
Nonspendable					
Long term receivables	\$	\$	\$	\$	\$
Inventory			35,669		35,669
Restricted for:					
Housing programs	-	-	9,739		9,739
Coal Haul Roads	-	-	57,201		57,201
Drug task Force	-	-	160,569		160,569
Inmate activities/fire companies	-	-	946,312		946,312
PIB Bond Projects	-	-	5,696,909		5,696,909
CARES Fund			2,425		2,425
Debt Service			4,889,317		4,889,317
Sheriff Task Force			19,991		19,991
Committed to:					
Economic development	-	7,096,334	-		7,096,334
Amount to balance FY 2023 budget	2,561,190				2,561,190
School capital\Fire Co	-	-	1,605,868		1,605,868
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	3,470,384				3,470,384
Technology Enhancements	-	-	229,372		229,372
Public Works projects			1,063,068		1,063,068
Public Safety			103,644		103,644
School projects			322,765		322,765
County building improvements	-	-	220,597		220,597
Unassigned:	24,904,845	-	(1,540,392)		23,364,453
	<u>\$ 34,950,419</u>	<u>\$ 7,096,334</u>	<u>\$ 13,823,054</u>	<u>\$ 55,869,807</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, 2022**

**Note 15. Postemployment Healthcare Plan-continued**

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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 5.5 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 430 active members and 267 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](http://www.mdcounties.org/index.aspx?nid=250)

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 15. Postemployment Healthcare Plan-continued

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**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

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Valuation Date	6/30/2021
Measurement Date	06/30/22
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 7.0% is blended with the 20 year Aa municipal bond rate of 3.69%. The blended rate is 5.71%
Investment rate of return	7%, net of investment expense and including inflation
Healthcare cost trend rate	6.5% for 2022, 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 2022, except for the change in discount rate. Discount rate increased from 5.43% in FY 2021 to 5.71% in FY 22.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 15. Postemployment Healthcare Plan-continued

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**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, 2022, 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	5.85%	36.00%
International funds	6.25%	24.00%
Fixed Income-US	2.00%	35.00%
Real Estate	4.95%	5.00%
 Cash Equivalents	 0.00%	 0.00%
Total Weighted Average Real Return	4.55%	100.00%
Plus Inflation	2.50%	
Total Return w/o Adjustment	7.05%	
Risk Adjustment	-0.05%	
 Total Expected Return	 7.00%	

The money-weighted rate of return for FY 22 was (12.27%)

Net OPEB Obligation:

The County's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021, the results of which were rolled forward to the June 30, 2022 measurement date, in accordance with actuarial standards of practice.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 15. Postemployment Healthcare Plan-continued**

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**The changes in net OPEB liability are as follows:**

	<b>FY 22</b>
Total OPEB Liability	
Service Cost	479,548
Interest	1,340,210
Change in benefit terms	
Differences between expected and actual experience	14,476
Changes in assumptions, including discount rate	(512,259)
Benefit payments	<u>(1,251,044)</u>
Net Change in total OPEB Liability	70,931
 Total OPEB liability-beginning	 24,819,292
Total OPEB liability-ending	<u>24,890,223</u>
 Plan fiduciary net position	
Contributions-employer	1,251,043
Contributions-member	82,707
Net investment income	(447,751)
Benefit payments	(1,333,750)
Administrative expenses	<u>(5,444)</u>
Net change in plan fiduciary net position	(453,195)
 Plan fiduciary net position-beginning	 3,651,705
Plan fiduciary net position-ending	<u>3,198,510</u>
 Net OPEB liability beginning	 21,167,587
Net OPEB liability ending	<u>21,691,713</u>
 Fiduciary net position as a percentage of total OPEB liability	12.85%

**Discount Rate:** The discount rate used to measure the total OPEB liability was 5.71%. 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 3.69%. The blended rate is 5.71%.

**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 (4.71%) or 1% higher (6.71%) than the current discount rate:

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Note 15. Postemployment Healthcare Plan-continued

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	<u>Discount Rate at 4.71%</u>	<u>Discount Rate at 5.71%</u>	<u>Discount Rate at 6.71%</u>
Net OPEB Liability	23,717,509	21,691,713	19,910,106

**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	19,809,133	21,691,713	23,858,164

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** As of June 30, 2022, 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	\$ 12,408	\$ (603,154)
Change of assumptions	267,639	(519,693)
Net difference between projected and actual earnings on plan investments	354,886	
<b>Total</b>	<b>\$ 634,933</b>	<b>\$ (1,122,847)</b>

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>
<b>Year ended June 30:</b>	
2023	\$ (129,299)
2024	\$ (119,671)
2025	\$ (151,247)
2026	\$ 54,526
2027 and thereafter	<u>\$ (142,223)</u>
<b>Total</b>	<b><u>\$ (487,914)</u></b>

OPEB expense for fiscal year ending June 30, 2021 was \$1,328,199.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 15. Postemployment Healthcare Plan-continued**

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**Payable to OPEB Plan:**

There were no contributions payable to the OPEB plan as of June 30, 2022.

*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, 2022 was \$ 13,426,485. For the year ended June 30, 2022, the Board recognized OPEB expense of \$ 1,125,792. Deferred outflows of resources at year end was \$ 4,524,438 of which \$ 1,587,771 was for changes in assumptions and \$ 2,936,667 which represented the difference between projected and actual earnings. Deferred inflows of resources was \$ 3,196,092 of which \$ 1,397,573 was for the difference between projected and actual earnings, \$ 69,925 was for the change in assumptions and \$ 1,728,594 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 \$ 9,143. Net OPEB liability was \$ 109,243 at June 30, 2022. Deferred outflows for FY 22 was \$ 16,727, of which, \$6,908 was for the difference between expected and actual experience and \$ 9,819 was for changes in assumptions and deferred inflows in the amount of \$ 45,261 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 (income) for the year was \$ (123,000). Net OPEB liability was \$ (24,435) at June 30, 2022, of which was recorded as an asset. Deferred outflows of resources was recorded at June 30, 2022 in the amount of \$ 1,593,647, of which \$ 1,491,983 was for the change in assumptions and \$ 101,664 was the net difference between projected and actual earnings on OPEB plan investments. Deferred inflows were recorded at \$ 3,260,744, of which \$ 788,856 was due to the difference between expected and actual experience and \$2,471,888 due to change in assumptions.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 16. Tax Abatements**

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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 2022 enterprise zone credits amounted to \$ 60,220 and the State of Maryland reimbursed the County \$ 30,110.

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, 2022**

**Note 16. Tax Abatements-continued**

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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 22 was \$ 30,957. 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, 2022**

**Note 17. Risk Management**

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

***Self-Insured Health Care*** – Effective January 1, 2009, the County is self-insured for hospitalization and medical benefits provided to its employees within specified limits. The County pays a third party administrator a monthly fixed fee for various claim administrative services on a per enrolled employee basis to administer the plan. The 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, 2022. 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 2022 are as follows:

Balance at July 1, 2020	\$ 600,479
Claims and changes in estimates	7,608,083
Claim payments	<u>(7,653,362)</u>
Balance at June 30, 2021	\$ 555,200
Claims and changes in estimates	7,413,895
Claim payments	<u>(7,394,495)</u>
Balance at June 30, 2022	<u>\$ 574,600</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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, 2022 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, 2022, such debt includes loans with the U.S. Department of Agriculture of \$1,380,979 and Series 2021 Bond of \$ 2,439,000

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.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 20. Related Party**

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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 22, Allegany County paid \$ 293,513 in fees to the Willowbrook Health Center Condominium. Of this amount, \$ 30,938 is included in accounts payable at year-end.

**Note 21. Prior Period Adjustment-Change in Accounting Principal**

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During FY 22, the County adopted the provisions of GASB Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement requires recognition of certain lease assets and liabilities for leases that were previously were classified as operating leases and recognized inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lease is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated into the County's financial statements. The changes had no effect on beginning net position due to the fact that lease receivables equaled deferred inflows and net book value asset equaled lease liability.

Net position as of July 1, 2021, has been restated as follows for the implementation of GASB Statement No. 87, "*Leases*". The table below reflects the restatement amounts on the government-wide statement of net position:

<b>Government-wide</b> <b>Statement of Net Position</b> <b>Governmental Activities</b>		
Net Position at June 30, 2021, as previously reported	\$	69,268,295
Adjustments:		
Lease Receivable		15,268,827
Deferred inflows-leases		(15,268,827)
Net Book Value Leased Asset		332,823
Lease Liability		(332,823)
Net Position at July 1, 2021, as restated	\$	<u>69,268,295</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 22. New Pronouncements**

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As of June 30, 2022, the Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which will require adoption in the future, if applicable: 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”*; 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.”*, GASB Statement No. 99, *“Omnibus 2022, GASB Statement No. 100, Accounting Changes and Error Corrections”*, and GASB No. 101, *“Compensated Absences”*.. 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 23. Evaluation of Subsequent Events**

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The County has evaluated, for possible financial statement disclosures, subsequent events through February 17, 2023, the date which the financial statements were available to be issued, and has determined there were no such events.

**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 \***

	2022	2021	2020	2019	2018	2017
<b>Total Net Pension Liability</b>						
Service Cost	405,115	396,312	341,969	352,003	308,176	260,811
Interest	95,079	85,452	94,779	104,059	72,176	71,864
Changes in Benefit terms						
Differences between expected and actual experience	(80,770)	(97,103)	(127,045)	(105,205)	4,799	1
Changes in assumptions, including discount rate	153,331	604,872	599,378	334,551	246,393	(31,517)
Benefit payments and expenses	(105,541)	(84,129)	(81,231)	(6,620)	(7,270)	(6,820)
<b>Net Change in total pension liability</b>	<b>467,214</b>	<b>905,404</b>	<b>827,850</b>	<b>678,788</b>	<b>624,274</b>	<b>294,339</b>
<b>Total Net Pension Liability-beginning</b>	<b>5,216,858</b>	<b>4,311,454</b>	<b>3,483,604</b>	<b>2,804,816</b>	<b>2,180,542</b>	<b>1,886,203</b>
<b>Total Net Pension Liability-ending</b>	<b>5,684,072</b>	<b>5,216,858</b>	<b>4,311,454</b>	<b>3,483,604</b>	<b>2,804,816</b>	<b>2,180,542</b>

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%
2022	0.10%	15,008,358	15,556,786	96.47%	81.84%

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 required 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%
2022	2,338,861	# 2,338,861		19,246,934	12.15%

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 22	FY 21	FY 20	FY 19	FY 18	FY 17
<b>Total OPEB Liability</b>						
Service Cost	479,548	465,581	394,767	383,269	372,106	361,268
Interest	1,340,210	1,310,884	1,387,465	1,345,895	1,275,326	1,250,947
Change in benefit terms	14,476	(1,206,307)				
Differences between expected and actual experience	(512,259)	(90,006)	535,281	(103,054)	(599,679)	
Changes in assumptions, including discount rate	(1,251,044)	(1,515,078)	(1,062,954)	(1,167,028)	(1,090,895)	(1,235,135)
Benefit payments	70,931	171,381	48,252	459,082	(43,142)	377,080
<b>Net Change in total OPEB Liability</b>						
Total OPEB liability-beginning	24,819,292	24,647,911	24,599,659	24,140,577	24,183,719	23,806,639
Total OPEB liability-ending	24,890,223	24,819,292	24,647,911	24,599,659	24,140,577	24,183,719
 Plan fiduciary net position						
Contributions-employer	1,251,043	1,515,078	1,062,954	1,167,028	1,099,055	1,162,096
Contributions-member	82,707	82,400	95,902	102,866	86,712	90,491
Net investment income	(447,751)	678,033	47,605	141,286	147,820	195,770
Benefit payments	(1,333,750)	(1,597,478)	(1,158,856)	(1,269,894)	(1,177,607)	(1,235,135)
Administrative expenses	5,444	5,482	(6,52)	(10,803)	(10,635)	(17,453)
<b>Net change in plan fiduciary net position</b>	(453,195)	672,551	41,053	130,483	145,345	195,769
 Plan fiduciary net position-beginning	3,651,705	2,979,154	2,938,101	2,807,618	2,662,273	2,466,504
Plan fiduciary net position-ending	3,198,510	3,651,705	2,979,154	2,938,101	2,807,618	2,662,273
 Net OPEB liability beginning	21,167,587	21,668,757	21,661,558	21,332,959	21,521,446	21,340,135
Net OPEB liability ending	21,691,713	21,167,587	21,668,757	21,661,558	21,332,959	21,521,446
 Fiduciary net position as a percentage of total OPEB liability	12.85%	14.70%	12.10%	11.90%	11.60%	11.01%
 Covered employee payroll	22,932,715	20,274,395	23,562,640	20,354,264	14,693,609	16,680,326
 Net OPEB Liability as a percentage of covered payroll	95%	104%	92%	106%	145%	129%
 <b>Schedule of the County's Other Post Retirement Benefits Contributions-Last Ten Fiscal Years *</b>						
Actuarially determined contribution	1,597,549	1,499,358	1,455,687	1,351,412	1,312,050	1,273,835
Contributions in relation to the actuarially determined contributions	1,251,044	1,515,078	1,062,954	1,167,028	1,099,055	981,229
Contribution deficiency (excess)	346,505	(15,720)	392,733	184,384	212,995	292,606
 County's covered-employee payroll	22,932,715	20,274,595	23,562,640	20,354,264	14,693,609	16,680,326
Contributions as percentage of covered-employee payroll	5.50%	7.50%	4.50%	5.70%	7.50%	5.90%
 <b>Schedule of the County's Other Post Employment Benefits Investment Returns-Last 10 Fiscal Yrs</b>						
Annual money-weighted rate of return, net of investment expense	(12.27%)	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, 2022**

**Note 1: LOSAP Pension Information**

Actuarial Assumptions

The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Fiscal Year End	June 30, 2022
Measurement Date	December 31, 2021
Annual Discount Rate	1.84%-based on 20 year AA general bond rate at 12/31/21. 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 22 Discount rate decreased from 2.0% in FY 21 to 1.84% in FY 22 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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Fiscal Year End	June 30, 2022
Measurement Date	June 30, 2022
Annual Discount Rate	5.71%-the expected trust return of 7% is blended with the 20 year Aa bond rate (Source: Fidelity general obligation municipal bond index) of 3.69% 3%
Annual salary increases	Pre/Post Retirement: Pub 2010G Headcount (M/F) with generational improvements using Scale SSA18
Mortality	Entry Age
Actuarial Cost Method	Level percentage of pay
Amortization Method	7% net of investment expense and including inflation
Investment Rate of Return	6.5% for 2022, reduced linearly to an ultimate rate of 4.0% in 2025
Health Care trend rate	Discount rate increased from 5.43% in FY 21 to 5.71% in FY 22
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	No significant change during the fiscal year
of Population	
Mortality Table	Public Sector 2010 Mortality Table

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
<b>REVENUES</b>						
<b>Taxes:</b>						
Property Taxes:						
Real and personal property	\$ 41,459,917	41,459,917	42,973,480	\$ 1,513,563		
Payments in lieu of taxes:						
Coal companies	120,000	120,000	157,656	37,656		
Housing Authorities	50,000	50,000	26,251	(23,749)		
Rocky Gap	295,000	295,000	307,640	12,640		
DNR	1,000,000	1,000,000	724,506	(275,494)		
Interest on Delinquent taxes	1,050,000	1,050,000	1,027,621	(22,379)		
Sub-total	<u>43,974,917</u>	<u>43,974,917</u>	<u>45,217,154</u>	<u>1,242,237</u>		
Less:						
Prompt payment discounts	181,000	181,000	197,220	(16,220)		
Deferred revenues	250,000	250,000	(297,701)	547,701		
Industrial exemptions	150,000	150,000	100,718	49,282		
Enterprise zone exemptions	100,000	100,000	19,435	80,565		
Residential development tax credit	15,000	15,000	12,751	2,249		
Historic tax credit	55,000	55,000	30,957	24,043		
PILOT abatement	20,000	20,000	18,333	1,667		
Sub-total	<u>771,000</u>	<u>771,000</u>	<u>81,713</u>	<u>689,287</u>		
Total Net Property Taxes	<u>43,203,917</u>	<u>43,203,917</u>	<u>45,135,441</u>	<u>1,931,524</u>		
Income Taxes	28,933,832	28,933,832	32,874,736	3,940,904		
Other Local Taxes:						
Hotel/motel tax	1,948,645	1,948,645	1,042,872	(905,773)		
Admissions	150,000	150,000	120,265	(29,735)		
Recordation	1,400,000	1,400,000	2,425,060	1,025,060		
Ag Transfer Tax			3,633	3,633		
911 Fees	400,000	400,000	391,794	(8,206)		
Trailer court	60,000	60,000	47,335	(12,665)		
Transfer tax	550,000	550,000	910,175	360,175		
Highway users taxes	1,123,641	1,123,641	1,139,219	15,578		
Total Local Taxes	<u>5,632,286</u>	<u>5,632,286</u>	<u>6,080,353</u>	<u>448,067</u>		
Total Taxes	<u>77,770,035</u>	<u>77,770,035</u>	<u>84,090,530</u>	<u>6,320,495</u>		
Licenses and Permits						
Alcoholic beverage licenses	99,500	99,500	100,785	1,285		
Amusement licenses	2,500	2,500	2,109	(391)		
Traders licenses	89,000	89,000	86,789	(2,211)		
Junkyard licenses	800	800	800			
Building permits	35,000	35,000	69,963	34,963		
Marriage licenses	4,000	4,000	3,540	(460)		
Cable franchise fees	420,000	420,000	417,590	(2,410)		
Sediment control permits	30,000	30,000	33,928	3,928		
Total Licenses and Permits	<u>680,800</u>	<u>680,800</u>	<u>715,504</u>	<u>34,704</u>		

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
<b>REVENUES (Continued):</b>						
<u>Intergovernmental:</u>						
Federal Funds:						
Homeland security grant	242,000	242,000	17,607	(224,393)		
Civil defense	70,000	70,000	110,118	40,118		
FEMA grant	690,000	690,000	1,049,977	359,977		
Federal DOJ Grant	-	-	106,217	106,217		
HIDTA Federal Grant	-	-	10,771	10,771		
MTA Transportation planning	86,557	86,557	64,159	(22,398)		
CDBG Grant	-	-	37,500	37,500		
HHS-CARES Stimulus	-	-	89,500	89,500		
Emergency solutions program	281,000	3,670,068	3,321,388	(348,680)		
Health & Human Services Grant	-	-	232,972	232,972		
Masters program	45,990	45,990	8,104	(37,886)		
Medicare-Ambulance Fees	306,635	306,635	409,358	102,723		
Medicaid-Ambulance Fees	40,903	40,903	410,758	369,855		
Payments in lieu of property taxes	8,500	8,500	8,967	467		
Sub-total Federal funds	<u>1,771,585</u>	<u>5,160,653</u>	<u>5,877,396</u>	<u>716,743</u>		
State Funds:						
Public Health	14,000	14,000	19,359	5,359		
Police protection	280,000	280,000	250,178	(29,822)		
State transportation planning	10,820	10,820	8,020	(2,800)		
Conservation aid salary	32,482	32,482	34,200	1,718		
Program Open Space grant	542,000	542,000	-	(542,000)		
Disparity grant	8,930,611	8,930,611	8,930,611	-		
State Jury Reimbursement	50,000	50,000	22,800	(27,200)		
Tourism grant	30,000	30,000	31,048	1,048		
Drug Court Coordinator	237,656	237,656	197,454	(40,202)		
Miscellaneous	667,092	642,293	1,157,669	515,376		
Sub-total State Funds	<u>10,794,661</u>	<u>10,769,862</u>	<u>10,651,339</u>	<u>(118,523)</u>		
Other Intergovernmental:						
Other agencies	610,202	810,202	1,231,710	421,508		
Sub-total Other Intergovernmental:	<u>610,202</u>	<u>810,202</u>	<u>1,231,710</u>	<u>421,508</u>		
Total Intergovernmental	<u>13,176,448</u>	<u>16,740,717</u>	<u>17,760,445</u>	<u>1,019,728</u>		

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
<b>REVENUES (Continued)</b>						
<b>Service Charges:</b>						
General government charges:						
State civil process	45,000	45,000	38,793	(6,207)		
Plans & specifications	2,500	2,500	3,160	660		
Regulation & Maps			1,550	1,550		
Tax sale fees	30,000	30,000	37,438	7,438		
Election filing fees	-	-	680	680		
Security interest filing fee			125	125		
License application fees	8,675	8,675	8,450	(225)		
Liquor License transfer fee	5,650	5,650	3,820	(1,830)		
Health Ins Admin fee	400	400	311	(89)		
Tourism promotion charges	22,500	22,500	20,200	(2,300)		
Collection fees-special areas	60,000	60,000	75,318	15,318		
Liquor License Collection fee	36,000	36,000	3,450	(32,550)		
Hotel/Motel collection fee	20,000	20,000	28,163	8,163		
Partial payment fee			1,046	1,046		
Engineering fees	15,000	15,000	-	(15,000)		
Indirect cost allocation	628,326	628,326	10,617	(617,709)		
Sub-total general government charges	<u>874,051</u>	<u>874,051</u>	<u>233,121</u>	<u>(640,930)</u>		
Public safety charges:						
Police protection charges	70,000	70,000	58,151	(11,849)		
ATV Registration Fees	2,000	2,000	18,257	16,257		
Zoning Admin Fee	400	400	-	(400)		
Boarding state prisoners	25,000	25,000	39,915	14,915		
Boarding federal prisoners	200,000	200,000	385,354	185,354		
Community service fee	22,000	22,000	8,439	(13,561)		
Home detention fee	35,000	35,000	34,589	(411)		
Work Release Fees	3,000	3,000	351	(2,649)		
Inmate Medical Copay	4,000	4,000	12,293	8,293		
Building Inspection fees	15,000	15,000	19,422	4,422		
CPR Training Fees	12,942	12,942	18,086	5,144		
Ambulance Subscription Fees	37,322	37,322	780	(36,542)		
Ambulance fees	587,257	587,257	612,843	25,586		
Sub-total public safety charges	<u>1,013,921</u>	<u>1,013,921</u>	<u>1,208,480</u>	<u>194,559</u>		
Sanitation and Waste Removal:						
Landfill fees	200,000	200,000	285,741	85,741		
Recycling fees	125,000	125,000	134,751	9,751		
Recycled material sales	-	-	6,688	6,688		
Sub-total Sanitation and Waste	<u>325,000</u>	<u>325,000</u>	<u>427,180</u>	<u>102,180</u>		

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES (Continued):</u></b>				
<b><u>Service Charges (continued):</u></b>				
Public service enterprises:				
Upper Potomac River Commission	493,160	493,160	493,160	-
Road closing fees				
Sub-total public service charges	493,160	493,160	493,160	-
Total Service Charges	<u>2,706,132</u>	<u>2,706,132</u>	<u>2,361,941</u>	<u>(344,191)</u>
Fines and Forfeitures:				
Circuit court fines	7,000	7,000	5,526	(1,474)
Liquor violation fines	3,500	3,500	4,900	1,400
Fines and forfeitures			95	95
Total Fines and Forfeitures	<u>10,500</u>	<u>10,500</u>	<u>10,521</u>	<u>21</u>
Miscellaneous:				
Interest	316,150	316,150	131,883	(184,267)
Rents and concessions	103,000	103,000	475,829	372,829
Miscellaneous	213,722	213,722	392,182	178,460
Total Miscellaneous	<u>632,872</u>	<u>632,872</u>	<u>999,894</u>	<u>367,022</u>
Total Revenues	<u>94,976,787</u>	<u>98,541,056</u>	<u>105,938,835</u>	<u>7,397,779</u>

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<b>EXPENDITURES:</b>	<b>Budgeted Amounts</b>		<b>Actual Amount</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>General Government:</b>				
Legislative:				
County Commissioners	182,958	182,958	182,746	212
County Commissioners Office	-	-	-	-
Total legislative	182,958	182,958	182,746	212
Judicial:				
Family Support Services	250,137	225,338	271,288	(45,950)
Alternative dispute resolution	5,388	5,388	6,474	(1,086)
Circuit court masters program	68,642	68,642	62,882	5,760
Circuit court	501,047	504,252	700,731	(196,479)
Orphans court	-	-	70,998	(70,998)
Family Law Master	66,024	66,024	66,927	(903)
State's attorney	1,749,287	1,771,956	1,878,218	(106,262)
Drug Coordinator	237,656	237,656	192,518	45,138
Law library	21,340	21,340	21,340	-
Grand and petit juries	79,740	79,740	49,719	30,021
Total Judicial	2,979,261	2,980,336	3,321,095	(340,759)
Executive:				
Administrator	375,305	377,861	136,325	241,536
Elections:				
Registration and elections	1,551,189	1,559,121	712,809	846,312
Financial Administration:				
Finance Office	829,111	842,473	719,576	122,897
Tax Office	697,884	709,275	440,693	268,582
State Assessment Fee	350,000	350,000	363,932	(13,932)
Accounting Software	410,000	410,000	413,776	(3,776)
Professional services	95,000	95,000	97,800	(2,800)
Total Financial Administration	2,381,995	2,406,748	2,035,777	370,971
Legal:				
Legal counsel	250,773	250,773	221,503	29,270
Other legal/professional	180,000	180,000	213,485	(33,485)
Total legal	430,773	430,773	434,988	(4,215)
Personnel Administration:				
Human Resources department	347,972	347,972	389,867	(41,895)
Human resources board of appeals	3,502	3,502	-	3,502
Wellness/Employee recognition	9,335	9,335	8,921	414
Total personnel administration	360,809	360,809	398,788	(37,979)
Planning and Zoning:				
Planning and zoning department	275,567	265,363	252,070	13,293
Land use planning	-	-	-	-
Total Planning and Zoning	275,567	265,363	252,070	13,293
General Services:				
County Building Maintenance	1,389,351	1,390,712	1,287,226	103,486
Data Processing	443,237	449,479	410,800	38,679
Total general services	1,832,588	1,840,191	1,698,026	142,165
Other general government:				
Liquor control board	117,392	117,392	121,791	(4,399)
Insurance	475,000	475,000	580,224	(105,224)
Employee benefits	441,500	261,062	120,681	140,381
Post retirement benefits	1,080,000	1,080,000	964,528	115,472
Total Other General Government	2,113,892	1,933,454	1,787,224	146,230
Total General Government	12,484,337	12,337,614	10,959,848	1,377,766

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<b>EXPENDITURES:</b> <b>EXPENDITURES (Continued):</b>	<b>Budgeted Amounts</b>		<b>Actual Amount</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Public Safety:</b>				
Police:				
Police Department	2,371,240	2,372,533	3,127,537	(755,004)
Sheriffs department	1,561,188	1,568,466	1,806,268	(237,802)
C3I Unit	13,000	13,000	17,060	(4,060)
Safe School	264,498	264,498	256,023	8,475
Total Police	4,209,926	4,218,497	5,206,888	(988,391)
Fire and rescue:				
Emergency medical services	5,383,024	5,388,826	5,659,317	(270,491)
Length of service award	75,000	75,000	240,798	(165,798)
Volunteer fire companies	1,151,027	1,151,027	1,140,169	10,858
Total Fire	6,609,051	6,614,853	7,040,284	(425,431)
Correction:				
County detention center maintenance	194,213	194,213	203,932	(9,719)
County detention center	8,428,146	8,514,567	8,867,320	(352,753)
Alternative sentencing	420,349	423,305	374,572	48,733
Home detention grant	171,223	173,400	268,129	(94,729)
Total Correction	9,213,931	9,305,485	9,713,953	(408,468)
Other Protection:				
Permits & enforcement	270,270	270,270	271,460	(1,190)
Emergency Management Agency	326,782	331,282	266,147	65,135
Animal control	414,837	414,837	414,837	-
911	2,697,725	2,714,728	3,029,586	(314,858)
Hazardous materials operations	153,300	153,300	81,074	72,226
Emergency Services	162,872	162,872	133,241	29,631
Domestic preparedness grant	222,000	222,000	21,340	200,660
Building Codes	60,575	60,575	40,649	19,926
Code Enforcement	91,311	91,311	36,453	54,858
Transportation planning	144,251	144,251	90,512	53,739
Total Other Protection	4,543,923	4,565,426	4,385,299	180,127
Total Public Safety	24,576,831	24,704,261	26,346,424	(1,642,163)
<b>Public Works:</b>				
Public Services:				
Highway department	8,681,412	8,311,057	8,590,149	(279,092)
Airport	230,000	230,000	230,000	-
Waste collection:				
Solid waste disposal	458,746	458,746	468,922	(10,176)
Solid waste recycling	254,555	256,038	242,652	13,386
UPRC	616,450	616,450	616,450	-
County engineer	1,027,474	1,158,225	1,122,992	35,233
Total Public Works	11,268,637	11,030,516	11,271,165	(240,649)

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<b>EXPENDITURES:</b>	<b>Budgeted Amounts</b>		<b>Actual Amount</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES (Continued):</b>				
<b>Health and Hospitals:</b>				
Brook Building	164,412	164,412	170,247	(5,835)
Willowbrook Office	349,000	349,000	293,513	55,487
Health Department supplemental	28,629	228,629	226,010	2,619
Western Maryland Health Planning	12,000	12,000	-	12,000
Total Health and Hospitals	<u>554,041</u>	<u>754,041</u>	<u>689,770</u>	<u>64,271</u>
<b>Social Services:</b>				
Nursing Home costs	80,000	80,000	33,134	46,866
Pauper's burials	1,300	1,300	-	1,300
Human Resources Devel. Comm.	744,946	744,946	744,946	-
Emergency solution program	281,000	3,670,068	3,410,888	259,180
Child abuse coordinator	148,615	148,615	150,254	(1,639)
Family Crisis Center	88,800	88,800	88,800	-
Promoting Safe/Stable Families	-	-	-	-
Total Social Services	<u>1,344,661</u>	<u>4,733,729</u>	<u>4,428,022</u>	<u>305,707</u>
<b>Recreation and Culture:</b>				
Agriculture Expo	13,000	13,000	12,720	280
Allegany County Arts Council	40,000	40,000	40,000	-
Allegany County fair	602,394	602,394	637,651	(35,257)
Highland trail operations	134,532	134,532	100,539	33,993
Cumberland Summer Theatre	12,000	12,000	12,000	-
Program Open Space	542,000	542,000	207,889	334,111
Total Recreation and Culture	<u>1,343,926</u>	<u>1,343,926</u>	<u>1,010,799</u>	<u>333,127</u>
<b>Conservation of Natural Resources:</b>				
Agricultural Extension Service	173,503	173,503	172,822	681
Soil conservation services	176,476	176,476	184,596	(8,120)
Gypsy moth control	10,000	10,000	6,800	3,200
Total Conservation of Natural Resources	<u>359,979</u>	<u>359,979</u>	<u>364,218</u>	<u>(4,239)</u>
<b>Community Development &amp; Housing</b>				
Allegany Co. Public Housing Authority	-	-	-	-
Total Community Development & Housing	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Economic Development:</b>				
Scenic railroad development	140,000	140,000	201,423	(61,423)
Tri-County Council	40,000	40,000	40,000	-
Tourism department	652,500	654,066	676,850	(22,784)
Toll House	700	700	405	295
Thrasher Museum	15,000	15,000	25,917	(10,917)
Community promotion	23,500	23,500	14,000	9,500
Total Economic Development	<u>871,700</u>	<u>873,266</u>	<u>958,595</u>	<u>(85,329)</u>

(continued)

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
<b>EXPENDITURES:</b>						
<b>EXPENDITURES (Continued):</b>						
<u>Appropriations to Other Governmental Units:</u>						
Grants in Lieu of Taxes	28,704	28,704	28,704	-		
Health Department	1,531,530	1,531,530	1,531,530	-		
Department of Social Services	365,456	365,456	318,966	46,490		
Total Appropriations to Other Gov't Units:	<u>1,925,690</u>	<u>1,925,690</u>	<u>1,879,200</u>	<u>46,490</u>		
<u>Miscellaneous:</u>						
Miscellaneous	141,212	141,212	349,969	(208,757)		
Total Miscellaneous	<u>141,212</u>	<u>141,212</u>	<u>349,969</u>	<u>(208,757)</u>		
<u>Payments to Component Units</u>						
Allegany Co. Board of Education	31,138,670	31,854,911	31,854,911	-		
Allegany College	7,706,856	7,706,856	7,706,856	-		
Allegany County Library	999,000	999,000	999,000	-		
Information Technology	109,829	109,829	108,086	1,743		
Total payments to component units	<u>39,954,355</u>	<u>40,670,596</u>	<u>40,668,853</u>	<u>1,743</u>		
Debt Service-Lease-Principal			37,063	37,063		
Debt Service-Lease-Interest			6,713	6,713		
Capital Outlay-Lease			332,823	(332,823)		
Total Expenditures	<u>94,825,369</u>	<u>98,874,830</u>	<u>99,303,462</u>	<u>(341,080)</u>		
Excess (deficiency) of revenues over (under) expenditures	<u>151,418</u>	<u>(333,774)</u>	<u>6,635,374</u>	<u>7,738,859</u>		
<b>OTHER FINANCING SOURCES (USES)</b>						
<u>Unexpended balance - prior years</u>	<u>1,446,563</u>	<u>2,584,443</u>	<u>-</u>	<u>(2,584,443)</u>		
<u>Transfers In from other funds:</u>						
Transfers from enterprise funds	25,153	25,153	32,702	7,549		
Total Transfers In	<u>25,153</u>	<u>25,153</u>	<u>32,702</u>	<u>7,549</u>		
<u>Operating Transfers to Other Funds:</u>						
Special revenue funds:						
Transit Fund	(178,842)	(333,363)	(312,023)	21,340		
Coronavirus Fund	-	-	-	-		
Narcotics Task Force	-	(1,391)	-	1,391		
Gaming fund	-	(5,834)	-	5,834		
RBF	-	-	-	-		
Debt service Fund:						
From General government	(1,187,508)	(1,187,508)	(1,143,262)	44,246		
From Bureau of Police	-	-	-	-		
Capital Projects Fund						
Pay-Go Fund	-	(470,645)	(470,645)	-		
Capital Projects Fund	(150,000)	(150,000)	(150,000)	-		
Enterprise funds:						
Allconet	(25,000)	(25,000)	(25,000)	-		
Sanitary fund/Water fund	(91,784)	(112,081)	(91,784)	20,297		
Total operating transfers to other funds	<u>(1,633,134)</u>	<u>(2,285,822)</u>	<u>(2,192,714)</u>	<u>93,108</u>		
<u>Sale of capital assets</u>	10,000	10,000	93,698	83,698		
<u>Inception of Lease</u>	-	-	332,823	332,823		
Total Other Financing Sources and Uses	<u>(151,418)</u>	<u>333,774</u>	<u>(1,733,491)</u>	<u>(2,067,265)</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ 4,901,883	\$ 5,671,596		
Fund balance, beginning			30,048,536			
Prior Period Adjustment			\$ 34,950,419			
Fund balance, ending						

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**REVOLVING BUILDING FUND SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Income	\$ 3,359,078	\$ 3,359,078	\$ 310,012	\$ 310,012
Lease Income			3,178,857	
State Grants/Other Agencies				-
Total Revenues	-	-	3,488,869	310,012
<b>EXPENDITURES</b>				
Economic development	11,095,637	11,101,471	4,906,950	6,194,521
Total Expenditures	11,095,637	11,101,471	4,906,950	6,194,521
Excess (deficiency) of revenues over (under) expenditures	(11,095,637)	(11,101,471)	(1,418,081)	6,504,533
<b>OTHER FINANCING SOURCES AND USES:</b>				
Unexpended balance - prior years	8,255,907	8,261,741	-	(8,261,741)
Transfers to other funds	(519,348)	(519,348)	(182,611)	336,737
Loan Proceeds			500,000	
Sale of Assets			352,587	352,587
Total Other Financing Sources and Uses	7,736,559	7,742,393	669,976	(7,572,417)
Net change in fund balances	\$ (3,359,078)	\$ (3,359,078)	\$ (748,105)	\$ (1,067,884)
Fund balance, beginning			7,844,439	
Fund balance, ending			\$ 7,096,334	

**Notes to Required Supplementary Information**

**June 30, 2022**

**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, 2022**

	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
<b>ASSETS:</b>								
Cash	\$ 804,989	\$ 150	\$ -	\$ -	\$ 31,102	\$ 108,447	\$ 8,500	\$ -
Cash - restricted								
Investments								
Investments-restricted								
Receivables								
Notes and loans								
Other		2,048,726						
Due from other funds			9,739	60,945	119,844	725,592	126,412	38,554
Inventory		35,669						
<b>Total Assets</b>	<b>804,989</b>	<b>2,084,545</b>	<b>9,739</b>	<b>202,507</b>	<b>150,946</b>	<b>869,239</b>	<b>137,253</b>	<b>38,554</b>
<b>LIABILITIES:</b>								
Accounts payable		89,078			66,679	9,276	6,685	
Accrued payroll		39,059				1,404		
Accrued payroll fringe		18,601				129		
Due to other funds	747,788	966,699						
Amounts held in escrow					84,267	662,661	110,577	
Unavailable revenue					141,562			36,129
<b>Total Liabilities</b>	<b>747,788</b>	<b>1,113,437</b>			<b>141,562</b>	<b>150,946</b>	<b>673,470</b>	<b>117,262</b>
<b>DEFERRED INFLOWS of RESOURCES:</b>								
Grant Reimbursement not Available		971,108				35,200		
<b>Total Deferred Inflows of Resources</b>	<b></b>	<b>971,108</b>				<b>35,200</b>		
<b>FUND BALANCES</b>								
Nonspendable		35,669						
Restricted	57,201		9,739			160,569	19,991	2,425
Committed								
Assigned								
Unassigned		(35,669)		60,945				
<b>Total Fund Balances</b>	<b>57,201</b>		<b>9,739</b>	<b>60,945</b>		<b>160,569</b>	<b>19,991</b>	<b>2,425</b>
<b>Total Liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 804,989</b>	<b>\$ 2,084,545</b>	<b>\$ 9,739</b>	<b>\$ 202,507</b>	<b>\$ 150,946</b>	<b>\$ 869,239</b>	<b>\$ 137,253</b>	<b>\$ 38,554</b>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

Gaming Fund	Special Revenue Funds		Debt Service		Capital Project Funds			Total Nonmajor Governmental Funds
	State Fire, Rescue & P Safety Fund	Rocky Gap Slots Revenue Fund	Total	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	
\$ -	\$ 329,705		\$ 1,251,791	\$ -	\$ 1,152,545	\$ 3,953,761	\$ 1,152,545	\$ 2,404,336
			31,102				3,953,761	3,954,863
				5,269,426				5,269,426
			141,562					141,562
25,984	18,643	429,740	2,560,634	-	809,348	248,674	1,058,022	3,618,656
1,361,978	689,035	1,225,360	4,357,459		805,071	1,984,053	2,789,124	7,146,583
			35,669					35,669
1,387,962	1,037,383	1,655,100	8,378,217	5,269,426	809,348	1,957,616	6,186,488	8,953,452
								22,601,095
495,817	91,071	936,843	1,695,449	-	215,333	18,170	388,819	622,322
3,306			43,769	-		-		43,769
1,228			19,958	-		-		19,958
			1,714,487	380,109	1,492,750		1,492,750	3,587,346
			857,505	-		-		857,505
			177,691	-	488,508	-	488,508	666,199
500,351	91,071	936,843	4,508,859	380,109	2,196,591	18,170	388,819	2,603,580
								7,492,548
			1,006,308		178,425	-	100,760	279,185
			1,006,308	-	178,425	-	100,760	279,185
								1,285,493
			35,669	-	-	-	-	35,669
			946,312	1,196,237	4,889,317	-	5,696,909	5,696,909
887,611	-	718,257	1,605,868	-	-	-	-	11,782,463
								1,605,868
			25,276		(1,565,668)	1,939,446	1,939,446	1,939,446
887,611	946,312	718,257	2,863,050	4,889,317	(1,565,668)	1,939,446	5,696,909	(1,565,668)
								(1,540,392)
								6,070,687
								13,823,054
\$ 1,387,962	\$ 1,037,383	\$ 1,655,100	\$ 8,378,217	\$ 5,269,426	\$ 809,348	\$ 1,957,616	\$ 6,186,488	\$ 8,953,452
								\$ 22,601,095

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	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
<b>REVENUES:</b>								
Other local taxes	\$ 70,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:								
Federal		2,610,936	-	60	893,593	1,615	2,341	
State/Other		359,726	-	-	-	-	-	21,052
Service charges		285,724	-	-	-	-	-	
Fines and forfeitures		-	-	-	-	51,467	111,846	
Interest		-	-	-	-	-	-	
Miscellaneous		88,377	-	79,660	-	5,331	23,180	
<b>Total Revenues</b>	<b>70,946</b>	<b>3,344,763</b>		<b>79,720</b>	<b>893,593</b>	<b>58,413</b>	<b>137,367</b>	<b>21,052</b>
<b>EXPENDITURES:</b>								
<b>Current:</b>								
General government		-	-	-	-	-	-	
Public safety		-	-	-	-	146,431	43,818	
Public works		2,374,591	-	-	-	-	-	
Health and Human Services		-	-	-	-	-	-	21,052
Community Development and Housing		-	-	243,294	893,593	-	-	
Economic development		-	-	-	-	-	-	
Payments to Other Orgs		-	-	-	-	-	-	
Payments to component units		-	-	-	-	-	-	
Debt Service:								
Principal		-	-	-	-	-	-	
Interest		-	-	-	-	-	-	
Capital Outlay:								
General government		-	-	-	-	-	-	
Public Safety		-	-	-	-	-	127,977	
Public works	131,541	1,286,444	-	-	-	-	-	
Health and Human Services		-	-	-	-	-	-	
Education		-	-	-	-	-	-	
Recreation & Culture		-	-	-	-	-	-	
Library		-	-	-	-	-	-	
Economic development		-	-	-	-	-	-	
Miscellaneous		-	-	-	-	-	-	
<b>Total Expenditures</b>	<b>131,541</b>	<b>3,661,035</b>		<b>243,294</b>	<b>893,593</b>	<b>146,431</b>	<b>171,795</b>	<b>21,052</b>
Excess (deficiency) of revenues over (under) expenditures	(60,595)	(316,272)	-	(163,574)	-	(88,018)	(34,428)	-
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in		312,022	-	-	-	-	-	
Transfers out		-	-	-	-	-	-	
Debt issued		-	-	-	-	-	-	
Capital leases		-	-	-	-	-	-	
Sale of capital assets		4,250	-	243,294	-	13,100	23,075	
<b>Total Other Financing Sources and uses</b>	<b>-</b>	<b>316,272</b>		<b>243,294</b>		<b>13,100</b>	<b>23,075</b>	
Net change in fund balances	(60,595)	-	-	79,720	-	(74,918)	(11,353)	-
Fund balance, beginning,	117,796	-	9,739	(18,775)	-	235,487	31,344	2,425
Fund balance, ending	\$ 57,201	\$ -	\$ 9,739	\$ 60,945	\$ -	\$ 160,569	\$ 19,991	\$ 2,425

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Gaming Fund	Special Revenue Funds			Debt Service		Capital Project Funds			Total Nonmajor Governmental Funds	
	State Fire, Rescue & Public Safety Fund	Rocky Gap Slots Revenue Fund	Total Special Revenue Funds	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	\$	\$
\$ 536,686	\$	\$ 607,632	\$	-	-	-	-	\$	-	\$ 607,632
-	-	3,508,545	-	927,790	-	-	-	927,790	-	4,436,335
-	349,950	2,755,252	3,485,980	-	1,254,858	-	2,650,161	3,905,019	-	7,390,999
34,400	-	320,124	-	-	-	-	-	-	-	320,124
-	-	163,313	-	-	-	-	-	-	-	163,313
-	228,081	424,629	-	77,245	-	30,830	-	30,830	-	30,830
571,086	578,031	2,755,252	8,510,223	-	2,259,893	-	2,680,991	4,940,884	-	13,451,107
178,654	-	703,920	882,574	-	-	-	-	-	-	882,574
96,145	502,452	1,475,378	2,264,224	-	-	-	-	-	-	2,264,224
-	-	2,374,591	-	-	-	-	-	-	-	2,374,591
-	-	21,052	-	-	-	-	-	-	-	21,052
-	-	1,136,887	-	-	-	-	-	-	-	1,136,887
-	-	200,000	200,000	-	-	-	-	-	-	200,000
494,857	-	360,000	854,857	-	-	-	-	-	-	854,857
-	-	-	1,426,175	-	-	-	-	-	-	1,426,175
-	-	-	1,325,675	-	-	-	-	-	-	1,325,675
-	-	-	-	27,848	185	67,591	95,624	95,624	-	95,624
-	-	127,977	-	281,277	26,845	53,453	361,575	361,575	-	489,552
-	-	1,417,985	-	889,253	288,061	845,251	2,022,565	2,022,565	-	3,440,550
-	-	-	-	593,265	-	479,874	1,073,139	1,073,139	-	1,073,139
-	-	-	-	5,489	-	2,735,101	2,740,590	2,740,590	-	2,740,590
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
769,656	502,452	2,739,298	9,280,147	2,751,850	1,797,132	315,091	4,181,270	6,293,493	-	18,325,490
(198,570)	75,579	15,954	(769,924)	(2,751,850)	462,761	(315,091)	(1,500,279)	(1,352,609)	-	(4,874,383)
-	-	312,022	1,143,262	49,887	988,158	-	-	1,038,045	-	2,493,329
-	(160,000)	(160,000)	-	(40,433)	(145,363)	-	-	(185,796)	-	(345,796)
-	-	-	-	-	-	-	-	-	-	-
-	-	283,719	-	-	-	-	-	-	-	283,719
-	(160,000)	435,741	1,143,262	9,454	842,795	-	-	852,249	-	2,431,252
(198,570)	75,579	(144,046)	(334,183)	(1,608,588)	472,215	527,704	(1,500,279)	(500,360)	-	(2,443,131)
1,086,181	870,733	862,303	3,197,233	6,497,905	(2,037,882)	1,411,741	7,197,188	6,571,047	-	16,266,185
\$ 887,611	\$ 946,312	\$ 718,257	\$ 2,863,050	\$ 4,889,317	\$ (1,565,668)	\$ 1,939,446	\$ 5,696,909	\$ 6,070,688	-	\$ 13,823,054

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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, 2022**

<b>ASSETS</b>	<b>Allconet II</b>	<b>Allegany County Loan Fund</b>	<b>Total</b>
<b>Current Assets:</b>			
Cash:	\$ -	\$ -	\$ -
Receivables:			
Accounts (net)	10,683	1,060	11,743
Other	24,880	294,179	319,059
Due from other funds		220,142	220,142
Miscellaneous assets		-	-
Total current assets	<u>35,563</u>	<u>515,381</u>	<u>550,944</u>
<b>Non-current Assets:</b>			
Advances to other funds	-	618,236	618,236
Capital assets subject to depreciation	5,741,411	-	5,741,411
Accumulated depreciation	(4,931,946)	-	(4,931,946)
Total noncurrent assets	<u>809,465</u>	<u>618,236</u>	<u>1,427,701</u>
<b>Total Assets</b>	<u>845,028</u>	<u>1,133,617</u>	<u>1,978,645</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	3,438	-	3,438
Due to other funds	67,875	-	67,875
Miscellaneous liabilities	-	-	-
Total current liabilities	<u>71,313</u>	<u>-</u>	<u>71,313</u>
<b>Noncurrent Liabilities:</b>			
Long term debt:	-	-	-
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>71,313</u>	<u>-</u>	<u>71,313</u>
<b>NET POSITION</b>			
Net investment in capital assets	809,465	-	809,465
Unrestricted	(35,750)	1,133,617	1,097,867
<b>Total Net Position</b>	<u>\$ 773,715</u>	<u>\$ 1,133,617</u>	<u>\$ 1,907,332</u>

**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, 2022**

	Allconet II	Allegany County Loan Fund	Total
<b>OPERATING REVENUES:</b>			
Service charges	59,915	-	59,915
Total operating Revenues	<u>59,915</u>	<u>-</u>	<u>59,915</u>
<b>OPERATING EXPENSES:</b>			
Rent Expense	38,671	-	38,671
Utilities	8,923	-	8,923
Repairs & maintenance	14,878	-	14,878
Professional services	116,487	-	116,487
Materials and supplies	5,706	-	5,706
Insurance	1,582	-	1,582
Miscellaneous	3,044	-	3,044
Depreciation	228,393	-	228,393
Total operating expenses	<u>417,684</u>	<u>-</u>	<u>417,684</u>
Operating Income (Loss)	<u>(357,769)</u>	<u>-</u>	<u>(357,769)</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>			
Interest income	-	-	-
Other income (expense)	-	-	-
Total non-operating revenue (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) before contributions and transfers	(357,769)	-	(357,769)
Federal grants	\		
State grants	133,655	133,655	
Transfer in	25,000	25,000	
Transfer out	-	(32,702)	(32,702)
Change in net position	<u>(199,114)</u>	<u>(32,702)</u>	<u>(231,816)</u>
Total net position - beginning	972,829	1,166,319	2,139,148
Total net position - ending	<u>\$ 773,715</u>	<u>\$ 1,133,617</u>	<u>\$ 1,907,332</u>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Allconet II	Allegany County Loan Fund	Total
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 61,957	\$ 91,569	\$ 153,526
Cash payments for goods and services	(201,369)		(201,369)
Other operating revenues	-		-
Net cash provided by operating activities	<u>(139,412)</u>	<u>91,569</u>	<u>(47,843)</u>
<b>Cash flows from noncapital financing activities:</b>			
Advances from other funds	(223,655)	(586,773)	(810,428)
Advances to other funds	435,234	527,906	963,140
Transfers from other funds	25,000		25,000
Transfers to other funds	-	<u>(32,702)</u>	<u>(32,702)</u>
Net cash provided by noncapital financing activities	<u>236,579</u>	<u>(91,569)</u>	<u>145,010</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	(230,822)	-	(230,822)
Grant Revenue	133,655		133,655
Contract Bid deposit	-		-
Net cash used for capital and related financing activities	<u>(97,167)</u>	<u>-</u>	<u>(97,167)</u>
<b>Cash flows from investing activities:</b>			
Purchase of investments	-		-
Sale of investments	-		-
Interest on investments	-		-
Net cash used in investing activities	-		-
Net increase (decrease) in cash	-		-
Cash at beginning of the year	-		-
Cash at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income (loss)	\$ (357,769)	\$ -	\$ (357,769)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	228,393	-	228,393
Provision for uncollectible accounts	-	-	-
Change in assets & liabilities:			
(Increase) decrease in receivables	2,042	91,569	93,611
(Increase) decrease in prepaids	-		-
Increase (decrease) in acc'ts payable	(12,078)	-	(12,078)
Increase (decrease) in accrued payroll	-	-	-
Total adjustments	<u>218,357</u>	<u>91,569</u>	<u>309,926</u>
Net cash provided by operating activities	<u>\$ (139,412)</u>	<u>\$ 91,569</u>	<u>\$ (47,843)</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, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Miscellaneous:</b>				
Paying agent fees	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
<b>Debt Service:</b>				
<b>Principal payments on :</b>				
General obligation debt	1,385,000	1,385,000	1,385,000	-
State loans	51,160	51,160	41,175	9,985
<b>Total principal payments</b>	<u>1,436,160</u>	<u>1,436,160</u>	<u>1,426,175</u>	<u>9,985</u>
<b>Interest payments on:</b>				
General obligation debt	1,350,040	1,350,040	1,325,040	25,000
State loans	9,896	9,896	635	9,261
<b>Total interest payments</b>	<u>1,359,936</u>	<u>1,359,936</u>	<u>1,325,675</u>	<u>34,261</u>
<b>Total Expenditures</b>	<u>2,821,096</u>	<u>2,821,096</u>	<u>2,751,850</u>	<u>69,246</u>
<b>Deficiency of revenues under expenditures</b>	<u>(2,821,096)</u>	<u>(2,821,096)</u>	<u>(2,751,850)</u>	<u>(69,246)</u>
<b>Other Financing Sources and (Uses):</b>				
<b>Unexpended Fund Balance</b>	1,608,588	1,608,588	-	(1,608,588)
<b>Transfers from other funds:</b>				
From the General Fund	1,187,508	1,187,508	1,143,262	(44,246)
From the Capital Projects Fund				
From the Revolving Building Fund				
Transfer to General Fund				
<b>Total Other Financing Sources and Uses</b>	<u>2,796,096</u>	<u>2,796,096</u>	<u>1,143,262</u>	<u>(1,652,834)</u>
<b>Net change in fund balances</b>	<u>\$ (25,000)</u>	<u>\$ (25,000)</u>	<u>(1,608,588)</u>	<u>\$ (1,583,588)</u>
<b>Fund balance, beginning</b>			<u>6,497,905</u>	
<b>Fund balance, ending</b>			<u>\$ 4,889,317</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, 2022

	Coal Haul Roads Fund			Transit Fund			Community Development Block Grant Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
<b>REVENUES:</b>									
Taxes - State Shared	\$ 47,000	\$ 47,000	\$ 70,946	\$ 23,946	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-	-
Intergovernmental:	-	-	-	-	-	-	-	-	-
Federal	-	-	-	-	-	-	-	-	-
State	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Interest	5,000	5,000	-	(5,000)	-	-	-	-	-
Lease Revenue	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 52,000</b>	<b>\$ 52,000</b>	<b>\$ 70,946</b>	<b>\$ 18,946</b>	<b>\$ 2,187,389</b>	<b>\$ 3,322,707</b>	<b>\$ 3,344,753</b>	<b>\$ 22,056</b>	<b>\$ 88,377</b>
<b>EXPENDITURES:</b>									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health & Human Svcs	-	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 52,000</b>	<b>\$ 52,000</b>	<b>\$ 131,541</b>	<b>\$ (79,541)</b>	<b>\$ 2,366,230</b>	<b>\$ 3,656,069</b>	<b>\$ 3,661,035</b>	<b>\$ (4,966)</b>	<b>\$ -</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-
<b>OTHER FINANCING SOURCES AND (USES):</b>									
Unexpended balance - prior	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ (60,595)	\$ (60,595)	\$ (178,841)	\$ (333,362)	\$ (316,272)	\$ 17,090	\$ -
Fund balance, beginning, Fund balance, ending	\$ 117,796	\$ 57,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,739

**ALLEGANY COUNTY, MARYLAND**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2022**

		Block Grant Program Income Fund			Community & Development Fund			Sheriff Task Force		
		Original Budget	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>										
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes										
Intergovernmental:										
Federal		60	60			893,593	893,593			2,341
State										
Service charges										
Fines and forfeitures										
Interest										
Lease Revenue										
Miscellaneous										
Total Revenues		79,660	79,660			893,593	893,593			23,180
		79,720	79,720			893,593	893,593			137,367
										137,367
<b>EXPENDITURES:</b>										
General government										
Public safety										
Public works										
Health & Human Svcs										
Community Development and Housing		243,294	(243,294)			893,593	(893,593)			
Economic development										
Education										
Miscellaneous										
Payments to Component Units										
Total Expenditures		243,294	(243,294)			893,593	(893,593)			171,795
										171,795
Excess (deficiency) of revenues over (under) expenditures		(163,574)	(163,574)							34,428
										34,428
<b>OTHER FINANCING SOURCES AND USES:</b>										
Unexpended balance - prior										
Transfer from other funds										
Transfers to other funds										
Debt issued										
Sale of capital assets		243,294	243,294							23,075
Total Other Financing Sources and Uses		243,294	243,294							23,075
Net change in fund balances	\$ -	\$ 79,720	\$ 79,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,344
										\$ 31,344
Fund balance, beginning,										
Fund balance, ending										\$ 19,991

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

ALLEGANY COUNTY, MARYLAND  
SPECIAL ELECTION STATE

SPECIAL REVENUE FUNDS

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**SPECIAL REVENUE FUNDS**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2022**

REVENUES:	Capital Improvement Projects Fund				Variance With Final Budget Positive (Negative)	Pay-As-You-Go (PAYGO) Fund			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual			Original Budget	Final Budget	Actual	
Intergovernmental									
Federal grants	\$ 300,000	\$ 300,000	\$ 927,790	\$ 627,790		\$ -	\$ -	\$ -	\$ -
State/other grants	225,000	225,000	1,254,858	1,029,858					
Other									
Miscellaneous:									
Interest	-	-							
Miscellaneous			77,245	77,245					
Total Revenues	<u>525,000</u>	<u>525,000</u>	<u>2,259,893</u>	<u>1,734,893</u>					
EXPENDITURES:									
General Government	75,000	75,000	27,848	47,152				185	(185)
Public Safety	300,000	300,000	281,277	18,723				26,845	(26,845)
Public Works			889,253	(889,253)		200,000	200,000	288,061	(88,061)
Health	-	-							
Social Services	-	-							
Education	625,000	625,000	593,265	31,735					
Recreation, Culture & Libraries	150,000	150,000	5,489	144,511					
Conservation of Natural Resources	-	-							
Economic Development	500,000	500,000		500,000					
Miscellaneous	-	-							
Payments to component units									
Total Expenditures	<u>1,650,000</u>	<u>1,650,000</u>	<u>1,797,132</u>	<u>(147,132)</u>		<u>200,000</u>	<u>200,000</u>	<u>315,091</u>	<u>(115,091)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,125,000)</u>	<u>(1,125,000)</u>	<u>462,761</u>	<u>1,587,761</u>		<u>(200,000)</u>	<u>(200,000)</u>	<u>(315,091)</u>	<u>(115,091)</u>
OTHER FINANCING SOURCES AND USES:									
Unexpended fund balance						50,000	50,000	-	(50,000)
Transfers In:									
From other funds	500,000	500,000	49,887	(450,113)		150,000	150,000	988,158	838,158
Transfers Out:									
To other funds	-	-	(40,433)	(40,433)		-	-	(145,363)	(145,363)
Debt issued/Premium	625,000	625,000		(625,000)					
Capital leases	-	-							
Sale of capital assets	-	-							
Total Other Financing Uses	<u>1,125,000</u>	<u>1,125,000</u>	<u>9,454</u>	<u>(1,115,546)</u>		<u>200,000</u>	<u>200,000</u>	<u>842,795</u>	<u>642,795</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>472,215</u>	<u>\$ 472,215</u>		<u>\$ -</u>	<u>\$ -</u>	<u>527,704</u>	<u>\$ 527,704</u>
Fund balance, beginning									
Fund balance, ending								<u>1,411,741</u>	<u>\$ 1,939,446</u>
	<u>\$ (2,037,882)</u>	<u>\$ (1,565,668)</u>							

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Public Improvement Bonds Capital Projects Fund				Total All Capital Projects				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)	
		2,650,161	\$ 2,650,161	\$ 300,000	\$ 300,000	\$ 927,790	\$ 627,790	
		-	-	225,000	225,000	3,905,019	3,680,019	
		30,830	30,830	-	-	30,830	30,830	
		-	-	-	-	77,245	77,245	
		2,680,991	2,680,991	525,000	525,000	4,940,884	4,415,884	
		67,591	(67,591)	75,000	75,000	95,624	(20,624)	
		53,453	(53,453)	300,000	300,000	361,575	(61,575)	
1,155,000	1,155,000	845,251	309,749	1,355,000	1,355,000	2,022,565	(667,565)	
		-	-	-	-	-	-	
		479,874	20,126	1,125,000	1,125,000	1,073,139	51,861	
500,000	500,000	2,735,101	(2,735,101)	150,000	150,000	2,740,590	(2,590,590)	
		-	-	500,000	500,000	-	500,000	
		-	-	-	-	-	-	
		1,655,000	4,181,270	3,505,000	3,505,000	6,293,493	(2,788,493)	
		-	-	-	-	-	-	
		(1,655,000)	(1,500,279)	(2,980,000)	(2,980,000)	(1,352,609)	1,627,391	
		-	-	-	-	-	-	
		1,655,000	(1,655,000)	1,705,000	1,705,000	-	(1,705,000)	
		-	-	650,000	650,000	1,038,045	388,045	
		-	-	625,000	625,000	-	(185,796)	(185,796)
		-	-	-	-	-	(625,000)	
		1,655,000	1,655,000	2,980,000	2,980,000	852,249	(2,127,751)	
		-	-	-	-	-	-	
		\$ -	\$ (1,500,279)	\$ (1,500,279)	\$ -	\$ (500,360)	\$ (500,360)	
		-	-	7,197,188	-	6,577,800	-	
				\$ 5,696,909		\$ 6,070,688		

**CAPITAL PROJECT FUNDS**

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

**FROM INCEPTION TO JUNE 30, 2022**

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	Proj. No.	Project Length Budget	Revenues and other Sources				
			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				
Orleans Road Bridge	408B	6,939,000	2,008,458	3,709			69,893
Bridge Industrial Park	408C	700,000					
Fairgrounds	408F	300,000					179,588
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	327,526		2,081,543			26,375
Shaft	408X	300,000		336,382			
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	119,036	60,000		
Iron Rail Project	4142	450,000		13,398			1,725
BS Bridge	4143	750,000	420,142		105,035		
Old Miller	4144	300,000		262,040			
Borden Tunnel	4145	183,000	140,587		18,300		
LWC	4146	180,000		30,000			71,000
Cumb St Bridge	4147	300,000	273,719		75,696		
Alleg High School Demo	4148	1,800,000		1,009,473			
Brodie Road	4149	500,000		145,548			
Georges Creek SS	4150	225,000		73,019			
FEMA Trailer Park	4151	1,000,000	908,889				26,455
MTA Hub	421C	30,000			24,735		
Highland Trail	410X	10,606,000	3,224,644	6,032,859	6,772		220,916
			<u>12,937,883</u>	<u>12,945,313</u>	<u>290,538</u>	<u>355,045</u>	<u>569,497</u>
Pay-As-You-Go Capital Project Fund							
Computer Network	418I	350,000					
Roads Paving Program	418R	6,000,000					
LeVale Blvd Storm Drain	420O	1,500,000	-	110,435	10,000		134,500
Software upgrade	420S	805,309	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	200,000					
Bridge Street bridge	4207	416,000	-				
Drainage improvements	4208	87,500	-				3,997
Mc Savage Roof	4210	125,000					
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
Allconce	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	4181	651,681	18,981		100,000		226,259
			<u>249,837</u>	<u>140,435</u>	<u>1,936,288</u>	<u>56,392</u>	<u>404,256</u>
Public Improvement Bonds Capital Project Fund							
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					
Parkside 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	325,000					
Roads Garage	4387	850,000					
LaVafe Library	4388	4,500,000			3,714,376		
Bond Costs	4389	1,023,968	-				
Bond Interest	438Z						477,012
2020 Bond Proceeds/Costs	4391-4399	18,572,348					9,744
			<u>505,500</u>	<u>1,030,511</u>	<u>3,714,376</u>	<u>-</u>	<u>619,119</u>
Total Capital Project Funds			<u>\$ 13,693,220</u>	<u>\$ 14,116,259</u>	<u>\$ 3,941,202</u>	<u>\$ 411,437</u>	<u>\$ 1,592,872</u>

ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

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		(54,973)
200		304,973	304,973		304,973		(394,346)
11,591		11,591	378	11,213	11,591		(794)
395,654		829,346	829,346		829,346		(99,469)
329,189	2,411,249	3,033,353			3,033,353	(622,104)	3,905,647
799,469		799,469	799,469		799,469		(99,469)
18,521	198,109	299,767			299,767	(101,658)	233
133,780		132,419	2,267		134,686	(906)	(132,686)
251,693		985,471			985,471		(190,471)
		164,268	1,742		164,268		(77,918)
		384,864	374,653	10,211	384,864		(9,864)
1,742		268,937	270,977		270,977	(2,040)	(95,977)
72,462		200,053			200,053		(150,053)
		2,107,918	2,006,140		2,006,140	101,778	(1,678,614)
		336,382	329,962	10,783	340,745	(4,363)	(40,745)
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	19,587	138,360		(68,360)
62,284		62,284	74,817		74,817	(12,533)	18,183
495		300,495	300,495		300,495		(495)
		15,063	5,000	10,063	15,063		434,937
		525,177	543,051		543,051	(17,874)	206,949
52		262,092	262,092		262,092		37,908
16,951		175,838	175,838		175,838		7,162
		101,000	229,383		229,383	(128,383)	(49,383)
		349,415	349,415		349,415		(49,415)
2,267		1,011,740	1,624,806		1,624,806	(613,066)	
		145,548	145,548		145,548		354,452
		73,019	189,070		189,070	(116,051)	35,930
		935,344	960,798		960,798	(25,454)	39,202
		24,735	46,007		46,007	(21,272)	(16,007)
	423,221	9,908,412	9,908,412		9,908,412		697,588
	3,005,649	30,103,925	31,468,315	201,277	31,669,592	(1,565,668)	2,386,181
		365,039	365,039	5,725	165,039	200,000	184,961
		6,684,224	6,734,224	5,867,115	5,962,451	771,773	37,549
		982,612	1,257,547	1,056,125	1,056,125	201,422	443,875
		825,672	1,056,528	1,056,713	1,056,713	(185)	(251,404)
		425,000	425,000	126,187	200,200	98,613	(126,387)
		155,300	155,300	147,163	18,522	163,685	(10,385)
		956,770	973,162	1,030,657	1,030,657	(57,495)	(297,534)
		276,949	276,949		276,951	(2)	(76,951)
		416,000	416,000	445,672		445,672	(29,672)
		198,563	202,560	157,235		157,235	45,325
		125,000	125,000		125,000		
		200,000	200,000	124,837	75,163	200,000	70,000
		123,500	153,500	153,500		153,500	(78,500)
		196,842	2,028,630	2,028,630		2,028,630	(1,598,630)
		880,000	884,000	825,470	58,530	884,000	(84,000)
		50,000	50,000	80	20,363	20,443	29,557
		626,279	706,279	485,682		485,682	220,597
		706,279	706,279	246,476	137,038	383,514	322,765
		6,000	6,000	970		970	5,030
		532,693	877,933	735,831		735,831	142,102
		14,732,722	17,399,930	14,924,608	735,877	15,660,485	(1,995,322)
		146,446		172,978	156,302	156,302	16,676
		9,593,905	4,000,000	14,199,736	13,319,396	13,453,176	(6,302)
		5,000,000	1,000,000	6,505,500	8,066,629	8,066,629	140,729
		1,100,000		1,100,000	44,706	44,706	(2,066,629)
		1,000,000		1,530,511	2,565,391	2,565,391	1,055,294
		680,000		680,000	412,645	712,963	(1,034,880)
		300,000		300,000		300,000	(1,565,391)
		250,000		250,000	99,484	99,484	150,516
		235,000		235,000	58,198	58,198	176,802
		185,000		185,000	91,500	91,500	93,500
		3,000,000		3,000,000	1,010,371	1,010,371	1,989,629
		2,700,000		2,700,000	2,824,554	2,824,554	1,989,629
		2,500,000		2,500,000	1,017,514	1,017,514	(124,554)
		250,000		250,000	549,899	549,899	(244,554)
		450,000		450,000	405,473	405,473	44,527
		525,000		525,000	1,344,064	1,344,064	(44,527)
		850,000		850,000	1,253,183	1,253,183	(819,064)
		400,000		4,114,376	4,298,284	4,298,284	(403,183)
		1,023,968		1,023,968	228,479	228,479	795,489
				477,012	174,691	174,691	(174,691)
		18,572,348		18,582,092	286,352	15,293,226	3,002,514
							2,992,770
		48,761,667	5,000,000	59,631,173	38,207,115	15,727,324	5,696,909
		\$ 48,761,667	\$ 22,738,371	\$ 107,335,028	\$ 84,600,038	\$ 16,664,478	\$ 101,264,516
		\$ 48,761,667				\$ 6,070,688	\$ 4,321,641

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## **CAPITAL PROJECT FUNDS**

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

**FOR THE YEAR ENDED JUNE 30, 2022**

**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, 2022**

	Diaster 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)
<b>REVENUES:</b>											
Intergovernmental:											
Federal:											
FEMA	\$ -										
CDBG							\$ 233,929				
Highway											
State:											
Dept of Natural Resources											
State Highway											
MDE/Other State			73,019								
Other Agencies											
Service charges											
Miscellaneous:											
Interest											
Miscellaneous					15,245						
<b>Total Revenues</b>			<b>73,019</b>		<b>249,174</b>						
<b>EXPENDITURES:</b>											
Public Safety					281,277						
Public Works			119,127							18,523	
General Govt											
Rec & Culture											
Education											
<b>Total Expenditures</b>			<b>119,127</b>		<b>281,277</b>					<b>18,523</b>	
<b>OTHER FINANCING SOURCES and (USES):</b>											
Transfers-in from:											
General Fund											
Other funds				20,301							29,039
Transfer Out									(10,063)		
<b>Total Other Financing Sources and Uses</b>				<b>20,301</b>					<b>(10,063)</b>		<b>29,039</b>
Net change in fund balances			(46,108)	20,301	(32,103)				(10,063)	(18,523)	29,039
<b>Fund Balance, beginning</b>	<b>200</b>	<b>-</b>	<b>(69,943)</b>	<b>(642,405)</b>	<b>6,649</b>	<b>(200)</b>	<b>(715)</b>	<b>(12,533)</b>	<b>10,063</b>	<b>(2,749)</b>	<b>(29,039)</b>
<b>Fund Balance, Ending</b>	<b>\$ 200</b>	<b>\$ -</b>	<b>\$ (116,051)</b>	<b>\$ (622,104)</b>	<b>\$ (25,454)</b>	<b>\$ (200)</b>	<b>\$ (715)</b>	<b>\$ (12,533)</b>	<b>\$ -</b>	<b>\$ (21,272)</b>	<b>\$ -</b>

**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, 2022**

**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, 2022**

	Computer Network (418I)	Roads Paving Program (418R)	Dan's Mountain Tower (421B)	LaVale Storm Drains (420O)	Gen Ledger Software Upgrades (420S)	Public Safety Emergency Capital (420V)	Caretaker House (420Y)	Road Improv (4203)
<b>REVENUES:</b>								
Intergovernmental:								
Federal grants:								
RDA grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Homeland Security								
State grants:								
Maryland highway grant	-							
Misc State Grant	-							
State Highway Users Tax								
Other Agency	-							
Miscellaneous:								
Interest	-							
Miscellaneous	-							
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>								
General Government	-	-	-	-	185	-	-	-
Public safety	-	-	-	-	-	26,845	-	-
Public works	-	173,861	-	-	-	-	-	50,800
Recreation & culture	-							
Education	-							
<b>Total Expenditures</b>	<b>-</b>	<b>173,861</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>26,845</b>	<b>-</b>	<b>50,800</b>
<b>OTHER FINANCING SOURCES and (USES):</b>								
Transfers-in from:								
General fund	-	470,645	-	-	-	-	-	75,000
Other funds	-	50,000	-	-	-	20,363	25,000	-
Transfers-out to:								
Other funds	-	-	-	-	-	-	-	-
Debt proceeds, capital lease	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>520,645</b>	<b>-</b>	<b>-</b>	<b>20,363</b>	<b>25,000</b>	<b>-</b>	<b>75,000</b>
Net change in fund balances	-	346,784	-	-	20,178	(1,845)	-	24,200
Fund Balance, beginning	200,000	424,989	-	201,422	(20,363)	100,458	(10,385)	(81,695)
<b>Fund Balance, Ending</b>	<b>\$ 200,000</b>	<b>\$ 771,773</b>	<b>\$ -</b>	<b>\$ 201,422</b>	<b>\$ (185)</b>	<b>\$ 98,613</b>	<b>\$ (10,385)</b>	<b>\$ (57,495)</b>

**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, 2022**

**ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
PUBLIC IMPROVEMENT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE FUND UNDER TITLE 10, § 103**

**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, 2022**

	General Operating 5011	Grahamtown 501A	Consol 501B	Barton Ind. Park 501C	Mexico 501D	Franklin/ Brophytown 501E	Bowling Green 501F	Bowman's Addition 501G	Cresaptown 501H
<b>OPERATING REVENUES:</b>									
Service charges	\$ 29,840	\$ 161,107	\$ 40,935	\$ 17,411	\$ 142,594	\$ 41,766	\$ 496,529	\$ 157,856	\$ 878,450
Miscellaneous	45,248			-					
<b>Total Operating Revenues</b>	<b>75,088</b>	<b>161,107</b>	<b>40,935</b>	<b>17,411</b>	<b>142,594</b>	<b>41,766</b>	<b>496,529</b>	<b>157,856</b>	<b>878,450</b>
<b>OPERATING EXPENSES:</b>									
Salaries	20,267	5,484		13,591		64,217	19,949	62,469	
Fringe benefits	8,920	2,414		5,982		28,265	8,780	27,495	
Utilities	72,575	17,685		106,421	28,548	164,858	78,065	494,280	
Repairs and maintenance	5,313	1,438		3,563		16,836	5,230	16,378	
Professional fees	266	72		178		842	261	819	
Materials and supplies	1,530	414		1,026		4,846	1,506	4,715	
Indirect cost	10,810	2,925		7,249		34,253	10,641	33,321	
Miscellaneous	61	17		41		195	60	189	
Depreciation	40,357	18,646	44,422	45,362		109,430	73,929	88,378	
<b>Total Operating Expenses</b>	<b>160,099</b>	<b>49,095</b>	<b>44,422</b>	<b>183,413</b>	<b>28,548</b>	<b>423,743</b>	<b>198,420</b>	<b>728,043</b>	
<b>Operating Income (Loss)</b>	<b>75,088</b>	<b>1,008</b>	<b>(8,160)</b>	<b>(27,011)</b>	<b>(40,819)</b>	<b>13,218</b>	<b>72,786</b>	<b>(40,564)</b>	<b>150,407</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>									
Interest income	10,845	1,882	384	54	1,016		6,301	3,376	6,296
Interest expense		(19,187)	(3,615)	(12,477)	(11,846)	-	(257)	(30,893)	(33,053)
<b>Total Non-operating</b>	<b>10,845</b>	<b>(17,305)</b>	<b>(3,231)</b>	<b>(12,423)</b>	<b>(10,830)</b>	<b>-</b>	<b>6,044</b>	<b>(27,517)</b>	<b>(26,757)</b>
<b>Income Before Contributions and Transfers</b>	<b>85,933</b>	<b>(16,297)</b>	<b>(11,391)</b>	<b>(39,434)</b>	<b>(51,649)</b>	<b>13,218</b>	<b>78,830</b>	<b>(68,081)</b>	<b>123,650</b>
<b>Capital Contributions:</b>									
Federal grants	-	-	-	-	-	-	-	-	487,304
State grants	-	-	-	-	-	-	-	-	-
Other governments	-	-	-	-	-	-	-	-	-
<b>Transfers in:</b>									
General fund	-	-	-	-	-	-	-	-	-
SR-CDBG									
<b>Revolving Building Fund</b>				<b>19,348</b>					
<b>Transfers Out</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(109)</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>\$ 85,933</b>	<b>\$ (16,297)</b>	<b>\$ (11,391)</b>	<b>\$ (20,086)</b>	<b>\$ (51,649)</b>	<b>\$ 13,218</b>	<b>\$ 78,721</b>	<b>\$ (68,081)</b>	<b>\$ 610,954</b>

**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, 2022**

**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, 2022**

	General Fund	Bowling Green	Cresaptown	Braddock Run	Bedford Road	Jennings Run/Wills Creek	McCoole	Oldtown
<b>OPERATING REVENUES:</b>								
Service charges	\$ 41,858	\$ 502,152	\$ 415,061	\$ 1,580,255	\$ 640,682	\$ 574,087	\$ 85,928	\$ 24,141
Miscellaneous	22,749			16,533				
<b>Total Operating Revenues</b>	<b>64,607</b>	<b>502,152</b>	<b>415,061</b>	<b>1,596,788</b>	<b>640,682</b>	<b>574,087</b>	<b>85,928</b>	<b>24,141</b>
<b>OPERATING EXPENSES:</b>								
Wages and salaries	4,988	130,792	117,541	137,651	182,703	165,087	30,710	6,859
Employee benefits	2,081	54,564	49,036	57,426	76,221	68,872	12,812	2,862
Office expenses	308	8,094	7,275	8,519	11,308	10,217	1,900	425
Utilities	2,198	57,635	51,796	60,657	80,510	72,790	13,533	3,023
Repairs and maintenance	2,208	57,890	52,025	74,093	80,866	73,070	13,593	3,036
Water/Sewage treatment costs	11,247	294,890	265,015	310,355	411,932	372,215	69,241	15,465
Professional fees	385	10,096	9,073	10,626	14,103	12,743	2,371	529
Materials and supplies	2,784	73,017	65,620	76,846	101,998	92,164	17,145	3,829
Insurance	300	7,860	7,064	8,273	10,980	9,922	1,846	412
Indirect cost	1,867	48,947	43,988	51,514	68,374	61,781	11,493	2,567
Miscellaneous	218	2,779	2,498	2,925	3,882	3,508	653	146
Depreciation	3,253	88,729	80,175	257,097	222,523	220,183	50,914	18,253
<b>Total Operating Expenses</b>	<b>31,837</b>	<b>835,294</b>	<b>751,105</b>	<b>1,055,981</b>	<b>1,265,400</b>	<b>1,162,551</b>	<b>226,210</b>	<b>57,406</b>
<b>Operating Income (Loss)</b>	<b>32,770</b>	<b>(333,142)</b>	<b>(336,044)</b>	<b>540,807</b>	<b>(624,718)</b>	<b>(588,464)</b>	<b>(140,282)</b>	<b>(33,265)</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>								
Real and personal property taxes	-	203,461	185,694	241,157	138,945	66,887	4,679	950
Interest & Penalties, taxes	-	5,087	5,083	7,324	3,836	3,786	194	16
Discounts, taxes	-	(1,131)	(995)	(1,410)	(799)	(358)	(23)	(6)
Collection fees	-	(4,617)	(4,141)	(5,647)	(3,235)	(1,509)	(110)	(21)
Front footage assessments	-		-	-	-	882	-	-
Interest income		8,169	5,171	5,687	16,309	11,944	1,155	1,130
Interest income, debt service	-		-	-	-	-	-	-
Interest expense	(7,147)	(39,618)	(36,547)	(66,300)	(21,528)	(15,970)	-	-
Gain (Loss) on disposal of assets	4,800							
<b>Total Nonoperating revenue (expenses)</b>	<b>(2,347)</b>	<b>171,351</b>	<b>154,265</b>	<b>180,811</b>	<b>133,528</b>	<b>65,662</b>	<b>5,895</b>	<b>2,069</b>
<b>Income Before Contributions and Transfers</b>	<b>30,423</b>	<b>(161,791)</b>	<b>(181,779)</b>	<b>721,618</b>	<b>(491,190)</b>	<b>(522,802)</b>	<b>(134,387)</b>	<b>(31,196)</b>
Capital Contributions:								
Federal				1,896,413				-
State				3,474,589	737,671			-
Other	-	-	-	-	-	-	-	-
Transfers in	32,813			60,890	53,841			
Transfers out	(453)	(11,890)	(10,685)	(18,439)	(16,608)	(15,007)	(2,792)	(624)
<b>Change in Net Position</b>	<b>62,783</b>	<b>(173,680)</b>	<b>(192,464)</b>	<b>6,135,071</b>	<b>283,713</b>	<b>(537,809)</b>	<b>(137,178)</b>	<b>(31,819)</b>
Net position - beginning	3,016,553	1,339,650	2,477,983	2,308,876	(2,246,879)	(2,928,776)	(1,176,378)	(767,297)
Move Asset								
Net position - ending	<b>\$ 3,079,336</b>	<b>\$ 1,165,970</b>	<b>\$ 2,285,519</b>	<b>\$ 8,443,947</b>	<b>\$ (1,963,166)</b>	<b>\$ (3,466,585)</b>	<b>\$ (1,313,556)</b>	<b>\$ (799,116)</b>

**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, 2022**

Flintstone	Georges Creek	Franklin/ Brophytown	Celanese Treatment Plant	Mexico Farms	Cash Valley Road	Oldtown Road	Barton Industrial Park	Total All Districts
\$	\$	\$	\$	\$	\$	\$	\$	\$
523	524	525	526	527	528	529	530	531
49,651	1,163,392	66,692	638,838	599,962	37,114	138,117	11,059	6,568,989
			5,000					44,282
			643,838	599,962	37,114	138,117	11,059	6,613,271
11,380	307,257	12,471		29,619	12,471	47,390		1,196,920
4,748	128,182	5,203		12,357	5,203	19,771		499,336
704	19,016	771		1,833	771	2,932		74,073
5,015	135,652	5,496		15,210	5,496	20,883		529,893
5,037	148,090	5,520	169,176	13,110	5,520	20,976		724,208
25,658	692,768	28,118		66,781	28,118	106,849		2,698,652
878	23,717	963		47,701	963	3,658		137,807
6,353	171,530	6,962		16,535	6,962	26,457		668,203
684	18,465	750		1,780	750	2,848		71,933
4,259	114,988	4,667		11,084	4,667	17,735		447,931
242	6,529	265		629	265	1,007		25,546
26,284	1,036,592	12,796	450,339	46,368	21,910	74,847	48,558	2,658,821
91,241	2,802,786	83,981	619,515	263,008	93,095	345,353	48,558	9,733,323
(41,590)	(1,639,394)	(17,289)	24,323	336,954	(55,981)	(207,236)	(37,499)	(3,120,052)
1,332	328,216	1,972		10,494	13,732	37,228	-	1,234,747
78	15,158	40		197	580	1,039	-	42,418
(7)	(1,751)	(3)		(59)	(71)	(196)	-	(6,809)
(33)	(7,771)	(45)		(232)	(315)	(857)	-	(28,533)
							-	882
1,996	63,992	1,952	17,174	828	889	2,807	34	139,237
							-	0
	(73,867)		(7,945)		(3,775)	(14,907)	-	(287,603)
							-	4,800
3,366	323,977	3,916	9,229	11,228	11,040	25,114	34	1,099,139
(38,224)	(1,315,417)	(13,373)	33,552	348,182	(44,941)	(182,122)	(37,465)	(2,020,913)
							-	2,939,913
	55,431	-	120,464		1,043,500		-	4,388,155
							-	0
(1,034)	(27,931)	(1,134)	43,784	134,227	(2,693)	(1,134)	(4,308)	48,000
							-	373,555
							-	(114,731)
(39,259)	(1,287,917)	(14,507)	197,800	1,523,217	(46,075)	(186,430)	10,535	5,565,980
(560,211)	25,092,263	728,667	12,439,795	2,928,601	(3,778)	1,007,210	899,669	44,555,947
							-	1,307,873
\$ (599,470)	\$ 23,804,346	\$ 714,160	\$ 12,637,595	\$ 4,451,818	\$ (49,853)	\$ 820,780	\$ 910,204	\$ 51,429,800

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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, 2022**

<b>ASSETS:</b>	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2021</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2022</b>
Taxes levied for State:				
Taxes receivable - State	\$ 522,821	\$ 4,565,570	\$ 4,619,977	\$ 468,414
Bay restoration fee	507,424	1,221,514	1,236,609	492,329
Other receivables	(8,682)			(8,682)
Taxes levied for Special Areas:				
Lonacoking, Town of	39,368	155,824	157,994	37,198
Midland, Town of	13,119	43,990	47,747	9,362
Westernport, Town of	79,625	435,636	441,827	73,434
Barton, Town of	8,753	38,711	43,091	4,373
Cumberland differential	738		-	738
Bel Air Special Tax Area	1,393	40,608	40,877	1,124
Bowling Green Fire Co.	3,997	46,312	45,834	4,475
Bedford Road Fire Co.	4,900	53,028	53,374	4,554
Bowling Green Special Tax Area	2,930	23,756	23,983	2,703
Cresaptown Ambulance	13,043	162,240	161,249	14,034
Cresaptown Civic Imp. Assoc.	5,207	35,808	34,728	6,287
Cresaptown Fire Co.	16,448	217,115	215,014	18,549
Corriganville Light & Imp.	3,415	25,663	25,815	3,263
Ellerslie Special Tax Area	1,085	10,150	10,031	1,204
LaVale Volunteer Fire Dept.	24,252	205,655	213,451	16,456
LaVale Rescue Squad	12,133	98,842	102,734	8,241
LaVale Sanitary District	50,346	498,519	509,506	39,359
McCoole Special Tax Area	1,083	4,669	4,792	960
Moscow Light	445	3,502	3,394	553
Mt. Savage Special Tax Area	2,969	13,191	12,879	3,281
Potomac Park Special Tax Area	1,536	17,720	17,457	1,799
Rawlings Fire Co.	7,795	76,734	77,322	7,207
Sub-total special areas	<u>294,580</u>	<u>2,207,673</u>	<u>2,243,099</u>	<u>259,154</u>
Due from other funds	<u>569,261</u>	<u>7,870,594</u>	<u>7,727,443</u>	<u>712,416</u>
<b>Total Assets</b>	<b><u>\$ 1,885,406</u></b>	<b><u>\$ 15,865,351</u></b>	<b><u>\$ 15,827,128</u></b>	<b><u>\$ 1,923,631</u></b>
<b>LIABILITIES:</b>				
Accounts payable	\$ 560,074	\$ 7,908,361	\$ 7,764,335	\$ 704,100
A/P Special Areas	295,026	2,055,448	2,091,702	258,772
Taxes payable - State	522,826	4,304,540	4,358,945	468,421
A/P Bay restoration fee	507,429	1,362,447	1,377,538	492,338
<b>Total Liabilities</b>	<b><u>\$ 1,885,357</u></b>	<b><u>\$ 15,630,796</u></b>	<b><u>\$ 15,592,520</u></b>	<b><u>\$ 1,923,631</u></b>

**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, 2022 and 2021**

ASSETS	Primary Government			
	At June 30, 2022		Net Book Value	June 30, 2021
	Cost	Accumulated Depreciation		
Land	\$ 27,180,167	\$ -	\$ 27,180,167	\$ 27,211,512
Construction in progress	584,886	-	584,886	3,642,781
Buildings	69,867,849	35,236,303	34,631,546	31,957,530
Infrastructure	56,459,713	36,581,093	19,878,620	19,232,003
Furniture & fixtures	1,169,586	1,047,586	122,000	27,329
Machinery & equipment	22,666,171	17,911,787	4,754,384	6,252,551
Vehicles	16,335,547	11,331,371	5,004,176	3,989,135
Heavy equipment	5,887,979	4,458,219	1,429,760	1,580,324
Other capital assets	1,251,821	927,524	324,297	326,767
<b>Total Assets</b>	<b>\$ 201,403,718</b>	<b>\$ 107,493,888</b>	<b>\$ 93,909,837</b>	<b>\$ 94,219,933</b>
<b>FUND EQUITY</b>				
Investment in general capital assets acquired before July 1, 1993 - source unidentified			\$ 6,895,023	\$ 6,915,024
Investment in construction in progress			1,892,137	1,892,137
Investment in general capital assets by source:				
General Fund:				
General revenues			17,592,691	17,093,236
Federal grants			4,311,989	4,311,989
State grants			2,965,305	2,849,831
Miscellaneous revenues			761,252	761,252
Debt proceeds			1,575,512	1,575,512
Special Revenue Funds:				
General revenues			56,833,415	54,293,960
Federal grants			8,182,809	7,021,555
State grants			8,497,374	8,402,527
Miscellaneous revenues			271,090	271,090
Debt proceeds			8,926,043	8,926,043
Other			1,477,222	1,477,222
Capital Project Funds:				
General revenues			22,160,562	22,160,562
Federal grants			12,002,414	12,002,414
State grants			28,043,567	28,025,045
Miscellaneous revenues			1,127,822	1,127,822
Debt proceeds			20,615,456	19,743,149
Other			1,545,451	1,371,590
Less:				
Accumulated depreciation			(111,767,307)	(106,002,034)
<b>Total Fund Equity</b>			<b>\$ 93,909,837</b>	<b>\$ 94,219,933</b>

ALLEGANY COUNTY, MARYLAND  
 CAPITAL ASSETS USED IN THE OPERATION OF  
 GOVERNMENTAL FUNDS  
 SCHEDULE OF ASSETS BY FUNCTION  
 June 30, 2022

Function	Land	Building	Infrastructure	Furniture & Fixtures	Equipment	Vehicles	Other Capital Assets	Construction In Progress	Total Cost	Less Depreciation	Total
General Government	3,678,214	\$ 4,949,223	\$ 39,776	\$ 302,097	\$ 1,759,221	\$ 420,081	\$ 625,800	\$ 142,221	\$ 11,916,633	\$ (7,316,775)	\$ 4,599,858
Public Safety	2,359,864	20,132,077	2,647,360	330,345	19,151,070	4,396,796	250,665	49,268,177	(29,017,027)	20,251,150	
Public Works	2,915,382	2,944,003	46,266,468	305,788	913,756	10,615,070	5,728,628	396,676	70,085,771	(47,885,293)	22,200,478
Health	575,119	6,553,202	-	-	-	-	4,121	-	7,132,442	(3,298,925)	3,833,517
Social Services	116	3,250	24,331	199,288	89,080	661,582	39,200	-	1,016,847	(812,144)	204,703
Recreation & Culture	1,534,781	2,774,928	328,939	21,911	194,893	36,162	405,050	-	5,296,664	(2,345,381)	2,951,283
Libraries	6,000	1,631,033	-	-	-	-	-	-	1,637,033	(1,103,371)	533,662
Education	428,817	-	-	-	-	-	-	-	46,005	-	46,005
Natural Resources	Urban Development & Housing	45,293	154,713	4,160	35,846	9,302	-	249,314	(192,677)	56,637	
Economic Development	15,636,579	30,725,419	7,152,831	5,295	506,465	183,759	86,329	54,297,377	(15,490,452)	38,806,925	
Total General Capital Assets	27,180,167	\$ 69,867,849	\$ 56,459,713	\$ 1,169,586	\$ 22,666,171	\$ 16,335,547	\$ 7,139,800	\$ 584,886	\$ 201,403,718	\$ (107,493,885)	\$ 93,909,837

ALLEGANY COUNTY, MARYLAND  
 CAPITAL ASSETS USED IN THE OPERATION OF  
 GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Function	General Capital Assets June 30, 2021	Transfers to Other Funds	Asset Reclass	\$ Additions	\$ Deductions	\$ Cost	\$ 11,916,634	Accumulated Depreciation June 30, 2021	Current Year Depreciation	Less Depreciation	General Capital Assets June 30, 2022
General Government	\$ 11,732,149	\$ -	\$ -	\$ 184,486	\$ -	\$ (91,173)	\$ 49,268,176	\$ (7,203,622)	\$ (113,152)	\$ (2,620,823)	\$ 4,599,858
Public Safety	48,682,428	-	-	676,922	(505,674)	70,085,773	(46,845,863)	(26,487,378)	(1,484,151)	444,721	20,251,150
Public Works	68,084,598	-	-	2,506,847	-	7,132,442	(3,080,485)	(218,440)	(84,339)	3,833,517	22,200,478
Health	7,132,442	-	-	-	(270,118)	1,016,847	(997,923)	(246,893)	(117,533)	270,118	204,703
Social Services	1,286,965	-	-	-	14,802	5,296,663	(2,246,893)	(1,061,362)	(42,009)	19,045	2,951,283
Recreation & Culture	5,281,862	-	-	-	-	1,637,033	(1,061,362)	-	-	533,662	
Libraries	1,637,033	-	-	-	18,512	45,996	(42,009)	-	-	46,005	
Education	27,484	-	-	-	-	-	-	-	-	-	
Natural Resources	460,655	-	-	-	-	460,655	(31,838)	-	-	-	
Urban Development & Housing	348,312	-	-	-	-	249,314	(251,578)	(97)	98,998	428,817	
Economic Development	52,489,773	-	-	\$ 2,145,906	\$ 338,307	\$ 54,297,365	\$ (14,744,031)	\$ (1,084,726)	\$ 38,307	\$ 56,637	38,806,925
Total General Capital Assets	\$ 191,163,711	\$ -	\$ -	\$ 5,547,475	\$ 1,304,270	\$ 201,403,718	\$ (102,990,973)	\$ (5,755,270)	\$ 1,267,363	\$ 93,909,837	

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# **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.

Contents	Page
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
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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)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Net Investment in										
Capital Assets	78,548,257	77,576,485	78,386,353	84,396,712	86,497,352	86,142,012	87,441,448	89,130,241	85,076,724	84,103,156
Restricted	3,063,383	3,030,834	11,975,277	16,354,328	16,237,133	4,255,467	12,316,363	1,544,097	7,841,911	6,085,554
Unrestricted	18,220,459	24,060,546	9,739,329	3,585,497	2,573,629	(13,519,261)	(26,370,540)	(18,226,415)	(23,649,340)	(18,439,213)
<b>Total governmental activities net position</b>	<b>\$ 99,852,099</b>	<b>\$ 104,667,865</b>	<b>\$ 100,100,959</b>	<b>\$ 104,336,537</b>	<b>\$ 105,308,114</b>	<b>\$ 76,878,218</b>	<b>\$ 73,387,291</b>	<b>\$ 72,447,923</b>	<b>\$ 69,268,295</b>	<b>\$ 71,749,497</b>
<b>Business-type activities</b>										
Net Investment in										
Capital Assets	82,603,601	88,732,280	93,011,267	97,611,312	98,160,878	95,860,101	96,563,365	97,116,640	97,889,075	98,831,785
Restricted	288,615	261,383	442,291	247,369	240,345	155,066	161,080	194,232	162,484	155,488
Unrestricted	1,783,058	1,016,651	(633,330)	(2,817,398)	(4,239,595)	(3,373,873)	(6,879,883)	(8,644,846)	(11,487,378)	(6,353,707)
<b>Total business-type activities net position</b>	<b>\$ 84,675,274</b>	<b>\$ 90,010,314</b>	<b>\$ 92,820,228</b>	<b>\$ 95,041,283</b>	<b>\$ 94,161,628</b>	<b>\$ 92,641,294</b>	<b>\$ 89,844,582</b>	<b>\$ 88,665,026</b>	<b>\$ 86,584,178</b>	<b>\$ 92,633,567</b>
<b>Primary Government</b>										
Net Investment in										
Capital Assets	\$ 161,151,858	\$ 166,308,765	\$ 171,397,620	\$ 182,008,024	\$ 184,658,230	\$ 182,002,113	\$ 184,004,813	\$ 186,246,881	\$ 182,964,799	\$ 182,934,941
Restricted	3,371,988	3,292,217	12,411,588	16,601,697	16,477,478	4,410,533	12,477,463	1,738,329	8,004,395	6,241,042
Unrestricted	20,003,517	25,077,197	9,105,999	788,099	(1,665,966)	(16,883,134)	(33,250,403)	(26,871,261)	(35,116,718)	(24,792,920)
<b>Total primary government net position</b>	<b>\$ 184,527,373</b>	<b>\$ 194,678,179</b>	<b>\$ 192,921,187</b>	<b>\$ 199,377,820</b>	<b>\$ 199,468,742</b>	<b>\$ 169,519,512</b>	<b>\$ 183,231,873</b>	<b>\$ 161,113,949</b>	<b>\$ 155,852,470</b>	<b>\$ 164,383,065</b>

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

Expenses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities:</b>										
General Government:										
Payment to data processing	9,087,290	8,745,293	8,971,206	10,098,884	1	12,288,649	9	9,768,944	h	12,711,146
Public Safety	358,754	332,996	313,562	261,943		182,712		188,456		145,424
Public Works	16,640,877	17,406,223	18,606,877	20,125,044		20,723,459		24,440,862	l	28,768,857
Health	12,250,869	13,699,606	e	13,039,773	13,263,932	14,148,805		13,892,496		15,613,977
Social Services	1,986,200	1,967,479	2,075,143	2,131,859		2,093,988		2,208,164		2,333,585
Education:	1,553,615	1,588,214	1,277,778	1,467,194		1,387,194		881,055		1,258,655
Payments to public school system	640,888	682,409	623,625	1,389,052		797,321		10,365,096	j	3,162,750
Payments to community college	29,391,958	29,770,045	30,014,167	30,169,985		30,424,308		30,724,335		30,724,335
Recreation, culture & libraries:	7,425,000	7,555,000	7,555,000	7,915,000		7,980,550		7,930,550		7,980,550
Payment to public library system	884,822	722,533	749,376	826,930		947,500		1,214,252	k	1,191,689
Conservation of natural resources	905,000	940,000	947,500	254,450		249,936		956,975		956,975
Community development & housing	240,204	287,362	1,042,086	1,176,904		1,021,156		142,584		66,702
Economic Development	1,033,325	915,289	3,602,112	2,672,959		3,355,189		1,005,058		1,012,235
Interest on long term debt	2,548,509	581,199	650,717	659,875		677,774		4,111,276	l	3,194,349
Total governmental activities expenses	\$ 85,914,814	\$ 88,775,760	\$ 89,002,523	\$ 93,202,815		\$ 96,287,750		\$ 108,151,053		\$ 109,620,805
Business-type activities:										
Water	4,270,963	4,344,329	4,429,254	4,772,141		4,723,474		4,645,473		4,741,156
Sewer	8,652,450	8,986,494	9,354,185	9,965,143		10,782,289		10,545,774		11,426,210
Other Funds	353,648	187,465	334,585	225,789		202,991		195,390		167,778
Total business-type activities expenses	13,247,061	13,518,288	14,118,324	14,963,073		15,708,784		15,386,637		16,335,144
Total primary government expenses	\$ 98,161,875	\$ 102,294,048	\$ 103,120,847	\$ 108,165,888		\$ 111,996,494		\$ 123,537,690		\$ 126,163,082
Program Revenues										
Governmental activities:										
Charges For services:										
Public safety	1,263,372	1,247,166	416,243	1,266,935		1,181,723		2,414,892		3,698,282
Public works	952,807	999,315	1,403,788	1,036,634		1,020,139		1,152,083	m	1,294,859
Economic development	3,446,157	3,336,528	1,004,159	3,367,800		3,300,433		3,307,020		3,424,141
Other activities	739,760	804,327	3,786,011	872,000		819,358		1,832,419		1,550,337
Operating grants and contributions	5,100,079	4,470,054	4,320,955	4,230,909		4,507,723		5,503,162		5,733,335
Capital grants and contributions	368,323	b	1,298,010	1,086,127		2,076,835		3,235,959		1,401,461
Total governmental activities program revenues	11,870,498	12,153,400	12,017,273	12,851,113		14,065,335		15,611,037		17,595,149
Business-type activities:										
Charges For services:										
Water	3,688,155	3,957,267	4,182,774	4,257,317		4,197,525		4,166,328		4,183,777
Sanitary	5,444,477	5,735,194	5,905,018	6,082,372		6,382,842		6,040,900		6,118,496
Other Funds	281,017	269,480	316,477	106,300		72,442		59,200		44,187
Operating grants and contributions	3,906,635	c	7,473,345	d	6,016,661	a	5,404,171		2,827,122	a
Total business-type activities program revenues	13,322,284	17,435,286	16,420,930	15,850,160		13,479,931		12,426,373		1,725,700
Total primary government program revenues	\$ 25,192,782	\$ 29,588,686	\$ 28,438,203	\$ 28,701,273		\$ 27,545,266		\$ 28,037,410		\$ 29,667,309
										\$ 32,490,605
										\$ 34,911,093
										\$ 47,961,336

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net Expenses  Revenue</b>										
<b>Government activities</b>	\$ (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)	\$ (95,282,022)
<b>Business-type activities</b>	24,460,225	24,169,537	26,099,413	26,836,166	25,911,041	26,117,557	26,295,496	28,719,134	31,138,685	43,696,143
<b>Total primary government net expense</b>	\$ 73,989,093	\$ 72,705,362	\$ 74,682,644	\$ 79,484,615	\$ 84,451,228	\$ 95,500,280	\$ 95,495,773	\$ 92,361,455	\$ 100,247,525	\$ 190,926,776
 <b>General Revenues And Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
<b>Taxes</b>										
Property taxes	40,882,732	41,334,050	40,209,077	40,285,516	40,900,084	40,525,539	42,099,543	42,056,853	43,025,595	43,025,595
Income taxes	4,011,282	4,359,620	4,669,358	5,343,333	6,195,089	6,720,586	7,035,187	6,753,500	8,036,628	9,443,240
Other local taxes										
<b>Licenses</b>										
<b>Unrestricted grants</b>										
<b>Investment earnings</b>										
<b>Gain/(loss) on sale/retirement of capital assets</b>										
<b>Miscellaneous</b>										
<b>Transfers</b>										
<b>Special item</b>										
<b>Total governmental activities</b>	\$ 80,080,278	\$ 81,350,588	\$ 82,175,020	\$ 83,553,155	\$ 84,875,960	\$ 84,765,894	\$ 88,741,862	\$ 88,499,502	\$ 93,538,733	\$ 97,743,224
 <b>Business-type activities:</b>										
<b>Property taxes</b>										
<b>Investment earnings</b>										
<b>Miscellaneous</b>										
<b>Gain/(loss) on sale/retirement of capital assets</b>										
<b>Transfers</b>										
<b>Total business-type activities</b>	\$ 93,464	\$ 141,8042	\$ 89,324	\$ 147,927	\$ 155,527	\$ 91,884	\$ 102,095	\$ 489,942	\$ 83,561	4,800
<b>Total primary government</b>	\$ 81,573,424	\$ 82,768,630	\$ 83,484,825	\$ 84,890,524	\$ 86,225,140	\$ 86,205,826	\$ 90,208,131	\$ 90,243,540	\$ 94,966,055	\$ 99,451,369
 <b>Change In Net Position</b>										
<b>Governmental activities, restated</b>	\$ 6,035,962	\$ 4,728,943	\$ 5,189,770	\$ 3,201,453	\$ 2,653,565	\$ (7,774,122)	\$ (3,490,927)	\$ (939,368)	\$ (3,179,628)	\$ 2,481,202
<b>Business-type activities</b>	1,568,369	5,335,040	3,612,411	2,224,456	879,653	1,520,332	2,796,714	1,178,556	2,081,841	6,049,392
<b>Total primary government</b>	\$ 7,604,331	\$ 10,063,983	\$ 8,802,181	\$ 5,425,909	\$ 1,773,912	\$ 9,294,454	\$ 6,297,642	\$ (2,117,925)	\$ (5,261,470)	\$ 8,530,583

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 "Pct 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 entities to pension expense , liability increased  
g Increase largely due to GASB 68 required entities to pension expense , liability increased and GASB 72 entries  
h Increase largely due to GASB 68 required entities to pension expense -liability decreased this year  
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  
p Decrease due to no COVID grant money received in FY 22  
q Increase due to increase in rental assistance grants received  
r Increase in appropriations to Library for renovations  
s Increase in grants for water/sewer projects

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
<b>Nonspendable</b>	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	1,200,000
<b>Restricted</b>	148,863	148,863	179,530	173,170	131,979	80,743	78,907	76,245	74,663	75,611,190
<b>Committed</b>	-	-	949,319	150,000	967,195	1,571,596	830,551	6,423,165	6,997,078	7,301,025
<b>Assigned</b>	447,970	3,414,000	5,884,000	4,014,000	5,896,328	18,649,953	15,918,000	16,795,112	16,775,262	24,904,845
<b>Unassigned</b>	17,901,696	18,695,272	19,642,135	18,092,412						
<b>Reserved</b>										
<b>Unreserved</b>										
Total General Fund	\$ 19,699,784	\$ 23,458,135	\$ 27,604,317	\$ 25,252,942	\$ 26,886,656	\$ 25,244,740	\$ 25,621,049	\$ 25,814,492	\$ 26,548,536	\$ 24,950,479
<b>All Other Governmental Funds</b>										
<b>Nonspendable</b>	3,050,872	2,968,644	10,197,951	45,460	42,233	41,920	39,977	42,801	41,235	35,669
<b>Restricted</b>	8,901,702	10,738,989	12,136,663	12,725,923	15,752,673	4,123,488	12,235,640	9,416,684	14,955,871	11,782,463
<b>Committed</b>	2,442,285	1,497,237	1,394,288	9,734,927	8,700,167	10,717,434	10,492,198	9,229,049	9,792,923	8,702,202
<b>Assigned</b>	(11,060)	(191,236)	(395,634)	1,342,578	2,288,721	1,389,301	1,400,029	1,411,742	1,939,446	
<b>Unassigned</b>				(419,033)	(397,597)	(767,966)	(1,201,625)	(1,572,904)	(2,097,892)	(1,540,392)
<b>Reserved</b>										
<b>Unreserved, reported in:</b>										
Special revenue funds										
Capital project funds										
Debt service funds										
Total all other governmental funds	\$ 14,383,799	\$ 15,011,634	\$ 23,423,278	\$ 23,430,265	\$ 26,386,197	\$ 16,330,907	\$ 22,955,491	\$ 18,615,639	\$ 24,103,879	\$ 20,919,388

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Property taxes	40,302,290	43,948,120	41,737,685	41,106,799	42,106,441	41,529,472	43,599,529	41,566,027	44,893,617	45,135,441
Income taxes	24,249,252	24,112,733	25,910,575	26,380,919	26,435,017	25,797,515	28,388,370	28,670,090	31,190,781	32,874,736
Highway user taxes	424,914	671,589	466,089	547,328	539,372	690,000	1,001,551	977,329	1,057,788	1,139,219
Other local taxes	4,087,133	4,088,216	3,579,491	4,043,446	4,380,110	4,074,450	3,984,644	3,913,567	4,418,576	5,548,766
Licenses and permits	664,287	686,233	678,422	700,480	672,859	666,528	720,563	620,500	542,024	715,504
<b>Intergovernmental:</b>										
Federal	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	12,861,541
State	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	15,392,177
Other	53,554	467,561	600,745	308,747	178,297	901,053	975,797	966,436	2,139,566	3,881,871
<b>Service charges</b>										
Fines and forfeitures	1,758,235	1,740,331	1,898,021	1,805,043	1,938,922	2,446,454	2,934,658	2,871,158	2,469,764	2,682,065
Interest	96,119	170,927	150,249	152,942	80,907	74,561	142,983	163,281	206,843	173,834
<b>Lease Revenue/Miscellaneous</b>										
Total revenues	\$ 90,049,230	\$ 94,134,836	\$ 94,822,063	\$ 95,692,764	\$ 99,740,938	\$ 99,618,619	\$ 103,416,585	\$ 107,514,346	\$ 116,213,217	\$ 125,426,621
<b>Expenditures</b>										
General government	8,436,402	7,999,532	8,532,724	9,210,525	9,301,186	9,420,158	10,548,564	10,610,633	10,239,132	11,921,947
Public safety	16,14,972	16,216,972	17,572,571	18,216,000	19,484,708	23,217,837	24,405,819	24,215,690	26,424,276	28,900,261
Public works	11,180,6708	11,465,679	12,282,927	11,734,735	12,297,757	13,717,805	12,176,117	13,040,777	14,532,711	17,082,22
Health and Hospitals	438,291	411,510	432,996	452,436	425,494	541,244	630,653	2,431,012	5,840,861	4,428,022
Social Services	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	997,686
Education	29,754									
Recreation, culture and libraries	736,413	616,169	628,708	932,800	795,045	1,076,056	903,302	1,326,234	528,957	1,010,799
Conservation of natural resources	239,976	319,102	254,682	244,974	263,677	282,314	278,219	336,083	348,993	364,218
Community Development and Housing	1,018,262	900,783	1,027,692	1,162,941	1,012,374	1,007,193	991,180	998,406	1,582,428	1,136,887
Economic development	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	3,954,031
Miscellaneous	34,803	31,222	33,046	38,599	44,631	47,199	82,174	78,453	51,157	349,969
Appropriation to other governments	1,341,973	1,376,033	1,461,027	1,476,610	1,495,989	1,494,063	1,525,705	1,601,443	1,485,190	2,079,200
Capital Outlay	2,320,671	3,076,325	4,096,588	6,070,469	13,507,913	14,888,728	8,935,674	10,232,221	11,447,794	10,315,673
Debt Service:										
Interest	1,083,631	666,802	568,774	762,344	649,037	834,194	736,306	2,166,605	1,103,951	1,463,238
Principal	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	1,332,388
Payments to Component Units	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	41,523,710
Total expenditures	\$ 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	\$ 125,021,562
Excess of revenues over (under) expenditures	\$ (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)	\$ 405,059
<b>Other Financing Sources/Uses</b>										
Proceeds from borrowing										
Proceeds from refinancing	14,736,467									
Payments to escrow agent										
Transfers in	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	2,526,031
Inception of lease										
Transfers out	(5,971,428)	(6,406,976)	(4,457,988)	(10,787,034)	(6,590,887)	(3,595,997)	(4,996,373)	(4,957,871)	(19,214,534)	332,823
Sale of capital assets	2,517,850	626,097	1,716	63,586	13,706	15,231	102,550	40,958	1,068,376	(2,783,271)
Total Other Financing										730,004
Sources (Uses)	\$ 17,160,850	\$ 458,298	\$ 9,652,243	\$ (84,340)	\$ 8,858,179	\$ 76,653	\$ 11,767,579	\$ (448,984)	\$ 19,557,163	\$ 1,305,587
Net Change in fund balances	\$ 6,276,473	\$ 4,386,186	\$ 12,557,826	\$ (3,858,344)	\$ 4,385,439	\$ (11,697,206)	\$ 7,000,893	\$ (4,246,411)	\$ 9,829,036	\$ 1,710,646
Debt service as a percentage of noncapital expenditures	18.1%	5.2%	5.5%	4.4%	4.2%	3.0%	3.0%	3.2%	8.6%	2.3%
<b>Note:</b> 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.										
<b>Total Expenditures for Capital Assets</b>	\$ 1,721,256	\$ 2,267,159	\$ 2,264,182	\$ 8,428,204	\$ 9,472,687	\$ 4,220,066	\$ 6,492,539	\$ 7,279,030	\$ 9,984,997	\$ 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			Personal Property			Corporate Personal Property			Personal & Corporate Personal	
	Market Value	Assessed Value	Total Direct Tax Rate	Market Value	Assessed Value	Total Direct Tax Rate	Market Value	Assessed Value	Total Direct Tax Rate	Total	Assessed Value
2013	3,532,084,432	3,532,084,432	0.9877	5,694,540	5,694,540	0.9877	346,092,240	346,092,240	0.9877	3,883,871,212	3,883,871,212
2014	3,511,729,354	3,511,729,354	0.9880	5,028,930	5,028,930	0.9880	358,164,980	358,164,980	0.9880	3,874,923,264	3,874,923,264
2015	3,469,830,592	3,469,830,592	1.0035	4,997,740	4,997,740	1.0035	345,858,616	345,858,616	1.0035	3,820,686,948	3,820,686,948
2016	3,487,280,029	3,487,280,029	0.9899	6,494,120	6,494,120	0.9899	337,155,996	337,155,996	0.9899	3,830,930,145	3,830,930,145
2017	3,506,924,084	3,506,924,084	0.9893	6,705,040	6,705,040	0.9893	346,994,870	346,994,870	0.9893	3,860,623,994	3,860,623,994
2018	3,528,551,083	3,528,551,083	0.9885	7,678,200	7,678,200	0.9885	329,114,435	329,114,435	0.9885	3,865,343,718	3,865,343,718
2019	3,556,120,766	3,556,120,766	0.9921	7,192,380	7,192,380	0.9921	363,252,397	363,252,397	0.9921	3,916,565,543	3,916,565,543
2020	3,551,676,996	3,551,676,996	0.9871	6,782,280	6,782,280	0.9871	355,204,219	355,204,219	0.9871	3,913,663,495	3,913,663,495
2021	3,600,849,587	3,600,849,587	0.9852	6,471,980	6,471,980	0.9852	382,221,227	382,221,227	0.9852	3,989,542,794	3,989,542,794
2022	3,616,873,302	3,616,873,302	0.9959	6,231,690	6,231,690	0.9959	392,629,653	392,629,653	0.9959	4,015,734,645	4,015,734,645

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**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Municipal Direct Tax Rates (1.2)</b>										
Barton	0.2050	0.1900	0.1712	0.1712	0.1736	0.1727	0.1718	0.1728	0.1649	0.1662
Cumberland	1.0595	1.0595	1.0595	1.0595	1.0595	0.9654	0.9654	0.9654	0.9654	0.9654
Frostburg	0.7000	0.6800	0.6600	0.6600	0.6600	0.6400	0.6200	0.5820	0.5665	0.5665
Lonacaoning	0.3408	0.3509	0.3460	0.3460	0.3512	0.3498	0.3527	0.5552	0.3400	0.3400
Luke	1.2500	1.2040	1.0577	1.0601	1.0604	1.0600	1.0600	0.7500	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
<b>Allegany County Direct Tax Rates (1.3)</b>										
Barton	0.9094	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8976	0.8910	0.8892
Cumberland	0.8315	0.8166	0.8223	0.8385	0.8324	0.8452	0.8486	0.8530	0.8424	0.8371
Frostburg	0.8627	0.8273	0.8355	0.8494	0.8405	0.8530	0.8560	0.8597	0.8497	0.8436
Lonacaoning	0.8773	0.8422	0.8526	0.8641	0.8573	0.8696	0.8714	0.8761	0.8675	0.8655
Luke	0.8753	0.8408	0.8511	0.8620	0.8551	0.8670	0.8687	0.8735	0.8645	0.8620
Midland	0.9094	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8976	0.8910	0.8892
Westernport	0.9094	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8847	0.8745	0.8702
Unincorporated	0.9750	0.9750	0.9750	0.9750	0.9760	0.9770	0.9780	0.9790	0.9800	0.9810
<b>Special Taxing Areas (1.4)</b>										
<b>Sanitary Districts</b>										
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	0.0520	0.0420	0.0420	0.0420	0.0420	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	0.0620	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Cash Valley Subdistrict	0.1960	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	0.0160	0.1600	0.1600	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	0.1040	0.0770
<b>Other Special Districts</b>										
Bedford Road Volunteer Fire Co	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Bel Air Special Tax Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Bowling Green and Roberts Place	0.0550	0.0550	0.0550	0.0550	0.0550	0.0650	0.0650	0.0650	0.0650	0.0650
Bowling Green Volunteer Fire Co	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Corriganville Light & Imp Assoc.	0.0700	0.0700	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	0.0300
LaVale Sanitary Commission	0.0750	0.0750	0.0650	0.0550	0.0530	0.0470	0.0420	0.0520	0.0520	0.0530
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	0.1000	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	0.1000	0.1200	0.0800	0.0800	0.0800	0.0800	0.0800
<b>Total County Direct Rate (1.5)</b>	<b>0.9959</b>	<b>0.9852</b>	<b>0.9871</b>	<b>0.9921</b>	<b>0.9885</b>	<b>0.9893</b>	<b>0.9899</b>	<b>1.0035</b>	<b>0.9880</b>	<b>0.9877</b>

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.

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

<b>Taxpayer</b>	<b>2022</b>			<b>2013</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of County Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of County Taxable Assessed Value</b>
Columbia Gas of Maryland	111,276,480	1	2.73%	25,276,770	7	0.64%
Potomac Edison Co	78,643,800	2	1.92%	44,209,560	3	1.13%
AES WR Limited Partnership	\$ 51,428,572	3	1.26%	73,349,230	1	1.87%
CSX Transportation	41,022,397	4	1.01%	35,080,553	5	0.89%
New Page (Mead/Westvaco/Verso)	28,980,800	5	0.71%	62,673,358	2	1.60%
Trans-Allegheny Interstate Line	27,735,980	6	0.72%	42,065,730	4	1.07%
Western MD Health System	20,150,607	7	0.49%			
LaVale Associates	17,655,700	8	0.43%	32,799,220	6	0.84%
Wal-Mart Real estate trust	17,258,130	9	0.42%			
Verizon-Maryland (Bell Atlantic)	14,870,530	10	0.36%	23,332,410	8	0.59%
Allegany Coal-Land				14,846,308	10	0.38%
Hunter Douglas Northeast, Inc.				16,045,370	9	0.41%
<b>Total</b>	<b>\$ 409,022,996</b>		<b>10.05%</b>	<b>\$ 369,678,509</b>		<b>9.42%</b>

Source: Allegany County Tax and Utility Office

Note: Total county taxable assessed value includes real estate and personal property

Largest assessed properties are not necessarily the largest taxpayer due to tax exemptions

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

**Real Property**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2013	32,760,110	30,023,529	91.65%	(23,154)	2,690,287	32,736,956	32,713,816	99.93%
2014	32,615,476	30,189,373	92.56%	(30,920)	2,373,066	32,584,556	32,562,439	99.93%
2015	32,363,414	29,837,271	92.19%	(17,501)	2,490,201	32,345,913	32,327,472	99.94%
2016	32,407,750	29,866,195	92.16%	(19,852)	2,488,514	32,387,898	32,354,709	99.90%
2017	32,533,553	30,119,478	92.58%	(23,519)	2,226,348	32,510,034	32,345,826	99.49%
2018	31,928,292	29,405,769	92.10%	(15,506)	2,471,576	31,912,786	31,877,345	99.89%
2019	32,200,047	29,636,851	92.04%	(89,644)	2,428,902	32,110,403	32,065,753	99.86%
2020	32,253,424	29,278,562	90.78%	(96,089)	2,819,990	32,157,335	32,098,552	99.82%
2021	32,569,391	30,041,196	92.24%	(129,452)	1,364,948	32,439,939	31,406,144	96.81%
2022	33,195,635	30,900,527	93.09%			33,195,635	30,900,527	93.09%

**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
2013	8,027,385	7,204,178	89.75%	13,477	795,516	8,040,862	7,999,694	99.49%
2014	8,294,170	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%	621,780	843,990	8,043,883	8,020,310	99.71%
2019	7,802,902	7,546,060	96.71%	81,674	292,305	7,884,576	7,838,365	99.41%
2020	7,951,402	7,017,349	88.25%	148,836	973,290	8,100,238	7,990,639	98.65%
2021	8,770,986	8,453,697	96.38%	133169	377767	8,904,155	8,831,464	99.18%
2022	9,330,024	8,995,974	96.42%			9,330,024	8,995,974	96.42%

**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
2013	40,787,495	37,227,707	91.27%	(9,677)	3,485,803	40,777,818	40,713,510	99.84%
2014	40,908,646	37,980,339	92.79%	(342,390)	2,554,435	40,567,256	40,514,774	99.87%
2015	40,386,233	37,519,603	92.90%	(25,790)	2,791,963	40,380,443	40,311,566	99.88%
2016	40,239,953	37,517,142	93.23%	(2,112)	2,657,785	40,237,841	40,174,927	99.84%
2017	40,388,128	37,838,200	93.69%	(60,945)	2,275,213	40,327,183	40,113,413	99.47%
2018	39,350,395	36,582,089	92.96%	606,274	3,315,566	39,956,669	39,897,655	99.85%
2019	40,002,949	37,182,911	92.95%	(7,970)	2,721,207	39,994,979	39,904,118	99.77%
2020	40,204,826	36,295,911	90.28%	52,747	3,793,280	40,257,573	40,089,191	99.58%
2021	41,340,377	38,494,893	93.12%	3,717	1,742,715	41,344,094	40,237,608	97.32%
2022	42,525,659	39,896,501	93.82%	-	-	42,525,659	39,896,501	93.82%

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

# **DEBT CAPACITY**

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

Fiscal Year	Governmental Activities				Business -Type Activities				Total Primary Government	Percentage of Personal Income	Debt Per Capita	
	General Obligation Bonds	Term Notes	Capital Leases	State Loans	Water Term Notes	Water Federal Loans	Water State Loans	Sanitary Term Notes	Sanitary State Loans	Nursing Home Loans		
2013	20,948,078	219,629	36,080	2,203,357	344,380	10,928,261	130,265	17,251	14,519,950	4,968,713	54,185,699	3.40%
2014	17,922,268	212,915	18,560	1,765,300	325,424	10,859,917	236,488	16,814	13,698,637	4,902,290	49,852,390	3.10%
2015	23,531,007	205,809	0	1,471,847	305,853	10,710,507	301,066	16,355	12,726,747	4,833,387	54,038,000	3.40%
2016	20,487,355	205,809	0	1,237,420	301,066	10,934,967	285,640	15,876	12,461,588	4,742,446	50,672,167	3.20%
2017	26,343,366	203,465	0	984,296	264,761	10,897,952	386,918	15,375	11,638,500	4,652,100	55,396,733	3.50%
2018	24,967,722	203,465	0	642,863	243,204	10,851,104	523,988	14,851	10,512,058	7,521,862	55,481,117	2.00%
2019	33,807,041	203,465	0	429,216	220,941	10,691,226	407,759	14,303	9,382,027	7,375,465	62,531,445	2.20%
2020	31,747,498	195,841	0	222,236	197,948	10,424,659	390,025	13,729	8,249,636	7,224,441	58,666,035	2.00%
2021	41,367,633	188,321	0	66,580	174,201	10,149,509	372,126	13,129	7,103,037	7,068,924	66,503,482	2.20%
2022	39,834,517	688,321	25,406	149,672	9,865,887	1,148,559	468,844	7,021,280	8,000,760	67,203,268	2.10%	

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
			2013	2014		
2013	20,948,078	3,883,871,212	0.54%	0.46%	72,993	286.99
2014	17,922,268	3,874,923,264	0.46%	0.62%	72,295	247.90
2015	23,531,007	3,820,686,948	0.62%	0.53%	71,597	328.66
2016	20,487,355	3,835,441,204	0.53%	0.68%	70,899	288.97
2017	26,343,366	3,860,623,994	0.68%	0.65%	70,201	375.26
2018	24,967,722	3,865,343,718	0.65%	0.65%	69,503	359.23
2019	33,807,041	3,916,565,543	0.86%	0.86%	68,805	491.35
2020	31,747,498	3,913,763,495	0.81%	0.81%	68,106	466.15
2021	41,367,633	3,989,542,794	1.04%	1.04%	67,408	613.69
2022	39,834,517	4,015,734,645	0.99%	0.99%	66,710	597.13

**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**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Population Inmate population excluded	72,993 3,279	72,295 3,279	71,597 3,279	70,899 3,279	70,201 3,279	69,503 3,279	68,805 3,279	68,106 3,279	67,408 3,279	66,710 3,279
Net population for debt limit	69,714	69,016	68,318	67,620	66,922	66,224	65,526	64,827	64,129	63,431
Debt Per Capita Debt Limit	585 40,782,690	585 40,374,360	585 39,966,030	585 39,557,700	585 39,149,370	585 38,741,040	585 38,332,710	585 37,923,795	585 37,515,465	585 37,107,135
Total Net Debt applicable to limit	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	38,518,727
Legal Debt Margin	17,375,546	20,904,365	15,693,586	18,498,897	12,415,587	13,669,897	5,412,029	7,169,718	(1,929,436)	(1,411,592)
Total net debt applicable to the limit as a percentage of debt limit	57.4%	48.2%	60.7%	53.2%	68.3%	64.7%	85.9%	81.1%	105.1%	103.8%

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
2022	7,995,213	7,074,503	920,710	1,305,794	287,603	1,593,397	0.58
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

**WATER DISTRICTS**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2022	4,778,387	3,263,392	1,514,995	433,298	296,108	729,406	2.08
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	3,095,376	724,275	158,655	290,816	449,471	1.61

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**

<u>Year</u>	<u>Population</u>	<u>Personal Income In 000s</u>	<u>Per Capita Personal Income</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate</u>
2013	72,993	2,335,776	32,000	8,409	8.60%
2014	72,295	2,597,487	35,929	8,349	7.20%
2015	71,597	2,903,330	40,551	8,357	7.30%
2016	70,899	2,946,492	41,559	8,317	6.40%
2017	70,201	2,895,791	41,250	8,212	5.80%
2018	69,503	2,732,858	39,320	8,191	6.10%
2019	68,805	2,787,772	40,517	8,070	5.80%
2020	68,106	2,823,266	41,454	7,982	9.70%
2021	67,408	2,963,930	43,970	8,075	7.40%
2022	66,710	3,158,518	47,347	8,132	5.80%

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**

<b>Employer</b>	<b>2022</b>			<b>2013</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>
Western 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%
Northrum 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	<b>9,381</b>		<b>26.18%</b>	<b>9,972</b>		<b>29.03%</b>

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

# **OPERATING INFORMATION**

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**Allegany County, Maryland**  
**Full-time Equivalent County Government Employees**  
**by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Commissioners & Staff	5	5	5.75	5.75	5.75	5.75	5.75	5.75	8.15	9.15
Judicial	27.9	29.05	28.75	28.75	29.9	28.5	28.5	30.1	30.1	31.975
Finance	8	6	5	5	6	6	6	6	6	6
Tax Office	7.7	7.7	7.7	7.7	6.7	6.7	6.7	6.7	6.7	6.7
Maintenance	14	13.9	13.9	13.9	13.9	13.85	13.85	13.85	13.85	13.3
Other	36.9	37.45	40.8	40.5	39.5	38.9	37.15	37.15	37.15	38.15
Public Safety										
Sheriff/Bureau of Police	34.4	34.5	34.4	34.4	35.4	35.4	35.4	38.85	39.85	41.85
Detention Center	85.8	85.8	81	81	81.7	81.7	83.7	82.7	84	84
911	25.9	26.55	29.05	29.05	29.05	30.5	30.5	30.5	31.5	31.5
Other	30.1	26.6	24.714	24.714	24.714	24.35	63.35	80.3	82.3	81.8
Public Works										
Roads division	67.4	67.4	66.4	66.4	66.5	66.4	66.4	66.4	66.7	68.7
Engineering	12	9.9	9.9	9.9	9.45	9.45	9.45	9.45	9.45	9.45
Solid Waste	4.3	5.05	5.46	5.46	4.81	4.81	4.81	4.81	4.81	4.1
Transit	27.9	27.9	27.76	27.76	27.76	27.75	27.75	27.75	27.75	28.75
Health and Hospitals										
Social Services	2.0	2	2.0	2.0	2.0	2.0	2.8	2.8	2.8	5.8
Recreation, culture, libraries, tourism	1.0	1	1.0	1.0	1.0	1.0	1.0	1.0	4.5	4.5
Conservation of natural resources	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.2
Community Development and Housing	1.0	1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Development	6.3	5.7	5.7	5.0	5.0	5.5	7.0	8.5	8.5	7.5
Sanitary	34.0	34	36.0	36.0	36.0	36.0	36.0	36.0	36.0	36.0
Nursing Home										
Total	433.0	427.9	427.6	426.7	427.5	427.0	468.5	496.9	504.4	510.6

Source: Allegany County Finance Office-Budget

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Government</b>										
Average number of tax bills issued	38,530	38,535	38,475	38,625	38,650	38,363	38,305	38,355	41,280	41,299
<b>Public Safety</b>										
Total Number of arrests	1,860	1,792	not avail							
Total Number of traffic stops	1,492	1,558	not avail							
Average number of inmates	153	150	134	142	140	147	147	147	147	147
Number of Volunteer Fire Stations	21	21	21	19	19	18	18	18	18	18
<b>Public Works</b>										
Miles of roads maintained	544	544	544	544	544	544	544	544	544	544
<b>Social Services</b>										
Transit route miles	376,369	409,383	** N/A							
Transit passengers	210,601	205,090	** N/A							
<b>Sanitary</b>										
Average number of sanitary/water customers	9,750	9,850	10,130	10,280	10,295	10,350	10,385	10,460	10,450	10,450
<b>Gaming</b>										
Games Sold	30,699	27,437	26,013	25,754	26,651	25,530	26,867	47,281	25,217	26,087
Operators Licensed	81	80	70	63	75	74	75	58	45	70
Inspections Conducted	610	748	701	701	644	689	637	372	372	570

Source: Various County Departments

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Number of major buildings maintained	11	11	11	11	11	12	12	12	12	12
Public Safety										
Number of police stations	4	4	4	4	4	4	4	4	4	4
Number of patrol vehicles	40	33	39	42	42	43	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	18	18	18	18	21	21	21	21	21
Economic Development										
Number of industrial parks	8	8	8	8	8	8	8	8	8	8
Number of Buildings leases	12	11	11	11	12	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

