



# Allegany County, Maryland Comprehensive Annual Financial Report

For the Fiscal Year Ended on June 30, 2015



Allegany County Board of County Commissioners

Jacob C. Shade, *President*

Creade V. Brodie, Jr., *Commissioner*

William R. Valentine, *Commissioner*

David A. Eberly, *County Administrator*

**ALLEGANY COUNTY, MARYLAND**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR  
JULY 1, 2014 - JUNE 30, 2015**

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



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

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# **INTRODUCTORY SECTION**





# ALLEGANY COUNTY, MARYLAND

## *Finance Office*

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### BOARD OF COMMISSIONERS

Jacob Shade, *President*  
Creade V. Brodie, Jr.  
William R. Valentine

Jason Bennett, CPA, *Director of Finance*

January 22, 2016

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

The Comprehensive Annual Financial Report (CAFR) of Allegany County, Maryland for the fiscal year ending June 30, 2015, 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, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used, and significant estimates made by management; and

evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

### **Profile of Allegany County**

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

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

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

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

In 1996, the Commissioners adopted legislation making the County Administrator of Allegany County responsible to the Board and charged with the administration of all County affairs. The

Administrator will carry out the policies of the Board, direct and supervise the administration of all departments and agencies, and perform all duties enumerated in the Allegany County Code Chapter 2, Article 1.

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

## **BUDGET**

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

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

### **Operating Budget**

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

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

## **Capital Budget**

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

## **Adoption of Budget**

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

## **Factors Affecting Financial Condition**

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

**Local economy:** Allegany County currently enjoys a favorable economic environment and local indicators point to continued stability. The unemployment rate remained the same from June 30, 2014 to June 30, 2015 at 7.3%. The region has diverse manufacturing and industrial base of paper manufacturing, rail transportation and the manufacturing of window coverings. A varied service provider base gives the area relative stability of the unemployment rate. Major service providers include health services, government, education, and call centers.

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

Allegany County has a total labor force of 35,827. The total labor force remains relatively unchanged which mirrors the population census of the county. Recent population projections have the county maintaining its current population which reverses decades of population loss.

**Long-term financial planning:** The County adopts a five year Capital Improvement Program each year as required by state law. During fiscal year 2015 the County borrowed \$ 9.2 million dollars for construction of new high school and \$ 183,759 for water and sewer projects;

**Major initiatives:** As part of the 2015 Capital Improvement Program, the Commissioners approved funding for a new, approximately 800 seat Allegany High School to be constructed beginning in FY 2016, which will replace what is currently the oldest active high school building in the State of Maryland.

### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Allegany County for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the twenty-first consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'J. M. Bennett', with a stylized flourish at the end.

Jason M. Bennett, CPA  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Allegany County  
Maryland**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

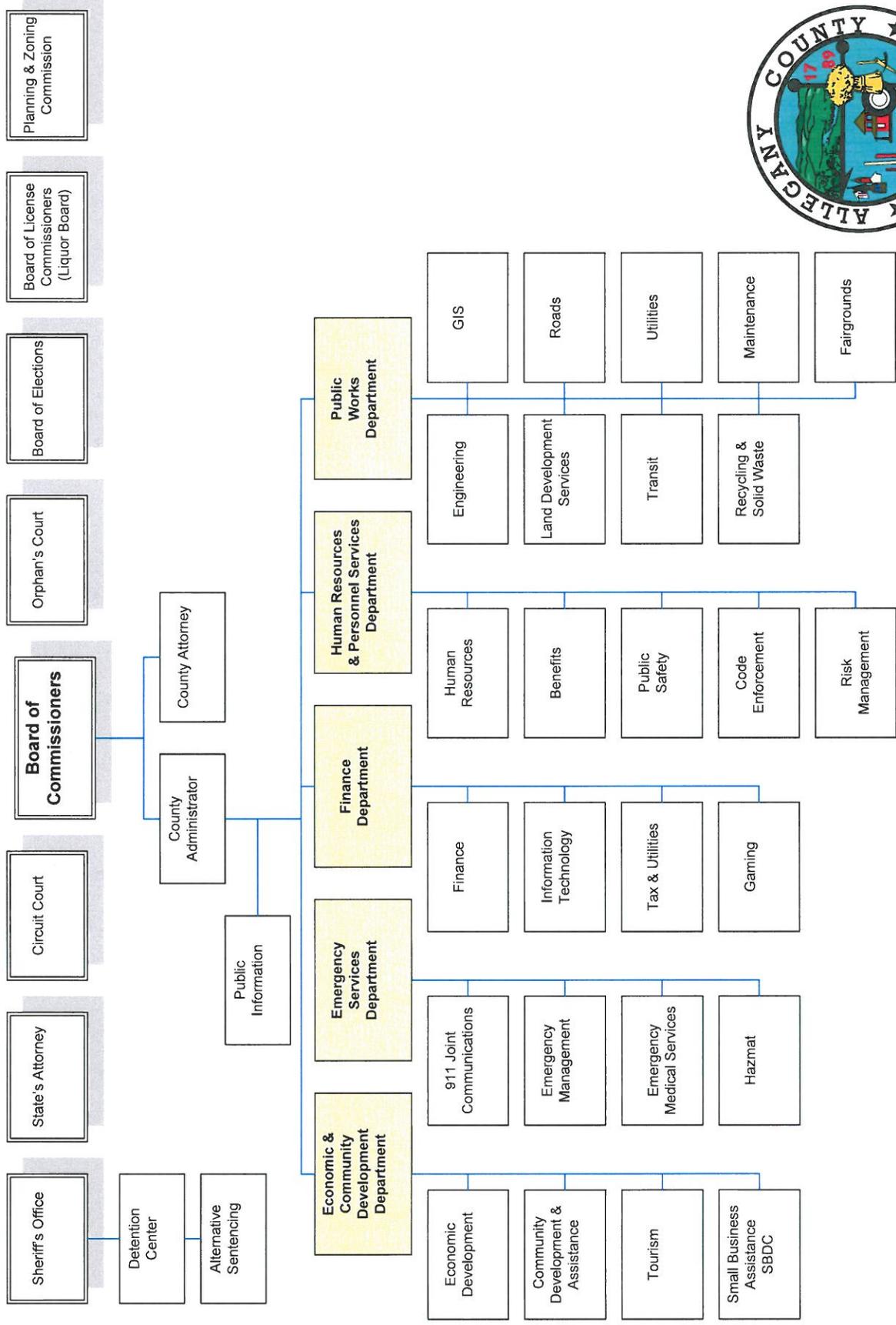
Allegany County, Maryland  
Summary of Certain Officials  
June 30, 2015

Board of Commissioners

Jacob Shade, President  
Creade V. Brodie Jr., Commissioner  
William R. Valentine, Commissioner

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

# Allegany County, Maryland 2015 Organization Chart



# **FINANCIAL SECTION**

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



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

#### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Allegany County Board of Education, the LaVale Sanitary Commission, and the Allegany County Library System which represent 70 percent, 68 percent, and 78 percent, respectively, of the assets, net position, and revenues of the component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Allegany County Board of Education, the LaVale Sanitary Commission, and the Allegany County Library System, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

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

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

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland, as of June 30, 2015, 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.

### **Emphasis of Matters**

As described in Note 18 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2016, on our consideration of Allegany County, Maryland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Allegany County, Maryland's internal control over financial reporting and compliance.



Cumberland, Maryland  
January 22, 2016



## 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, 2015. 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 \$192.9 million (*net position*). Of this amount, \$171.33 million is net investment in capital assets and \$12.4 million is restricted for specific purposes (restricted net position). The County's total unrestricted net position is \$9.1 million. This total unrestricted net position amount includes \$9.7 million from governmental activities, and unrestricted net position balance from business-type activities of (\$.6 million).
- The government's total net position increased by \$8.8 million or 4.5%, disregarding the restatement of beginning net position. The governmental net position increased \$5.2 million (or 5%). Business-type net assets increased by \$ 3.6 million (or 4%) during the year. Beginning net position for the governmental funds was restated by \$ 9,756,676 and the business-type beginning net position was restated by \$ 802,497 due to GASB 68, see footnotes for detail.
- As of the close of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of \$51 million, an increase of \$ 12.6 million in comparison with the prior year. The increase was due largely to new PIB Bond issued in the amount of \$ 9.7 million and all departments either staying within budget or under budget. Approximately 38% of the ending fund balance, \$19.3 million, is *available for spending* at the government's discretion (*unassigned fund balance*), \$1.2 million is nonspendable, \$10.3 million is restricted, \$13.1 million is committed to certain programs and \$7.1 million is assigned to specific programs.
- Allegany County's governmental activity outstanding debt increased by \$2.5 million (or 13%) during the current fiscal year. The County's business-type debt decreased by \$ 1.1 million (or 3.7%).

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

The basic governmental fund financial statements can be found on pages C9-C20 of this report.

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

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

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

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the

resources of those funds are *not* available to support Allegany County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages C21-65 of this report.

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

Also reported as *required supplementary information* are budgetary comparison schedules for the General Fund and the Revolving Building which are reported as major funds. Required supplementary information can be found on pages D4-12 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages E4-50 of this report.

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

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Allegany County, assets exceeded liabilities by \$192.9 million at the close of the most recent fiscal year.

By far the largest portion of Allegany County's net position (\$171.4 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 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
<b>Assets:</b>						
Current and other assets	\$ 63,221,783	\$ 49,730,640	\$ 4,011,907	\$ 4,963,718	\$ 67,233,690	\$ 54,694,358
Capital assets	82,149,707	83,640,990	121,840,604	118,665,627	203,990,311	202,306,617
Total assets	145,371,490	133,371,630	125,852,511	123,629,345	271,224,001	257,000,975
Deferred Outflows of Resources	1,505,577	0	123,835	0	1,629,412	0
<b>Liabilities:</b>						
Current and other liabilities	11,482,775	9,526,236	3,599,574	3,808,497	15,082,349	13,334,733
Long-term liabilities outstanding	34,193,723	19,177,529	29,466,100	29,810,534	63,659,823	48,988,063
Total liabilities	45,676,498	28,703,765	33,065,674	33,619,031	78,742,172	62,322,796
Deferred Inflows of Resources	1,099,610	0	90,444	0	1,190,054	0
<b>Net position:</b>						
Net investment in capital assets	78,386,353	77,576,485	93,011,267	88,732,280	171,397,620	166,308,765
Restricted	11,975,277	3,030,834	253,060	261,383	12,228,337	3,292,217
Unrestricted	9,739,329	24,060,546	(444,096)	1,016,651	9,295,233	25,077,197
Total net position	\$ 100,100,959	\$ 104,667,865	\$ 92,820,231	\$ 90,010,314	\$ 192,921,190	\$ 194,678,179

An additional portion of Allegany County's net position (6.4%) represents resources that are subject to external restrictions on how they may be used. The County has an *unrestricted net position* balance of \$9.1 million. The *unrestricted net position* balance for the governmental activities was \$9.7 million and the business-type activities have a balance of (\$.6 million).

During the current fiscal year, the government's net position increased by \$8.8 million. Revenues decreased by approximately \$.5 million to \$112 million while expenses increased by \$.8 million from the prior year to \$103.1 million.

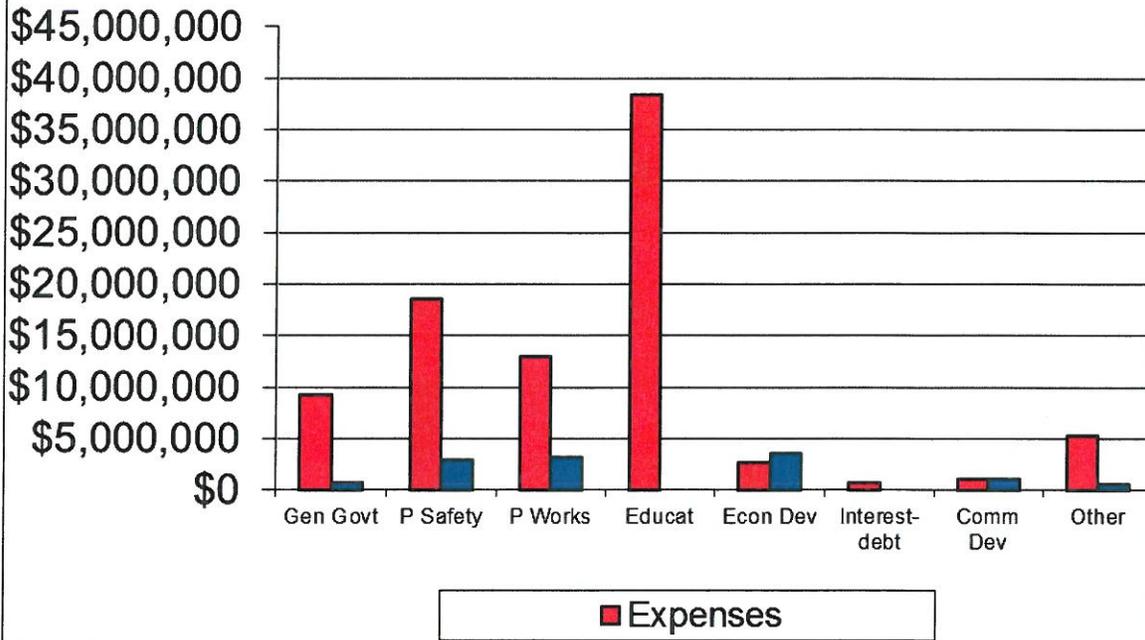
**ALLEGANY COUNTY'S CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 6,610,191	\$ 6,387,336	\$ 10,404,269	\$ 9,961,941	\$ 17,014,460	\$ 16,349,277
Operating grants and contributions	4,320,955	4,470,054	-	-	4,320,955	4,470,054
Capital grants and contributions	1,086,127	1,296,010	6,016,661	7,473,345	7,102,788	8,769,355
General revenues:						
Property taxes	40,209,077	41,334,050	997,240	1,019,069	41,206,317	42,353,119
Income taxes	26,099,413	24,169,537	-	-	26,099,413	24,169,537
Other local taxes	4,669,338	4,339,620	-	-	4,669,338	4,339,620
Franchise taxes	425,841	414,862	-	-	425,841	414,862
Grants and contributions not restricted to specific programs	9,165,836	9,172,991	-	-	9,165,836	9,172,991
Unrestricted fees	-	-	-	-	-	-
Unrestricted investment earnings	1,353,238	1,745,196	201,738	208,641	1,554,976	1,953,837
Gain on sale/retirement of capital assets	-	18,915	-	-	-	18,915
Miscellaneous	342,101	323,216	21,007	22,533	363,108	345,749
<b>Total revenues</b>	<b>94,282,117</b>	<b>93,671,787</b>	<b>17,640,915</b>	<b>18,685,529</b>	<b>111,923,032</b>	<b>112,357,316</b>
<b>Expenses:</b>						
General government	8,971,206	8,744,578	-	-	8,971,206	8,744,578
Payment to data processing	313,562	332,996	-	-	313,562	332,996
Public safety	18,606,877	17,406,223	-	-	18,606,877	17,406,223
Public works	13,039,773	13,699,606	-	-	13,039,773	13,699,606
Health	2,073,143	1,967,479	-	-	2,073,143	1,967,479
Social services	1,277,778	1,568,214	-	-	1,277,778	1,568,214
Education	623,625	682,409	-	-	623,625	682,409
Payment to public school system	30,224,471	29,770,045	-	-	30,224,471	29,770,045
Payment to community college	7,555,000	7,555,000	-	-	7,555,000	7,555,000
Recreation, culture & libraries	749,376	722,533	-	-	749,376	722,533
Payment to public library system	947,500	940,000	-	-	947,500	940,000
Conservation of natural resources	254,450	287,362	-	-	254,450	287,362
Community development & housing	1,042,086	915,289	-	-	1,042,086	915,289
Economic development	2,672,959	3,602,112	-	-	2,672,959	3,602,112
Interest on long-term debt	650,717	581,199	-	-	650,717	581,199
Water	-	-	4,429,254	4,344,329	4,429,254	4,344,329
Sewer	-	-	9,354,485	8,986,494	9,354,485	8,986,494
Nursing Home	-	-	-	-	-	-
Other proprietary funds	-	-	334,585	187,465	334,585	187,465
<b>Total expenses</b>	<b>89,002,523</b>	<b>88,775,045</b>	<b>14,118,324</b>	<b>13,518,288</b>	<b>103,120,847</b>	<b>102,293,333</b>
Increase in net position before transfers	5,279,594	4,896,742	3,522,591	5,167,241	8,802,185	10,063,983
Transfers	(89,824)	(167,799)	89,822	167,799	(2)	-
Increase (decrease) in net position	5,189,770	4,728,943	3,612,413	5,335,040	8,802,183	10,063,983
Net position, beginning, restated	94,911,189	99,938,922	89,207,818	84,675,274	184,119,007	184,614,196
<b>Net position, ending</b>	<b>\$ 100,100,959</b>	<b>\$ 104,667,865</b>	<b>\$ 92,820,231</b>	<b>\$ 90,010,314</b>	<b>\$ 192,921,190</b>	<b>\$ 194,678,179</b>

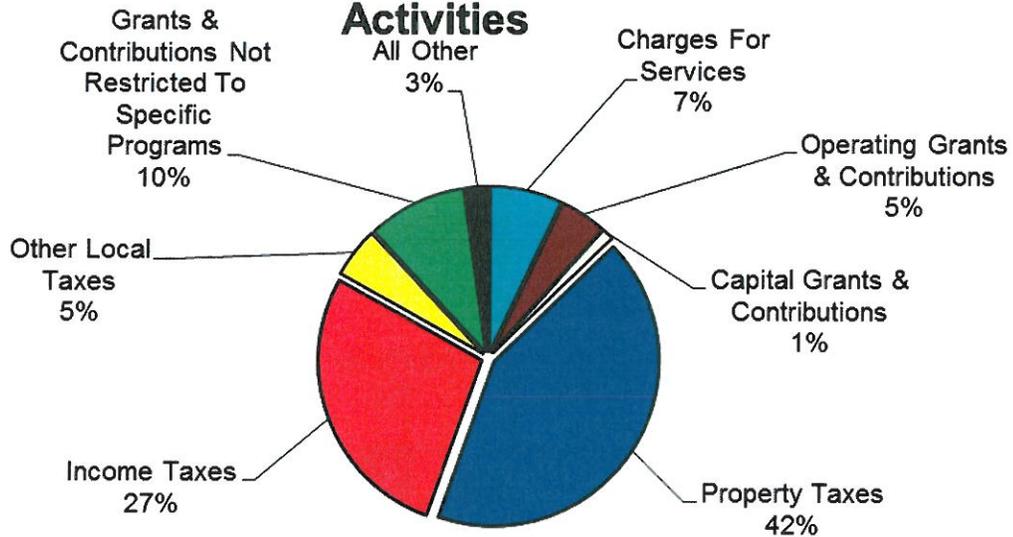
**Governmental activities.** Governmental activities increased Allegany County's net assets by \$5.2 million. Total revenues increased \$.6 million (or .7%) and expenses increased \$.2 million (or .26%). Key elements of the changes in governmental net assets are as follows:

- Increase in income tax revenue from FY 2014 to FY 2015 nearly \$ 2 million.
- Departments continue to maintain appropriate spending levels and spend under budget

## Expenses and Program Revenues - Governmental Activities

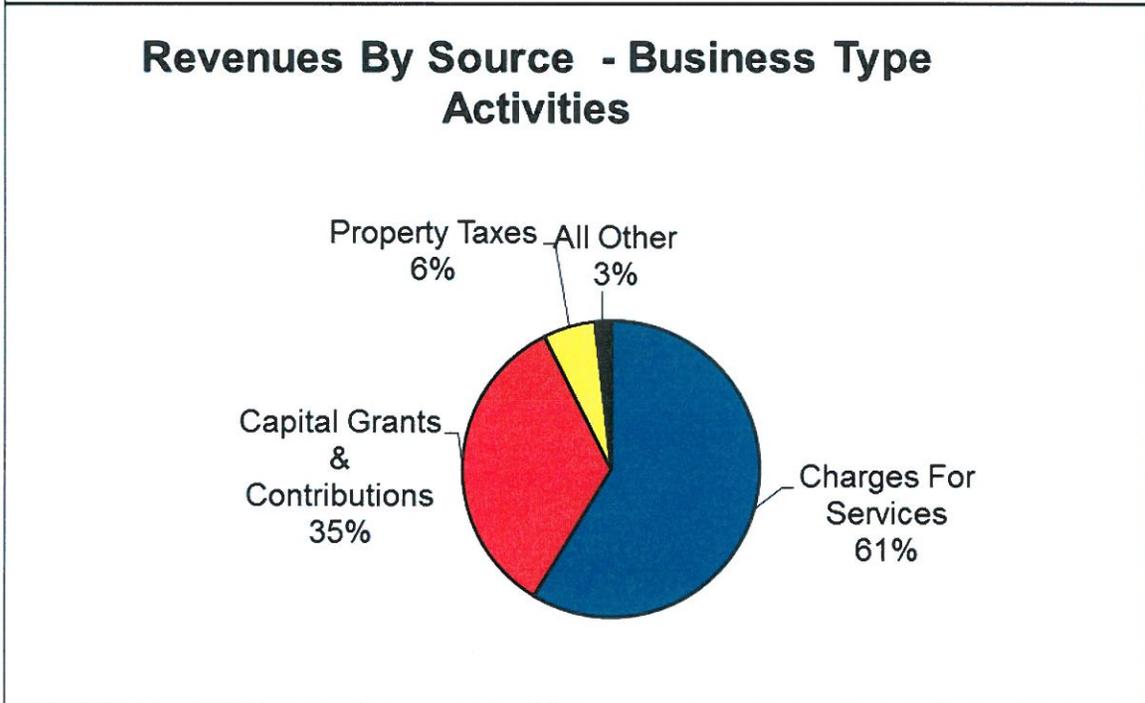
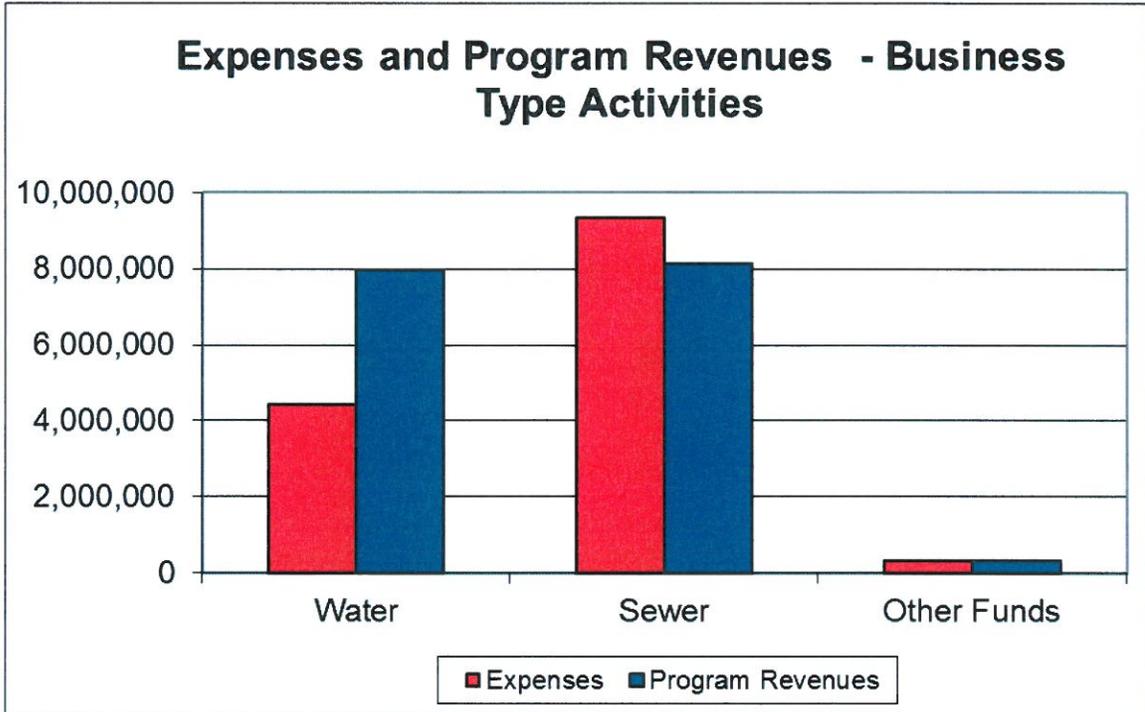


## Revenues By Source - Governmental Activities



**Business-type activities.** The net position of the County’s business-type activities increased by \$ 3.6 million after transfers. Key elements of the increase were:

- Total business-type service charges and related interest income increased approximately \$ 450,000. Capital grants decreased \$ 1.5 million due to fewer major water/sewer projects.
- Overall expenses increased .6 million. Water and sewer costs combined increased \$ 450,000 due to increase in treatment costs and repairs and maintenance. At the same time, expenses in other business type activities increased \$ 145,000 largely due to major asset purchase at 6/30/14 producing a large increase in depreciation for FY 15..



## 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 \$51 million, an increase of \$12.5 million in comparison with the prior year. Approximately 38 percent of this total amount (\$19.3 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Other fund balance classifications are;

- Nonspendable – amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact - \$1.2 million
- Restricted – amounts restricted to specific purposes by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation - \$10.3 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. - \$ 13.1 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 - \$7.1 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 \$19.6 million, out of a total fund balance of \$27.6 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 35.2 percent of that same amount.

Key factors in the \$ 12.5 million increase in the governmental fund balances are:

The fund balance of Allegany County's general fund increased \$4.1 million; which was the result of:

- Income tax revenues were 1.4 million more than budgeted and property taxes were .8 million more than budgeted. As compared to last fiscal year, revenues increased only \$ 470,000.
- Expenditures for operating departments of the County saw small increases or, in most cases, realized a decrease in the amounts spent from the previous year. The Board of Commissioners had made a request for all County departments to voluntarily reduce their costs which many were able to achieve. Budgeted expenditures were \$ 1.2 million less than budgeted largely due to less expenditures in general government than was anticipated.

The Revolving Building Fund, another major fund, reported an increase in fund balance of \$1.2 million. Revenues decreased (\$ .6 million or 15%) due to decrease in sale of building proceeds from \$ .6 million in FY 2014 to \$0 in FY 2015. Expenditures decreased in the amount of \$ 113,000. The RBF fund continues to increase fund balance each year due to several buildings being leased accompanied with low building maintenance costs.

The non-major governmental funds fund balance increased by \$ 7.2 million. The increase was due to increase in bond proceeds in the amount of \$ 9.7 million and 2.1 million dollars of additional debt principle paying off PIB 2004 and PIB 2006

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

	Water Districts	Sanitary Districts	Other Enterprise Funds	Totals
Net position:				
Net investment in capital assets	\$ 31,671,152	\$ 60,738,647	\$ 601,468	\$ 93,011,267
Restricted for debt service	-	253,060	-	253,060
Unrestricted	2,338,452	(4,264,690)	1,482,142	(444,096)
Total net position	<u>\$ 34,009,604</u>	<u>\$ 56,727,017</u>	<u>\$ 2,083,610</u>	<u>\$ 92,820,231</u>
Change in net position during the year, increase (decrease)	<u>\$ 3,633,268</u>	<u>\$ 19,854</u>	<u>\$ (40,709)</u>	<u>\$ 3,612,413</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 increased \$ 806,172 (includes other sources and uses) to a revised total of \$82 million, which was the final amended budget. Significant changes between the original budget and the final amended budget are summarized as follows:

- The public safety budgets increased \$111,598 for grant awards.
- Budget was increased \$ 550,000 for increase in various taxes, which was used to pay for employee vacation buy-back program and accounting software.

Revenues exceeded budgetary estimates by \$ 2.4 million and actual expenditures were less than budgetary estimates by \$ 1.2 million.

- Income taxes exceeded budget by \$ 1.4 million and net property taxes exceeded the budget by \$ .8 million. The increase was largely due to an increase in income tax revenue that was not anticipated.
- General government expenditures had a favorable variance of \$ 1.2 million. The larger favorable variances were: financial administration - \$341,000. Almost all operating departments finished well within budget and overall personnel cuts were made.

**Capital Asset and Debt Administration**

**Capital assets.** Allegany County’s investment in capital assets for its governmental and business type activities as of June 30, 2015 was \$204 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, furniture and fixtures, equipment, vehicles, heavy equipment and other miscellaneous assets. The total increase in Allegany County’s investment in capital assets for the current fiscal year was 1 percent (a 1.5 percent decrease for governmental activities and a 3.2 percent increase for business-type activities).

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

- Design and construction on the Rawlings Water Project with a total cost incurred of \$1.5 million was capitalized during the fiscal year.
- Major design and construction began on Bedford Road sewer system during the fiscal year at a cost of \$1 million which was capitalized during the fiscal year.

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

**Long-term debt.** At the end of the current fiscal year, Allegany County had total debt outstanding of \$54 million. Governmental activities debt consists of \$23.5 million in general obligation bonds including premium and \$1.8 million of debt incurred with creditors for which the full faith and credit of the County has also been pledged. The \$28.8 million of debt for the business-type activities (revenue bonds) is either paid from revenues restricted for that purpose or by user fees.

ALLEGANY COUNTY'S OUTSTANDING DEBT  
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation	\$ 22,594,788	\$ 17,473,220	\$ -	\$ -	\$ 22,594,788	\$ 17,473,220
Notes	205,809	212,915	-	-	205,809	212,915
Capital leases	-	18,560	-	-	-	18,560
State loans	1,471,847	1,765,300	12,963,235	13,828,902	14,435,082	15,594,202
Federal loans	-	-	15,543,894	15,762,207	15,543,894	15,762,207
Other loans	-	-	322,208	342,238	322,208	342,238
Premium on Bonds	936,219	449,048	-	-	936,219	449,048
Total	\$ 25,208,663	\$ 19,919,043	\$ 28,829,337	\$ 29,933,347	\$ 54,038,000	\$ 49,852,390

Allegany County issued a PIB bond during the fiscal year in the amount of \$ 9.7 million including premium and retired \$ 4.4 million in total during the current fiscal year as debt outstanding increased 26 percent.

Revenue debt in the amount of \$ 73,511 was incurred for the sewer districts and new debt for the water districts included \$110,248. Business type debt retired during the year was \$1.3 million.

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

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

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

- The unemployment rate for June 2015 for Allegany County was 7.3 percent, which remained unchanged when compared to June 2014.

All of these factors were considered in preparing Allegany County's budget for the 2016 fiscal year.

During the current fiscal year, spendable fund balance in the general fund increased to \$19.6 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 2016 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, 2015**

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Board of Education	Allegany College of Maryland	Allegany County Library	LaVale Sanitary Commission
<b>ASSETS:</b>							
Current Assets:							
Cash	\$ 36,425,501	\$ 220,530	\$ 36,646,031	\$ 20,761,503	\$ 9,056,378	\$ 152,841	\$ 1,565,279
Investments	12,756,303	410,900	13,167,203	14,000	202,607	683,531	-
Property taxes receivable	4,630,547	-	4,630,547	-	-	-	-
Receivables:							
Accounts	-	2,692,069	2,692,069	5,881,357	341,927	59,815	218,547
Other	6,780,567	1,782,723	8,563,290	300	866,312	-	367,389
Internal balances	1,566,822	(1,566,822)	-	-	-	-	-
Inventory	55,277	60,277	115,554	206,572	568,119	-	209,069
Prepaid expenses	-	-	-	-	292,833	2,634	16,542
Deferred charges	-	-	-	-	-	-	-
Miscellaneous	67,029	-	67,029	-	-	-	-
Restricted Assets:							
Cash	60,221	159,171	219,392	27,922	76,380	-	264,978
Investments	-	-	-	-	11,792,504	-	-
Taxes - receivable	-	129,416	129,416	-	-	-	-
Receivables	-	123,644	123,644	-	-	-	-
<b>Total current assets</b>	<b>62,342,267</b>	<b>4,011,908</b>	<b>66,354,175</b>	<b>26,891,654</b>	<b>23,197,060</b>	<b>898,821</b>	<b>2,641,804</b>
Non-current Assets:							
Long term Investment, Market	-	-	-	237,771	2,327,990	-	-
OPEB Net Asset	879,516	-	879,516	-	-	-	-
Land	22,371,965	192,532	22,564,497	4,208,336	1,697,465	-	234,830
Work In Progress	879,673	8,836,017	9,715,690	5,379,894	126,437	75,761	619,015
Other non-depreciable assets	-	-	-	204,134	30,815	-	928,730
Capital assets subject to depreciation/amortization	136,615,813	177,050,482	313,666,295	186,352,039	63,845,208	8,331,067	25,196,370
Accumulated depreciation	(77,717,744)	(64,238,427)	(141,956,171)	(106,991,249)	(32,232,184)	(5,356,199)	(12,102,659)
<b>Total non-current assets</b>	<b>83,029,223</b>	<b>121,840,604</b>	<b>204,869,827</b>	<b>89,390,925</b>	<b>35,795,731</b>	<b>3,050,629</b>	<b>14,876,286</b>
<b>Total Assets</b>	<b>145,371,490</b>	<b>125,852,512</b>	<b>271,224,002</b>	<b>116,282,579</b>	<b>58,992,791</b>	<b>3,949,450</b>	<b>17,518,090</b>
<b>Deferred Outflows of Resources</b>							
Contributions to Pension Plan	1,360,253	111,882	1,472,135	783,553	81,960	9,834	348,480
Change in Pension Assumptions	145,324	11,953	157,277	-	10,871	-	-
<b>Total Def Outflows of Resources</b>	<b>1,505,577</b>	<b>123,835</b>	<b>1,629,412</b>	<b>783,553</b>	<b>92,831</b>	<b>9,834</b>	<b>348,480</b>
<b>LIABILITIES:</b>							
Current Liabilities:							
Accounts payable	1,650,729	1,609,095	3,259,824	3,261,711	531,827	84,159	808,831
Accrued wages payable	811,532	68,642	880,174	3,931,142	755,471	57,784	-
Accrued fringe benefits payable	373,702	30,599	404,301	-	262,345	-	-
Accrued interest	262,767	106,445	369,212	-	-	-	20,071
Current portion of long-term debt:							
Bonds and loans	3,329,348	1,379,209	4,708,557	-	264,247	-	120,518
Capital leases	-	-	-	-	52,380	-	-
Compensated absences	1,060,269	146,342	1,206,611	157,320	174,420	-	-
Due to Agency Fund	274,538	-	274,538	-	-	-	-
Due to Trust Fund	1,634,178	-	1,634,178	-	-	-	-
Unearned Revenue	819,497	-	819,497	3,052,143	659,656	-	-
Accrued health claims	-	-	-	2,073,609	445,707	-	-
Miscellaneous liabilities	1,330,650	259,242	1,589,892	1,853,948	371,601	-	30
<b>Total current liabilities</b>	<b>11,547,210</b>	<b>3,599,574</b>	<b>15,146,784</b>	<b>14,329,873</b>	<b>3,517,654</b>	<b>141,943</b>	<b>949,450</b>
Non-current liabilities:							
Cash advance due general fund	(1,200,000)	1,200,000	-	-	-	-	-
Bonds and loans	21,879,314	27,127,923	49,007,237	-	2,134,214	-	3,266,530
Capital leases	-	-	-	-	72,808	-	-
Annuity payment liability	-	-	-	-	44,521	-	-
Termination benefits	-	-	-	-	471,099	-	-
Net pension liability	10,046,078	826,300	10,872,378	5,665,273	751,515	74,502	-
Post-employment benefits	-	-	-	-	-	66,940	-
Compensated absences	3,403,896	311,876	3,715,772	2,410,883	-	64,909	-
<b>Total non-current liabilities</b>	<b>34,129,288</b>	<b>29,466,099</b>	<b>63,595,387</b>	<b>8,076,156</b>	<b>3,474,157</b>	<b>206,351</b>	<b>3,266,530</b>
<b>Total Liabilities</b>	<b>45,676,498</b>	<b>33,065,672</b>	<b>78,742,170</b>	<b>22,406,029</b>	<b>6,991,811</b>	<b>348,294</b>	<b>4,215,980</b>
<b>Deferred Inflows of Resources</b>							
Pension Investment Activity	1,099,610	90,444	1,190,054	620,101	82,258	8,155	59,046
<b>Total Def Inflows of Resources</b>	<b>1,099,610</b>	<b>90,444</b>	<b>1,190,054</b>	<b>620,101</b>	<b>82,258</b>	<b>8,155</b>	<b>59,046</b>
<b>NET POSITION</b>							
Net investment in							
Capital Assets	78,386,353	93,011,267	171,397,620	88,949,020	31,037,878	3,050,629	10,560,508
Restricted for:							
Public safety	647,634	-	647,634	-	-	-	-
Highways	575,108	-	575,108	-	-	-	-
Education	179,223	-	179,223	-	-	-	-
Community development & housing	181,969	-	181,969	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capital projects	10,391,343	-	10,391,343	3,539,612	-	-	-
Other purposes	-	253,060	253,060	507,451	13,222,400	517,023	796,990
Unrestricted	\$ 9,739,329	(444,096)	9,295,233	1,043,919	7,751,275	35,182	2,234,046
<b>Total Net Position</b>	<b>100,100,959</b>	<b>\$ 92,820,231</b>	<b>\$ 192,921,190</b>	<b>\$ 94,040,002</b>	<b>\$ 52,011,553</b>	<b>\$ 3,602,834</b>	<b>\$ 13,591,544</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, 2015**

Functions/Programs	Expenses		Expenses		Program Revenues		
	Before Indirect Expense Allocation	Indirect Expense Allocation	After Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government::</b>							
Governmental activities:							
General government:	\$ 9,557,154	\$ (585,948)	\$ 8,971,206	\$ 416,243	\$ 270,703	\$ -	
Payment to data processing	313,562	-	313,562	-	-	-	
Public safety	18,606,877	-	18,606,877	1,403,788	1,460,095	37,948	
Public works	12,979,043	60,730	13,039,773	1,004,159	1,162,318	1,048,179	
Health	2,073,143	-	2,073,143	-	13,393	-	
Social services	1,277,778	-	1,277,778	31,479	72,639	-	
Education:	623,625	-	623,625	-	-	-	
Payment to public school system	30,224,471	-	30,224,471	-	-	-	
Payment to community college	7,555,000	-	7,555,000	-	-	-	
Recreation, culture & libraries:	749,376	-	749,376	343,160	38,051	-	
Payment to public library system	947,500	-	947,500	-	-	-	
Conservation of natural resources	254,450	-	254,450	18,081	28,976	-	
Community development and housing	1,042,086	-	1,042,086	1,030	1,127,114	-	
Economic development	2,672,959	-	2,672,959	3,392,251	147,666	-	
Interest on long term debt	650,717	-	650,717	-	-	-	
<b>Total governmental activities</b>	<b>89,527,741</b>	<b>(525,218)</b>	<b>89,002,523</b>	<b>6,610,191</b>	<b>4,320,955</b>	<b>1,086,127</b>	
Business-type activities:							
Water	4,275,065	154,189	4,429,254	4,182,774	-	3,788,126	
Sewer	8,983,456	371,029	9,354,485	5,905,018	-	2,228,535	
Other funds	334,585	-	334,585	316,477	-	-	
<b>Total business-type activities</b>	<b>13,593,106</b>	<b>525,218</b>	<b>14,118,324</b>	<b>10,404,269</b>	<b>-</b>	<b>6,016,661</b>	
<b>Total primary government</b>	<b>\$ 103,120,847</b>	<b>\$ -</b>	<b>\$ 103,120,847</b>	<b>\$ 17,014,460</b>	<b>\$ 4,320,955</b>	<b>\$ 7,102,788</b>	
<b>Component units:</b>							
Board of Education			\$ 127,068,780	\$ 1,442,937	\$ 15,092,371	\$ 3,069,800	
Allegany College of Md.			36,815,224	9,902,687	17,601,491	4,350	
County Library			2,255,147	233,640	115,013	69,214	
LaVale Sanitary Commission			5,051,300	3,563,942	-	195,696	
<b>Total component units</b>			<b>\$ 171,190,451</b>	<b>\$ 15,143,206</b>	<b>\$ 32,808,875</b>	<b>\$ 3,339,060</b>	

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 Allegany County
Franchise tax
Grants & contributions not restricted to specific programs
Unrestricted investment earnings
Gain on sale/retirement of capital assets
Miscellaneous
Transfers
Total general revenues, transfers and special items
Change in net position
Net position - beginning, as restated (Note 18)
Net position - ending

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

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units			
Governmental Activities	Business-Type Activities	Total	Board of Education	Allegany College of MD	County Library	LaVale Sanitary Commission
\$ (8,284,260)	\$ -	\$ (8,284,260)	\$ -	\$ -	\$ -	\$ -
(313,562)	-	(313,562)	-	-	-	-
(15,705,046)	-	(15,705,046)	-	-	-	-
(9,825,117)	-	(9,825,117)	-	-	-	-
(2,059,750)	-	(2,059,750)	-	-	-	-
(1,173,660)	-	(1,173,660)	-	-	-	-
(623,625)	-	(623,625)	-	-	-	-
(30,224,471)	-	(30,224,471)	-	-	-	-
(7,555,000)	-	(7,555,000)	-	-	-	-
(368,165)	-	(368,165)	-	-	-	-
(947,500)	-	(947,500)	-	-	-	-
(207,393)	-	(207,393)	-	-	-	-
86,058	-	86,058	-	-	-	-
866,958	-	866,958	-	-	-	-
(650,717)	-	(650,717)	-	-	-	-
<u>(76,985,250)</u>	<u>-</u>	<u>(76,985,250)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	3,541,646	3,541,646	-	-	-	-
-	(1,220,932)	(1,220,932)	-	-	-	-
-	(18,108)	(18,108)	-	-	-	-
-	2,302,606	2,302,606	-	-	-	-
<u>(76,985,250)</u>	<u>2,302,606</u>	<u>(74,682,644)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	(107,463,672)	-	-	-
-	-	-	-	(9,306,696)	-	-
-	-	-	-	-	(1,837,280)	-
-	-	-	-	-	-	(1,291,662)
-	-	-	<u>(107,463,672)</u>	<u>(9,306,696)</u>	<u>(1,837,280)</u>	<u>(1,291,662)</u>
40,209,077	997,240	41,206,317	-	-	-	295,876
26,099,413	-	26,099,413	-	-	-	457,589
-	-	-	-	-	-	-
1,014,469	-	1,014,469	-	-	-	-
336,176	-	336,176	-	-	-	-
466,089	-	466,089	-	-	-	-
978,088	-	978,088	-	-	-	-
1,419,456	-	1,419,456	-	-	-	-
320,462	-	320,462	-	-	-	-
134,598	-	134,598	-	-	-	-
-	-	-	30,224,471	7,555,000	947,500	-
425,841	-	425,841	-	-	-	-
9,165,836	-	9,165,836	76,037,137	-	743,566	-
1,353,238	201,738	1,554,976	38,087	1,049,457	14,708	6,564
-	-	-	3,865	-	-	-
342,101	21,007	363,108	544,145	-	26,177	2,002
(89,824)	89,822	(2)	-	-	-	-
<u>82,175,020</u>	<u>1,309,807</u>	<u>83,484,827</u>	<u>106,847,705</u>	<u>8,604,457</u>	<u>1,731,951</u>	<u>762,031</u>
5,189,770	3,612,413	8,802,183	(615,967)	(702,239)	(105,329)	(529,631)
94,911,189	89,207,818	184,119,007	94,655,969	52,713,792	3,708,163	14,121,175
-	-	-	-	-	-	-
<u>\$ 100,100,959</u>	<u>\$ 92,820,231</u>	<u>\$ 192,921,190</u>	<u>\$ 94,040,002</u>	<u>\$ 52,011,553</u>	<u>\$ 3,602,834</u>	<u>\$ 13,591,544</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, 2015**

<u>ASSETS:</u>	General Fund	Revolving Building Fund	Other Governmental Funds	Total
Cash	\$ 36,424,351	\$ -	\$ 1,150	\$ 36,425,501
Cash -restricted	-	-	60,221	60,221
Investments	1,000,997	-	2,846,183	3,847,180
Investments-Restricted	-	-	8,909,123	8,909,123
Property tax receivable	4,788,547	-	-	4,788,547
Receivables				
Notes and loans	-	-	309,091	309,091
Other receivables	4,355,731	260,092	949,254	5,565,077
Due from other funds	-	11,468,356	1,188,369	12,656,725
Advances to other funds	1,200,000	-	-	1,200,000
Inventory	-	-	55,277	55,277
Prepays	-	-	-	-
Miscellaneous assets	67,029	-	-	67,029
Total Assets	<u>\$ 47,836,655</u>	<u>\$ 11,728,448</u>	<u>\$ 14,318,668</u>	<u>\$ 73,883,771</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:**

<b>Liabilities:</b>				
Accounts payable	\$ 1,035,998	\$ 83,216	\$ 531,515	\$ 1,650,729
Accrued payroll	771,209	3,566	36,757	811,532
Accrued payroll fringe	351,745	1,276	20,681	373,702
Due to other funds	12,238,706	-	759,913	12,998,619
Amounts held in escrow	773,894	-	235,413	1,009,307
Unearned Revenue	378,490	-	750,099	1,128,589
Miscellaneous liabilities	318,843	2,500	-	321,343
Total Liabilities	<u>15,868,885</u>	<u>90,558</u>	<u>2,334,378</u>	<u>18,293,821</u>
<b>Deferred inflows of resources:</b>				
Unavailable Revenue	4,363,453	-	198,902	4,562,355
Total Deferred inflows of resources	<u>4,363,453</u>	<u>-</u>	<u>198,902</u>	<u>4,562,355</u>
<b>Fund Balances:</b>				
Nonspendable	1,200,000	-	-	1,200,000
Restricted	148,863	-	10,197,951	10,346,814
Committed	949,319	11,637,890	498,773	13,085,982
Assigned	5,664,000	-	1,394,298	7,058,298
Unassigned	19,642,135	-	(305,634)	19,336,501
Total Fund Balances	<u>27,604,317</u>	<u>11,637,890</u>	<u>11,785,388</u>	<u>51,027,595</u>
Total Liabilities, deferred inflows of resources and fund balance	<u>\$ 47,836,655</u>	<u>\$ 11,728,448</u>	<u>\$ 14,318,668</u>	

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.	82,149,707
Other long-term assets are not available to pay current-period expenditures and are deferred in the funds.	1,627,915
Deferred Inflows of Resources	4,562,355
Deferred Outflows for Pension benefits	1,505,577
Long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.	(29,672,827)
Deferred Inflows for Pension benefits	(1,099,610)
Other long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(9,999,753)

Net position of governmental activities \$ 100,100,959

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, 2015**

<b>REVENUES:</b>	General Fund	Revolving Building Fund	Other Governmental Funds	Total
Taxes:				
Property taxes	\$ 41,737,685	\$ -	\$ -	\$ 41,737,685
Income taxes	25,910,575	-	-	25,910,575
Other local taxes	3,638,917	-	406,663	4,045,580
Licenses and permits	678,422	-	-	678,422
Intergovernmental:				
Federal	522,226	-	2,728,220	3,250,446
State	9,789,372	-	2,465,993	12,255,365
Other	600,745	-	-	600,745
Service charges	1,468,699	-	429,322	1,898,021
Fines and forfeitures	77,488	-	72,761	150,249
Interest	134,080	-	13,546	147,626
Miscellaneous	605,755	3,374,863	166,731	4,147,349
Total Revenues	<u>85,163,964</u>	<u>3,374,863</u>	<u>6,283,236</u>	<u>94,822,063</u>
<b>EXPENDITURES:</b>				
Current:				
General government	8,395,329	-	137,395	8,532,724
Public safety	16,758,445	-	814,126	17,572,571
Public works	9,604,693	-	1,860,986	11,465,679
Health and Hospitals	432,996	-	-	432,996
Social Services	1,283,500	-	-	1,283,500
Education	-	-	-	-
Recreation, culture and libraries	628,708	-	-	628,708
Conservation of natural resources	254,682	-	-	254,682
Community Development and Housing	8,000	-	1,019,692	1,027,692
Economic development	1,291,557	644,808	-	1,936,365
Miscellaneous	32,321	-	725	33,046
Appropriation to other governments	1,461,027	-	-	1,461,027
Payments to component units	38,234,206	-	-	38,234,206
Debt Service:				
Principal	-	-	4,397,552	4,397,552
Interest	-	-	558,774	558,774
Capital Outlay:				
General government	-	-	307,249	307,249
Public safety	-	-	566,816	566,816
Public works	-	-	1,792,941	1,792,941
Education	-	-	806,327	806,327
Recreation, culture and libraries	-	-	-	-
Economic development	-	-	-	-
Miscellaneous	-	-	-	-
Payments to component units	-	-	623,625	623,625
Total Expenditures	<u>78,385,464</u>	<u>644,808</u>	<u>12,886,208</u>	<u>91,916,480</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,778,500</u>	<u>2,730,055</u>	<u>(6,602,972)</u>	<u>2,905,583</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	23,890	-	4,344,224	4,368,114
Transfers out	(2,657,924)	(1,527,658)	(272,356)	(4,457,938)
Debt issued	-	-	9,740,351	9,740,351
Capital leases	-	-	-	-
Sale of capital assets	1,716	-	-	1,716
Total Other Financing Sources and uses	<u>(2,632,318)</u>	<u>(1,527,658)</u>	<u>13,812,219</u>	<u>9,652,243</u>
Net change in fund balances	4,146,182	1,202,397	7,209,247	12,557,826
Fund balance, beginning	23,458,135	10,435,493	4,576,141	38,469,769
Fund balance, ending	<u>\$ 27,604,317</u>	<u>\$ 11,637,890</u>	<u>\$ 11,785,388</u>	<u>\$ 51,027,595</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, 2015**

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) \$ 12,557,826

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

Capital outlay	\$ 2,264,182	
Depreciation	<u>(3,718,511)</u>	(1,454,329)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (36,954)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (525,737)

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

Debt proceeds	(9,740,351)	
Payment of principal	<u>4,397,551</u>	(5,342,800)

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. (8,236)

Change in net position of governmental activities (pages C6-C7) \$ 5,189,770

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, 2015**

<b>ASSETS</b>	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total
<b>Current Assets:</b>				
Cash:				
Cash	\$ -	\$ 220,530	\$ -	\$ 220,530
Cash - restricted	-	159,171	-	159,171
Investments	205,450	205,450	-	410,900
Receivables:				
Accounts (net)	1,236,555	1,451,465	4,049	2,692,069
Taxes - restricted	-	129,416	-	129,416
Accounts (net) - restricted	-	123,644	-	123,644
Other	6,428	1,726,286	50,009	1,782,723
Due from other funds	1,701,174	8,738,908	1,167,519	11,607,601
Prepaid expenses	-	-	-	-
Inventory	-	60,277	-	60,277
Total current assets	<u>3,149,607</u>	<u>12,815,147</u>	<u>1,221,577</u>	<u>17,186,331</u>
<b>Non-current Assets:</b>				
Other receivables	-	-	322,205	322,205
Land	125,250	67,282	-	192,532
Construction in Progress	4,265,844	4,570,173	-	8,836,017
Capital assets subject to depreciation	51,721,842	120,886,237	4,442,403	177,050,482
Accumulated depreciation	(13,188,936)	(47,208,556)	(3,840,935)	(64,238,427)
Total noncurrent assets	<u>42,924,000</u>	<u>78,315,136</u>	<u>923,673</u>	<u>122,162,809</u>
Total Assets	<u>46,073,607</u>	<u>91,130,283</u>	<u>2,145,250</u>	<u>139,349,140</u>
<b>Deferred Outflows of Resources</b>				
Contributions to Pension Plan	26,852	85,030	-	111,882
Change in Pension Assumptions	2,869	9,084	-	11,953
Total Deferred Outflows of Resources	<u>29,721</u>	<u>94,114</u>	<u>-</u>	<u>123,835</u>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts payable	177,822	1,369,633	61,640	1,609,095
Accrued payroll	-	68,642	-	68,642
Accrued payroll fringe	-	30,599	-	30,599
Accrued interest	43,035	63,410	-	106,445
Current portion of long-term debt				
Revenue debt:				
Bonds and loans	236,824	1,141,906	-	1,378,730
Other loans	20,214	479	-	20,693
Compensated absences	-	146,342	-	146,342
Due to other funds	-	13,174,422	-	13,174,422
Miscellaneous liabilities	-	259,242	-	259,242
Total current liabilities	<u>477,895</u>	<u>16,254,675</u>	<u>61,640</u>	<u>16,794,210</u>
<b>Noncurrent Liabilities:</b>				
Cash advance due to General Fund	400,000	800,000	-	1,200,000
Long term debt:				
Net Pension Liability	198,312	627,988	-	826,300
Revenue debt:				
Bonds and loans	10,709,695	16,418,228	-	27,127,923
Other loans	286,115	15,876	-	301,991
Compensated absences	-	311,876	-	311,876
Total noncurrent liabilities	<u>11,594,122</u>	<u>18,173,968</u>	<u>-</u>	<u>29,768,090</u>
Total Liabilities	<u>12,072,017</u>	<u>34,428,643</u>	<u>61,640</u>	<u>46,562,300</u>
<b>Deferred Inflows of Resources</b>				
Pension Investment Activity	21,707	68,737	-	90,444
Total Deferred Inflows of Resources	<u>21,707</u>	<u>68,737</u>	<u>-</u>	<u>90,444</u>
<b>NET POSITION</b>				
Net investment in capital assets	31,671,152	60,738,647	601,468	93,011,267
Restricted for debt service	-	253,060	-	253,060
Unrestricted	2,338,452	(4,264,690)	1,482,142	(444,096)
Total Net Position	<u>\$ 34,009,604</u>	<u>\$ 56,727,017</u>	<u>\$ 2,083,610</u>	<u>\$ 92,820,231</u>

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, 2015**

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total
<b>OPERATING REVENUES:</b>				
Service charges	\$ 4,182,774	\$ 5,905,018	\$ 316,477	\$ 10,404,269
Federal Grant-ARC				-
Other Agency Revenue				-
Miscellaneous				-
Total Operating Revenues	<u>4,182,774</u>	<u>5,905,018</u>	<u>316,477</u>	<u>10,404,269</u>
<b>OPERATING EXPENSES:</b>				
Salaries	333,002	823,412	-	1,156,414
Employee benefits	162,022	395,101	-	557,123
Office expenses	210	85,878	11,569	97,657
Utilities	2,245,086	409,846	6,512	2,661,444
Repairs & maintenance	154,160	369,787	19,899	543,846
Contractual services	2,181	39,372	-	41,553
Treatment costs		3,553,344	-	3,553,344
Professional services	34,317	20,138	171,162	225,617
Materials and supplies	28,748	327,838	-	356,586
Insurance	316	167,167	1,084	168,567
Indirect cost	154,184	371,027	-	525,211
Miscellaneous	13,582	13,858	-	27,440
Depreciation	965,943	2,441,778	124,359	3,532,080
Total operating expenses	<u>4,093,751</u>	<u>9,018,546</u>	<u>334,585</u>	<u>13,446,882</u>
Operating Income (Loss)	<u>89,023</u>	<u>(3,113,528)</u>	<u>(18,108)</u>	<u>(3,042,613)</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
Real and personal property taxes	-	990,363	-	990,363
Interest & penalties on taxes	-	34,915	-	34,915
Discounts on taxes	-	(4,957)	-	(4,957)
Enterprise/industrial exemptions	-	-	-	-
Collection fees	-	(23,081)	-	(23,081)
Front footage assessments	-	21,007	-	21,007
Interest income	67,393	133,056	1,289	201,738
Interest income, debt service	-	-	-	-
Interest expense	(333,202)	(338,240)	-	(671,442)
Gain (Loss) on sale of capital assets	-	-	-	-
Total non-operating revenue (expenses)	<u>(265,809)</u>	<u>813,063</u>	<u>1,289</u>	<u>548,543</u>
Income (Loss) before contributions and transfers	<u>(176,786)</u>	<u>(2,300,465)</u>	<u>(16,819)</u>	<u>(2,494,070)</u>
Capital contributions:				
Federal grants	2,319,560	83,000	-	2,402,560
State grants	1,468,566	2,145,535	-	3,614,101
Other	-	-	-	-
Transfers:				
Transfers in	21,928	91,784	-	113,712
Transfers out	-	-	(23,890)	(23,890)
Change in net position	<u>3,633,268</u>	<u>19,854</u>	<u>(40,709)</u>	<u>3,612,413</u>
Total net position - beginning, restated	30,376,336	56,707,163	2,124,319	89,207,818
Total net position - ending	<u>\$ 34,009,604</u>	<u>\$ 56,727,017</u>	<u>\$ 2,083,610</u>	<u>\$ 92,820,231</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, 2015**

<b>ASSETS:</b>	Agency Fund	Health Insurance Trust Fund	Fire and Rescue Pension Trust Length of Service Award Program Fund
Investments-Certificate of Deposit		\$ 1,209,472	\$ 1,576,014
Accounts receivable	1,021,203	1,036	
Due from other funds	274,538	1,634,178	
Hospital deposit		257,400	
<b>Total Assets</b>	<b>1,295,741</b>	<b>3,102,086</b>	<b>1,576,014</b>
<b>LIABILITIES:</b>			
Accounts payable	1,295,741	2,078	
Health claim reserves		527,138	
Other Liabilities		182,066	
<b>Total Liabilities</b>	<b>1,295,741</b>	<b>711,282</b>	<b>-</b>
<b>NET POSITION:</b>			
Held in Trust for benefit payments	\$ -	\$ 2,390,804	\$ 1,576,014

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<b>ADDITIONS:</b>	Agency Fund	Health Insurance Trust Fund	Fire and Rescue Pension Trust Length of Service Award Program Fund
<b>Contributions:</b>			
Employer contributions		\$ 6,989,416	\$ 200,008
Employee contributions		631,892	
<b>Total contributions</b>	<b>-</b>	<b>7,621,308</b>	<b>200,008</b>
<b>Other additions:</b>			
Interest	-	3,092	42,181
Insurance proceeds	-	-	-
Miscellaneous	-	-	-
<b>Total other additions</b>	<b>-</b>	<b>3,092</b>	<b>42,181</b>
<b>Total additions</b>	<b>-</b>	<b>7,624,400</b>	<b>242,189</b>
<b>DEDUCTIONS:</b>			
Benefits	-	6,087,207	
Administrative expenses	-	712,453	
<b>Total deductions</b>	<b>-</b>	<b>6,799,660</b>	<b>-</b>
Change in net position	-	824,740	242,189
Net position - beginning	-	1,566,064	1,333,825
<b>Net position - ending</b>	<b>\$ -</b>	<b>\$ 2,390,804</b>	<b>\$ 1,576,014</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, 2015**

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 4,033,069	\$ 5,266,800	\$ 344,431	\$ 9,644,300
Cash payments for goods and services	(2,624,128)	(5,691,592)	(229,665)	(8,545,385)
Cash payments to employees for services	(495,024)	(1,207,420)	-	(1,702,444)
Other operating revenues	-	-	-	-
Net cash provided (used) by operating activities	<u>913,917</u>	<u>(1,632,212)</u>	<u>114,766</u>	<u>(603,529)</u>
<b>Cash flows from noncapital financing activities:</b>				
Advances from other funds	4,211,478	(33,545,896)	674,339	(28,660,079)
Advances to other funds	(4,720,805)	35,578,930	(766,504)	30,091,621
Transfers from other funds	21,928	91,784	-	113,712
Transfers to other funds	-	-	(23,890)	(23,890)
Net cash provided (used) by noncapital financing activities	<u>(487,399)</u>	<u>2,124,818</u>	<u>(116,055)</u>	<u>1,521,364</u>
<b>Cash flows from capital and related financing activities:</b>				
Proceeds from capital debt	110,248	73,511	-	183,759
Acquisition and construction of capital assets	(3,885,302)	(2,821,755)	-	(6,707,057)
Principal paid on capital debt	(173,015)	(1,114,764)	-	(1,287,779)
Interest paid on capital debt	(333,202)	(338,240)	-	(671,442)
Proceeds from sale of assets	-	-	-	-
Grant revenues	3,788,126	2,228,535	-	6,016,661
Debt fees	-	1,018,247	-	1,018,247
Net cash used for capital and related financing activities	<u>(493,145)</u>	<u>(954,466)</u>	<u>-</u>	<u>(1,447,611)</u>
<b>Cash flows from investing activities:</b>				
Purchase of investments	(410,653)	(410,653)	-	(821,306)
Sale of investments	409,887	409,887	-	819,774
Interest on investments	67,393	133,056	1,289	201,738
Net cash used in investing activities	<u>66,627</u>	<u>132,290</u>	<u>1,289</u>	<u>200,206</u>
Net increase (decrease) in cash	-	(329,570)	-	(329,570)
Cash at beginning of the year	-	709,271	-	709,271
Cash at end of year	<u>\$ -</u>	<u>\$ 379,701</u>	<u>\$ -</u>	<u>\$ 379,701</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 89,023	\$ (3,113,528)	\$ (18,108)	\$ (3,042,613)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	965,943	2,441,778	124,359	3,532,080
Provision for uncollectible accounts	-	-	-	-
Change in assets & liabilities:				
(Increase) decrease in receivables	(149,705)	(638,218)	27,954	(759,969)
(Increase) decrease in inventory	-	(9,109)	-	(9,109)
(Increase) decrease in prepaids	-	-	-	-
Increase (decrease) in acc'ts payable	8,656	(324,228)	(19,439)	(335,011)
Increase (decrease) in accrued payroll	-	11,093	-	11,093
Total adjustments	<u>824,894</u>	<u>1,481,316</u>	<u>132,874</u>	<u>2,439,084</u>
Net cash provided (used) by operating activities	<u>\$ 913,917</u>	<u>\$ (1,632,212)</u>	<u>\$ 114,766</u>	<u>\$ (603,529)</u>

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

**Notes  
to the  
Financial Statements  
June 30, 2015**

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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies

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*A. Introduction*

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

As a result of its evaluation, the County has concluded that the following are component units of Allegheny 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, 2015**

Note 1. Summary of Significant Accounting Policies - continued

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B. *Reporting Entity – continued*

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

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

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

**Administrative Offices:**

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

LaVale Sanitary Commission  
1 Roselawn Avenue  
LaVale, Maryland 21502

Allegany County Library System  
31 Washington Street  
Cumberland, Maryland 21502

Allegany College  
12401 Willowbrook Road  
Cumberland, Maryland 21502

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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 except for transit operations which uses a 120 day accrual period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

The government reports the following major proprietary funds:

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies - continued

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E. *Assets, liabilities, Deferred Outflows/Inflows of Resources, and net position or equity*

1. Deposits and investments

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

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

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

2. Receivables and payables

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies - continued

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E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity – continued

2. Receivables and payables - continued

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

The assessment of all real and personal property for purposes of property taxation by the County is the sole responsibility of the State Department of Assessments and Taxation. Real property is valued at market value and is assessed at 100% of that value. The real estate assessment of 100% is the result of The Maryland Truth in Taxation Act, Chapter 80 of the Laws of Maryland of 2000 effective October 1, 2000. Prior to the law change, the assessment was 40% of the market value. Real property tax rates were adjusted to make the law revenue neutral. Tangible personal property is assessed at cost, less 10% depreciation for each year held, to a minimum of 25% of cost. The County granted tax differential rates to municipalities located within the County in accordance with Article 32A of the Annotated Code of Maryland which reduced the tax rates for owners of municipal property. The various tax rates for Allegany County for fiscal year 2015 are as follows:

	<u>Real</u>	<u>Personal Property</u>
Unincorporated	.9790	2.4475
Barton	.8976	2.2440
Cumberland	.8530	2.1324
Frostburg	.8597	2.1493
Lonaconing	.8761	2.1902
Luke	.8735	2.1838
Midland	.8976	2.2440
Westernport	.8847	2.2118

3. Inventories and prepaid items

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies - continued

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E. *Assets, liabilities, deferred outflows/inflows of resources and net position or equity - continued*

4. Restricted assets

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

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

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In prior years, capital assets are defined by the government as assets with an initial, individual cost of more than \$2,000 (\$50,000 for infrastructure assets) and an estimated useful life of two years or more. As of July 1, 2014 assets with a cost of \$ 10,000 or more was used as the definition. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies - continued

E. *Assets, liabilities, deferred outflows/inflows of resources and net positions or equity - continued*

6. Compensated absences

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

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

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

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

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

At June 30, 2015, compensated absence liabilities for Allegany County are summarized as follows:

	Current Portion	Long-term Portion	Total Liability
Total Governmental Fund Types	\$ 1,060,269	\$ 3,403,896	\$ 4,464,165
Sanitary Districts	146,342	311,876	458,218
	<u>\$ 1,206,611</u>	<u>\$ 3,715,772</u>	<u>\$ 4,922,383</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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 or ordinance by the Board of County Commissioners. Funds were committed in accordance with Resolution # 87-12 , # 11-16 and #13-23.
- Assigned – Amounts that are constrained by the Board of County Commissioners or the Director of Finance, as provided by Resolution No. 10-17, for a particular purpose.
- Unassigned – All amounts not included in other spendable classifications.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies - continued

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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 assets), the County's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the County's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

13. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. See Note 11 for detail of deferred outflows and deferred inflows recorded in the entity-wide financial statements.

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

	<u>General Fund</u>	<u>NonMajor Governmental Funds</u>	<u>Total</u>
Property taxes	4,185,982		4,185,982
Mass Transit Grant		148,956	148,956
State Highway Grant		49,946	49,946
Public Safety Grants	124,870		124,870
Other Grants	21,278		21,278
Fees-Landfill	3,400		3,400
Other	27,923		27,923
Total	4,363,453	198,902	4,562,355

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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A. Explanation of certain differences between the governmental fund balance sheet and the Government-wide statement of net 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 \$29,672,827 are as follows:

Bonds payable	\$23,531,006
Notes payable	205,808
State loans	1,471,848
Capital leases	0
Compensated absences	<u>4,464,165</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$29,672,827</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.  
 The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$(1,454,329) difference are as follows:

Capital outlay	\$2,264,182
Depreciation expense	<u>(3,718,511)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	<u>(\$1,454,329)</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 assets.” The details of this (\$ 36,954) differences are as follows:

In the statement of activities, only the *gain* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. (36,954)

Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net position of governmental activities*. (\$ 36,954)

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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

The details of this (\$5,342,800) difference are as follows:

Loan Proceeds	(9,740,351)
Principal repayments:	
Principal payments	<u>4,397,551</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>(\$5,342,800)</u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$ (8,236) difference are as follows:

Compensated absences	(\$185,030)
OPEB Net Obligation	\$152,192
Pension Expense	\$116,565
Accrued interest adjustment, net	<u>(91,963)</u>
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u>(\$8,236)</u>

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.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 3. Stewardship, Compliance, and Accountability - continued

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

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

1. Prior to January 15, the County Administrator submits recommended budget guidelines to the Board of Commissioners for their approval.
2. After receiving approval of the budget guidelines, the County Administrator and the Director of Finance meet with the various departments and agencies to explain and distribute the guidelines.
3. The County Administrator and the Director of Finance compile all budget requests; after making departmental and agency review of the requests, a recommended budget is presented to the Board of County Commissioners for review and approval.
4. A public hearing is held to obtain public input and opinion of a preliminary budget.
5. Under Local Code Home Rule, the property tax rate must be set by June 30, and by that time, the budget is publicly adopted by the County Commissioners.
6. During the year supplemental appropriations shall be made by public approval of the Board of Commissioners. Supplemental appropriations in the governmental funds for fiscal year 2015 were increased by \$ 806,172 primarily due to increase in income tax revenue combined with a decrease in real estate taxes in the amount of \$ 550,000 that was spent on accounting software, transfer to capital projects and vacation buy-back and \$ 111,598 for various state and local grants received that was spent on public safety.
7. During the year, budget amendments within a department are approved by the Director of Finance. Budget amendments between departments and/or funds require Commissioner public approval.
8. Legally, total expenditures for all individual governmental funds may not exceed the total budget for a particular fund except for emergencies, state-mandated programs, or by approval of a majority of the Board of Commissioners.
9. Appropriations lapse at the end of the fiscal year for all funds, except the Capital Project Funds, and certain federal grants that do not have a year-end date of June 30.
10. Budget monitoring is the responsibility of the Finance Department and the appropriate department head.

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

*B.*

*Excess of Expenditures Over Appropriations*

For the year ended June 30, 2015, expenditures exceeded appropriations for the following funds (the legal level of budgetary control):

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

<u>Fund</u>	<u>Excess</u>
Block Grant Fund	112,127
Community Develop & Housing Fund	907,566
Debt Service Fund	1,300,749
Drug Task Force Fund	142,015
Rocky Gap Slots Revenue Fund	260,065
Capital Projects Fund	392,166
PIB Funds	996,799
Coal Haul Funds	115,056

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

*C. Deficit Fund Equity*

At June 30, 2015, two governmental funds, the Debt Service Fund and the Capital Improvements Project Fund, had a deficit fund balance in the amount of (\$ 189,889) and (\$ 115,745) respectfully.

Note 4. Deposits and Investments

*Allegheny County Primary Government:*

As of June 30, 2015, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity in Months</u>			
		<u>Less Than 1</u>	<u>1-6</u>	<u>6-12</u>	<u>Greater than 12</u>
<i>Statement of Net Position</i>					
Certificates of Deposit	\$ 13,167,203	\$ 2,746,047	\$ 9,420,159	\$ 1,000,997	\$ -
Total Stmt of Net Position	<u>\$ 13,167,203</u>	<u>\$ 2,746,047</u>	<u>\$ 9,420,159</u>	<u>\$ 1,000,997</u>	<u>\$ -</u>
<i>Employee Benefit</i>					
Trust-Cert of Deposit	\$ 1,209,472	\$ 1,209,472	\$ -	\$ -	\$ -
<i>Fire &amp; Rescue Pension</i>					
Trust LOSAP Fund	\$ 1,576,014	\$ 1,576,014	\$ -	\$ -	-
Group Annuity Fixed	\$ 1,576,014	\$ 1,576,014	\$ -	\$ -	-

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

In Note 4. Deposits and Investments-continued

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

Credit Risk - The County investment policy and State law requires collateralization of 102% of market value of investments. ARTICLE 95, Section 22 of the Annotated Code of Maryland authorizes the County to invest surplus funds in bonds or in other obligations of which the full faith and credit of the United States of America are pledged, obligations of federal government agencies issued in accordance with an Act of Congress, repurchase agreements that are secured by any bond or other obligation for the payment of which the full faith and credit of the United States are pledged, any bank or banks in the State of Maryland, any savings and loan association, any building and loan association, in interest-bearing time deposit; and/or savings accounts, or in the Local Government Investment Pool. Allegany County is in compliance with its investment policy and State law having all deposits and investments collateralized at 102% of market value with bonds or other obligations secured by the full faith and credit of the United States. Allegany County has no policy relating to the credit risk of investments.

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

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

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

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

*Allegany County Discretely Presented Component Units:*

Allegany County Board of Education

Cash deposits – At year-end, the carrying amount of the Board's, not including its component units, deposits was \$22,144,205 and the bank balances were \$23,002,209. Of the bank balances, \$860,660 was covered by depository insurance; \$22,141,549 was covered by collateral held at various banks in the Board's name.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 4. Deposits and Investments-continued

Investments - As of June 30, 2015, the Board of Education had the following investments and maturities:

Investment Type	Investment Maturity (in months)				Total
	Total	Less than 1	1-6	6-12	
Certificates of Deposit	\$ 395,267	\$ -	\$ 58,426	\$ 59,350	\$ 277,491
	<u>\$ 395,267</u>	<u>\$ -</u>	<u>\$ 58,426</u>	<u>\$ 59,350</u>	<u>\$ 277,491</u>

Allegheny County Library System

Cash – Risks and Policies

As of June 30, 2015, the carrying amount of the Library’s deposits was \$152,841 and the bank balances were \$ 167,994.

Custodial credit risk for deposits is the risk that in the event of a bank failure the Library’s deposits may not be returned of the Library will not recover collateral securities in the possession of an outside party. The Library’s policy requires deposits with financial institutions to be fully secured by collateral. The Library’s cash balances at financial institutions at June 30, 2015 are fully collateralized with securities held by the Library’s agent in the Library’s name.

Investments – Risks and Policies

As of June 30, 2015, the Library had the following investments and maturities:

Investment Type	Investment Maturity			Credit Rating
	Total	Less than 90 Days	90 Days to One Year	
U.S. Treasury Bonds	\$ 20,244	\$ -		N/A
Other Federal Government Obligations	406,924	-	-	N/A
Investment in MD Local Government Fund Pool	256,363	256,363	-	AAA
	<u>\$ 683,531</u>	<u>\$ 256,363</u>	<u>\$ -</u>	<u>\$ 427,168</u>

*Allegheny County Discretely Presented Component Units:*

Allegheny 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, 2015**

Note 4. Deposits and Investments - continued

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

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

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

LaVale Sanitary Commission

Cash deposits – At year-end, the carrying amount of the LaVale Sanitary Commission's cash deposits was \$2,349,197 and the bank balance was \$ 2,444,356. The entire bank balance was either covered by federal depository insurance or by pledged government securities. The commission held no investments at year end.

*Allegany County Discretely Presented Component Units - continued:*

Allegany College

Cash deposits – At year-end, the carrying amount of the Allegany College's, not including its component units, cash deposits was \$ 1,300,945 and the bank balance was \$1,198,914.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 4. Deposits and Investments - continued

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

<u>Investment Type</u>	<u>Total</u>	<u>Less Than 90 Days</u>	<u>90 Days To One Year</u>
Certificates of deposit	\$ 202,607	\$ -	\$ 202,607
Repurchase agreements of			
U.S. Government obligations	379,409	379,409	-
Maryland Local Government			
Investment Pool	<u>7,324,676</u>	<u>7,324,676</u>	<u>-</u>
	<u>\$ 7,906,692</u>	<u>\$ 7,704,085</u>	<u>\$ 202,607</u>

Note 5. Property Taxes Receivable

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

Property tax receivable at June 30, 2015 was \$4,788,547 (before an allowance of \$158,000) of which 2,866,628 were current year's taxes receivable and the balance of \$1,921,919 was prior years' unpaid taxes.

Note 6. Other Receivables

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

Governmental Activities:	General Fund	RBF Fund	Non-major Governmental Funds	Total
Receivables:				
Interest	\$ 61,411	\$ -	\$ 2,527	\$ 63,938
Income taxes	3,340,662	-	-	3,340,662
Other taxes	288,302	-	16,183	304,485
Current:				
Accrued revenues	1,570,054	260,092	930,543	2,760,689
Loans, notes	-	1,701	-	1,701
Leases, capital	-	-	-	-
Long-term:				
Accrued revenues	-	-	-	-
Loans, notes	-	-	309,092	309,092
Leases, capital	-	-	-	-
Total receivables	<u>\$ 5,260,429</u>	<u>\$ 261,793</u>	<u>\$ 1,258,345</u>	<u>\$ 6,780,567</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 6. Other Receivables-continued

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

Business-type Activities:	Water Districts	Sewer Districts	Non-Major Enterprise Funds	Total
Receivables:				
Interest		\$ 305	\$ -	\$ 305
Accounts, other	6,428	1,725,981	33,107	1,765,516
Accounts, trade	1,396,571	1,703,353	4,048	3,103,972
Less allowance	(160,016)	(251,888)	-	(411,904)
Net accounts, trade	1,236,555	1,451,465	4,048	2,692,068
Accounts, restricted	-	253,060	-	253,060
Less allowance	-	-	-	-
Net accounts, restricted	-	253,060	-	253,060
Loans	-	-	366,902	366,902
Less allowance	-	-	(350,000)	(350,000)
Net loans	-	-	16,902	16,902
Total receivables	\$ 1,242,983	\$ 3,430,811	\$ 54,057	\$ 4,727,851

*Leases – Operating and Capital:*

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

Fiscal Year	Capital Leases			Operating Leases
	Principal	Interest	Total	Minimum Payments
2016	-	-	-	3,364,276
2017	-	-	-	3,281,179
2018	-	-	-	3,038,643
2019	-	-	-	2,990,957
2020-	-	-	-	2,942,057
Totals	\$ -	\$ -	\$ -	\$ 15,617,112

The net book value of buildings with operating leases at June 30, 2015 is \$12,609,079.

Unearned Revenue:

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 6. Other Receivables-continued

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

Unearned revenue recorded as a receivable which are not considered available to liquidate liabilities of the current period:	
Unearned grant revenue	\$ 441,008
Unearned pilot revenue	298,394
Unearned ticket revenue\other	80,096
Long term housing loans receivable	309,091
	<u>\$ 1,128,589</u>

*Loans receivable:*

The following table summarizes the loan receivable balances in the County Loan Fund at June 30, 2015:

Entity	Source of funds	Balance June 30, 2015
County Loan Fund loans:		
Western Maryland Scenic Railroad	Gen Fund/PIB of 1988	\$ 250,000
YMCA	General Fund	100,000
Paving project	General Fund	0
Upper Potomac Industrial Park flood wall loan	General Fund	16,902
County loans		0
Allowance for doubtful accounts		(350,000)
Sub-total		\$ 16,902
Allconet II Fund loans:		
TWR loan	General Fund	33,107
Total		<u>\$ 50,009</u>

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 7. Capital Assets

Capital asset activity for the year ended June 30, 2015 for the primary government was as follows:

<b>Primary Government:</b>	Beginning	Increases	Decreases	Transfers	Ending
Governmental activities:	Balance			In (Out)	Balance
Capital assets, not being depreciated:					
Land	\$ 21,986,008	\$ 385,957	\$ -		\$ 22,371,965
Work in Progress	1,892,137	798,480		(1,810,941)	879,676
Total capital assets not being depreciated	23,878,145	1,184,437	-	(1,810,941)	23,251,641
Capital assets, being depreciated:					
Buildings	58,741,533	24,109		825,470	59,591,112
Infrastructure	48,673,041	15,301	-	985,471	49,673,813
Furniture & Fixtures	1,050,841	3,269	-		1,054,110
Equipment	10,059,584	380,059			10,439,643
Vehicles	9,976,867	660,279	(103,506)		10,533,640
Heavy Equipment	4,093,258		(76,544)		4,093,258
Other Capital Assets	1,268,507	38,272	(76,544)		1,230,235
Total capital assets, being depreciated:	133,863,631	1,121,289	(180,050)	1,810,941	136,615,810
Less accumulated depreciation for:					
Buildings	(22,774,063)	(1,635,274)		-	(24,409,337)
Infrastructure	(30,710,549)	(708,656)	-	-	(31,419,205)
Furniture & Fixtures	(790,131)	(45,621)	-	-	(835,752)
Equipment	(7,660,589)	(620,536)	29,434	-	(8,251,691)
Vehicles	(7,999,781)	(543,931)	72,118	-	(8,471,594)
Heavy Equipment	(3,615,959)	(100,444)		-	(3,716,403)
Other Capital Assets	(549,713)	(64,049)	-	-	(613,762)
Total accumulated depreciation	(74,100,785)	(3,718,511)	101,552	-	(77,717,744)
Total capital assets, being depreciated, net	59,762,846	(2,597,222)	(78,498)	1,810,941	58,898,066
Governmental activities capital assets, net	\$ 83,640,990	\$ (1,412,785)	\$ (78,498)	\$ -	\$ 82,149,708

<b>Primary Government:</b>	Beginning	Increases	Decreases	Transfers	Ending
Business-type activities:	Balance			In (Out)	Balance
Capital assets, not being depreciated:					
Land	\$ 192,532	\$ -	\$ -	\$ -	\$ 192,532
Work in Progress	18,377,476	2,769,339		(12,310,798)	8,836,017
Total capital assets not being depreciated	18,570,008	2,769,339	-	(12,310,798)	9,028,549
Capital assets, being depreciated:					
Buildings	256,346		-		256,346
Infrastructure	149,587,995	3,885,303		12,310,798	165,784,096
Furniture & Fixtures	17,681	-	-	-	17,681
Equipment	6,073,221	16,000	-		6,089,222
Vehicles	1,253,875				1,253,875
Heavy Equipment	775,785	36,416	-		812,201
Other Capital Assets	2,837,063		-		2,837,063
Total capital assets, being depreciated:	160,801,966	3,937,719	-	12,310,798	177,050,482
Less accumulated depreciation for:					
Buildings	(161,283)	(6,302)	-	-	(167,585)
Infrastructure	(52,220,753)	(3,055,992)	-	-	(55,276,745)
Furniture & Fixtures	(17,372)	(308)	-	-	(17,680)
Equipment	(5,059,228)	(203,111)	-	-	(5,262,339)
Vehicles	(961,168)	(85,561)		-	(1,046,729)
Heavy Equipment	(635,945)	(54,161)	-	-	(690,106)
Other Capital Assets	(1,650,592)	(126,645)	-	-	(1,777,237)
Total accumulated depreciation	(60,706,341)	(3,532,080)	-	-	(64,238,427)
Total capital assets, being depreciated, net	100,095,625	405,639	0	12,310,798	112,812,055
Business-type activities capital assets, net	\$ 118,665,627	\$ 3,174,978	\$ -	\$ -	\$ 121,840,604

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 7. Capital Assets - continued

Depreciation expense was charged to functions/programs of the primary government, as reported in the statement of activities, for the year ended June 30, 2015 as follows:

Governmental activities:	
General government	\$ 169,446
Public safety	1,242,231
Public works	1,007,046
Health	218,441
Social services	124,552
Recreation, culture and libraries	149,761
Community development and housing	14,394
Economic development	792,640
Total depreciation expense - governmental activities	\$ 3,718,511
Business type activities:	
Water districts	\$ 965,943
Sewer districts	2,441,778
Allconet II	124,359
Total depreciation expense - governmental activities	\$ 3,532,080

*Construction Commitments*

The County has active construction projects as of June 30, 2015. The projects include industrial park infrastructure and water quality and service improvements. At year end the County's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Burbridge building	\$ 2,638,825	\$ 25,000
Rawlings Water Project	1,782,629	1,232,600
Rawlings Water Project-Detention Center	270,946	24,074
Bowling Green	378,744	363,170
Bald Knob Water	164,717	277,598
Braddock Run Santuary	1,964,919	696,725
Totals	\$ 7,200,780	\$ 2,619,167

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, 2015**

Note 7. Capital Assets - continued

*Discretely Presented Component Units:*

Capital asset activity for the Board of Education of Allegany County for the year ended June 30, 2014 (not including component units), was as follows:

<b>Board of Education</b>	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 4,208,336	\$ -		\$ 4,208,336
Work in process	3,087,183	3,167,353	(874,642)	5,379,894
Total capital assets not being depreciated:	7,295,519	3,167,353	(874,642)	9,588,230
Capital assets, being depreciated:				
Land Improvements	9,177,118	90,447		9,267,565
Buildings & Improvements	153,235,373	2,753,592	793,957	156,782,922
Furniture, Equipment & Vehicles	19,340,801	1,036,269	(658,198)	19,718,872
Total capital assets, being depreciated:	181,753,292	3,880,308	135,759	185,769,359
Less accumulated depreciation for:				
Land Improvements	(2,496,385)	(462,414)	-	(2,958,799)
Buildings & Improvements	(86,748,801)	(3,942,807)	5,189	(90,686,419)
Furniture, Equipment & Vehicles	(12,078,520)	(1,476,498)	720,158	(12,834,860)
Total accumulated depreciation	(101,323,706)	(5,881,719)	725,347	(106,480,078)
Total capital assets, being depreciated, net:	80,429,586	(2,001,411)	861,106	79,289,281
Governmental activities capital assets, net	\$ 87,725,105	\$ 1,165,942	\$ (13,536)	88,877,511

<b>Board of Education</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Work in process	\$ -	\$ -	\$ -	\$ -
Capital assets, being depreciated:				
Furniture, Equipment & Vehicles	591,680	-	(9,000)	582,680
Less accumulated depreciation	(493,709)	(26,462)	9,000	(511,171)
Total capital assets, being depreciated, net:	97,971	(26,462)	-	71,509
Business-type activities capital assets, net	\$ 97,971	\$ (26,462)	\$ -	\$ 71,509

Capital asset activity for the Library of Allegany County for the year ended June 30, 2015 was as follows:

<b>Library</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Non-depreciable assets:				
Construction in Progress	\$ 14,362	\$ 71,399		\$ 85,761
Capital assets, being depreciated:				
Buildings & Improvements	\$ 3,763,563	\$ -	\$ -	\$ 3,763,563
Furniture & Equipment	797,475	2,277	-	799,752
Vehicles/Bookmobile	130,013	2,561	(91,339)	41,235
Library Books	3,735,115	166,754	(185,352)	3,716,517
Total capital assets, being depreciated:	8,426,166	171,592	(276,691)	8,321,067
Less accumulated depreciation for:				
Buildings & Improvements	(1,418,980)	(75,271)	-	(1,494,251)
Furniture & Equipment	(551,391)	(40,851)		(592,242)
Vehicles/Bookmobile	(123,715)	(2,364)	91,339	(34,740)
Library Books	(3,208,626)	(211,692)	185,352	(3,234,966)
Total accumulated depreciation	(5,302,712)	(330,178)	276,691	(5,356,199)
Total capital assets, being depreciated, net:	\$ 3,123,454	\$ (158,586)	\$ -	\$ 2,964,868
Governmental activities capital assets, net	\$ 3,137,816	\$ (87,187)	\$ -	\$ 3,050,629

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 7. Capital Assets - continued

*Discretely Presented Component Units - continued:*

Capital asset activity for Allegany College of Maryland and its component units for the year ended June 30, 2015 were as follows:

<b>Allegany College of Maryland</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,564,352	\$ -	\$ -	\$ 1,564,352
Library Collections	122,087	4,350	-	126,437
Work in Progress	82,787	370,451	(422,423)	30,815
Total capital assets not being depreciated:	1,769,226	374,801	(422,423)	1,721,604
Capital assets, being depreciated:				
Buildings	45,175,631	619,730	(227,749)	45,567,612
Equipment	8,062,426	842,655	(229,512)	8,675,569
Auxiliary Equipment	210,218	-	-	210,218
Library Books	1,211,715	42,903	(35,226)	1,219,392
Total capital assets, being depreciated:	54,659,990	1,505,288	(492,487)	55,672,791
Less accumulated depreciation :	(28,333,084)	(1,953,552)	416,883	(29,869,753)
Total capital assets, being depreciated, net:	26,326,906	(448,264)	(75,604)	25,803,038
Business-type activities capital assets, net	\$28,096,132	\$ (73,463)	\$ (498,027)	\$27,524,642

Capital asset activity for the LaVale Sanitary Commission for the year ended June 30, 2015, was as follows:

<b>LaVale Sanitary Commission</b>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 234,830		\$ -	\$ 234,830
Work in Progress	68,386	550,629		619,015
Total capital assets not being depreciated:	303,216	550,629	-	853,845
Capital assets, being depreciated:				
Buildings	803,233	-	-	803,233
Infrastructure	23,075,895	75,525		23,151,420
Machinery, Vehicles & Equipment, Office Furniture and Equipment	1,340,808	25,939	(125,030)	1,241,717
Total capital assets, being depreciated:	25,219,936	101,464	(125,030)	25,196,370
Less accumulated depreciation for:	(11,656,942)	(445,717)	-	(12,102,659)
Total capital assets, being depreciated, net:	13,562,994	(344,253)	(125,030)	13,093,711
Business-type activities capital assets, net	\$13,866,210	\$ 206,376	\$ (125,030)	\$13,947,556

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 8. Interfund Receivables, Payables, and Transfers

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The composition of interfund balances as of June 30, 2015, is as follows:

A. *Due to/from other funds*

	Due From Other Funds	Due To Other Funds
Governmental funds:		
General Fund	\$ -	\$ 12,238,706
Revolving Building Fund	11,468,356	-
Non-major Governmental Funds	1,188,369	759,913
Sub-total	12,656,725	12,998,619
Enterprise Funds:		
Water Districts	1,701,174	-
Sanitary Districts	8,789,995	13,225,524
Non-major Enterprise Funds	1,167,519	-
Sub-total	11,658,688	13,225,524
Fudiciary Funds:		
Agency Fund	274,552	-
Health Insurance Trust Fund	1,634,178	-
Sub-total	1,908,730	-
<b>TOTALS</b>	<b>\$ 26,224,143</b>	<b>\$ 26,224,143</b>

The interfund balances as of June 30, 2015 are the result of a centralized cash receipt and disbursement function. This results in funds having a deficiency or excess of cash depending on the timing of the receipt of revenues or other sources and/or the payment of expenditures (or expenses) or other uses of cash.

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

	Advances to Other Funds	Advances from Other Funds
Advances:		
General Fund	\$ 1,200,000	
Sanitary Districts		\$ 800,000
Water Districts		400,000
Loans:		
Loan Fund	322,205	
Allegany County Sanitary Districts:		
Long-term debt		16,355
Allegany County Water Districts:		
Current portion of long-term debt		20,214
Long-term debt		285,636
	<b>\$ 1,522,205</b>	<b>\$ 1,522,205</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

C. Transfers

Transfers to other funds for the year ending June 30, 2015 are as follows:

Transferred From: Transferred To:	Amount	Total By Fund
From the General Fund to:		
Non-major funds governmental funds	\$ 2,563,560	
Enterprise funds:		
Allconet		
Water/Sewer fund	94,364	\$ 2,657,924
From the Revolving Building Fund To:		
General Fund	0	
Water Fund	19,348	
Sewer Fund	2,500	
Non-major funds governmental funds	1,505,810	1,527,658
From the Non-major Governmental Funds to:		
General Fund	-	
Other Non-major governmental fund	272,356	272,356
From the Non-major Enterprise Funds to:		
General Fund	23,890	23,890
TOTALS	\$ 4,481,828	\$ 4,481,828

General Fund transfers to the non-major governmental funds were to fund the local share of grant funded programs and to pay debt service. Transfers to the enterprise funds were to assist in operating costs and debt service. Transfers from the Revolving Building Fund were to pay debt service costs of County economic development buildings and to pay for economic developments share of expenditures in other funds.

Payments to component units for the year ending June 30, 2015 are as follows:

Payment From: Payment To:	Amount	Total By Fund Type
From the General Fund (appropriations) to:		
Board of Education	\$ 29,418,144	
Board of Education, Data Processing	313,562	
Allegany College of Maryland	7,555,000	
Library	947,500	\$ 38,234,206
From the Rocky Gap Slots Fund to:		
Allegany College of Maryland	360,000	
Frostburg State University	200,000	560,000
From the Gaming Fund to:		
Board of Education:		
Washington Middle Roof	63,625	63,625
Total	\$ 38,857,831	\$ 38,857,831

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 9. Short-term Debt

Allegany County did not issue short-term debt during the fiscal year ending June 30, 2015 and had no balance payable at year end.

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

Long-term liability activity of the County for the year ended June 30, 2015, 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	\$ 17,473,220	\$ 9,200,000	\$ (4,078,432)	\$ 22,594,788	\$ 2,979,213
Notes	212,915	-	(7,106)	205,809	7,520
Capital Leases*	18,560	-	(18,560)	0	-
State Loans	1,765,300	-	(293,453)	1,471,847	278,178
Premium on Bonds Payable	449,048	540,350	(53,180)	936,218	64,437
<b>Total</b>	<b>\$ 19,919,043</b>	<b>\$ 9,740,350</b>	<b>\$ (4,450,731)</b>	<b>\$ 25,208,662</b>	<b>\$ 3,329,348</b>
<b>Business-type activities</b>					
Water districts:	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Rural development loans	\$ 10,859,917	\$ -	\$ (149,410)	\$ 10,710,507	\$ 232,749
Maryland water quality loans	130,265	110,248	(4,025)	236,488	4,075
County loans	325,424	-	(19,571)	305,853	20,214
<b>Total water districts</b>	<b>11,315,606</b>	<b>110,248</b>	<b>(173,006)</b>	<b>11,252,848</b>	<b>257,038</b>
Sewer districts:	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Maryland water quality loans	550,200	73,511	(57,497)	566,214	50,657
Maryland environmental loans	13,148,437	-	(987,904)	12,160,533	1,000,308
Rural development loans	4,902,290	-	(68,903)	4,833,387	90,942
Other loans	16,814	-	(459)	16,355	479
<b>Total sewer districts</b>	<b>18,617,741</b>	<b>73,511</b>	<b>(1,114,763)</b>	<b>17,576,489</b>	<b>1,142,386</b>
Total business-type activities:	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Maryland water quality loans	680,465	183,759	(61,522)	802,702	54,732
Maryland environmental loans	13,148,437	-	(987,904)	12,160,533	1,000,308
Rural development loans	15,762,207	-	(218,313)	15,543,894	323,691
Other loans	342,238	-	(20,030)	322,208	20,693
<b>Total business-type activities</b>	<b>\$ 29,933,347</b>	<b>\$ 183,759</b>	<b>\$ (1,287,769)</b>	<b>\$ 28,829,337</b>	<b>\$ 1,399,424</b>
<b>Other Long-term Liabilities</b>					
Governmental Activities	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Compensated Absences	\$ 4,279,135	\$ 435,689	\$ (250,658)	\$ 4,464,166	\$ 1,060,270
Net Pension Liability	11,223,346	(1,177,268)	-	10,046,078	-
<b>Business-type activities</b>					
Water & sewer districts	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Compensated absences	\$ 394,545	\$ 64,430	\$ (758)	\$ 458,218	\$ 146,341
Net Pension Liability	763,502	62,798	-	826,300	146,341

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

Annual debt service requirements to maturity for Allegany County's governmental activities long-term debt outstanding as of June 30, 2015 are as follows:

Year Ending June 30,	General Obligation Bonds		Notes		Capital Leases		State Loans		Premium Bond Pay	Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		Principal	Interest
2016	\$ 2,979,213	\$ 740,558	\$ 7,520	\$ 11,727	\$ 0	\$ 0	\$ 278,178	\$ 26,867	\$ 64,437	\$ 3,329,348	\$ 779,152
2017	3,079,551	625,942	7,959	11,288	-	-	248,260	18,607	64,437	3,400,207	655,837
2018	1,565,116	532,701	8,423	10,824	-	-	217,637	13,904	64,437	1,855,613	557,429
2019	1,595,908	482,679	8,915	10,333	-	-	337,701	10,075	64,437	2,006,961	503,087
2020	1,120,000	441,100	9,435	9,813	-	-	207,955	4,972	64,437	1,401,827	455,885
2021-2025	5,225,000	1,610,825	56,098	40,140	-	-	182,116	2,449	322,185	5,785,399	1,653,414
2026-2030	3,895,000	742,350	74,480	25,861	-	-	-	-	172,513	4,141,993	768,211
2031-2035	3,135,000	258,725	32,979	2,482	-	-	-	-	119,335	3,287,314	261,207
2036-2040	-	-	0	0	-	-	-	-	-	0	0
2041-2045	-	-	0	0	-	-	-	-	-	0	0
	<u>\$ 22,594,788</u>	<u>\$ 5,434,880</u>	<u>\$ 205,809</u>	<u>\$ 122,468</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,471,847</u>	<u>\$ 76,874</u>	<u>\$ 936,218</u>	<u>\$ 25,208,662</u>	<u>\$ 5,634,222</u>

Annual debt service requirements to maturity for Allegany County's business-type activities long-term debt outstanding as of June 30, 2015 are as follows:

The annual debt service requirements to maturity for the Water Districts long-term debt outstanding at June 30, 2015 are:

Year Ending June 30,	Farmers Home Admin. Loans		Water Quality/MDE Loans		Other Loans		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	232,749	314,175	4,076	1,548	20,214	11,273	257,039	326,996
2017	224,331	302,270	4,126	1,498	20,875	10,612	249,332	314,380
2018	231,397	300,104	4,176	1,447	21,557	9,929	257,130	311,480
2019	238,835	293,238	114,476	1,396	22,263	9,223	375,574	303,857
2020	246,557	284,944	4,280	1,344	22,993	8,493	273,830	294,781
2021-2025	1,359,452	1,298,055	22,203	5,916	100,970	30,727	1,482,625	1,334,698
2026-2030	1,602,931	1,020,031	23,622	4,515	25,394	19,536	1,651,947	1,044,082
2031-2035	1,717,397	734,524	25,102	3,020	31,789	13,142	1,774,288	750,686
2036-2040	1,734,350	497,084	26,688	1,765	39,798	4,837	1,800,836	503,686
2041-2045	1,367,270	276,608	7,739	87	-	-	1,375,009	276,695
2046-2050	1,206,895	124,408	-	-	0	0	1,206,895	124,408
2051-2055	548,343	13,916	-	-	0	0	548,343	13,916
Totals	<u>\$ 10,710,507</u>	<u>\$ 5,459,357</u>	<u>\$ 236,488</u>	<u>\$ 22,536</u>	<u>\$ 305,853</u>	<u>\$ 117,772</u>	<u>\$ 11,252,849</u>	<u>\$ 5,599,665</u>

The annual debt service requirements to maturity for the Sanitary Districts long-term debt outstanding at June 30, 2015 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
2016	\$ 50,657	\$ 8,209	\$ 1,000,308	\$ 161,065	\$ 90,942	\$ 160,984	\$ 479	\$ 737	\$ 1,142,386	\$ 330,995
2017	49,818	7,471	1,012,885	148,488	90,063	158,007	501	715	1,153,267	314,681
2018	50,436	6,853	1,025,637	135,735	93,154	154,916	524	692	1,169,751	298,196
2019	39,179	6,228	1,038,569	122,803	96,362	151,708	548	668	1,174,658	281,407
2020	27,637	5,752	1,051,683	109,689	99,693	148,377	573	643	1,179,586	264,461
2021-2025	143,154	23,809	5,177,228	347,362	553,074	687,276	3,287	2,795	5,876,743	1,061,242
2026-2030	151,777	15,097	1,854,223	61,095	657,846	602,516	4,114	1,967	2,667,960	680,675
2031-2035	53,556	3,076	-	-	784,683	459,675	5,149	931	843,388	463,682
2036-2040	-	-	-	-	758,265	317,769	1,180	40	759,445	317,809
2041-2045	-	-	-	-	868,085	181,904	-	-	868,085	181,904
2046-2050	-	-	-	-	577,910	44,799	-	-	577,910	44,799
2051-2055	-	-	-	-	163,310	6,413	-	-	163,310	6,413
Totals	<u>\$ 566,214</u>	<u>\$ 76,495</u>	<u>\$ 12,160,533</u>	<u>\$ 1,086,237</u>	<u>\$ 4,833,387</u>	<u>\$ 3,074,344</u>	<u>\$ 16,355</u>	<u>\$ 9,188</u>	<u>\$ 17,576,489</u>	<u>\$ 4,246,264</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

Allegany County Primary Government Schedule of Long - Term General Obligation Debt:					
General Obligation Bonds: Public Improvement Bonds:	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2015	2014
Bonds of 1998	08/15/98	08/01/13	4.375-4.65	0	0
Bonds of 2004	10/26/04	10/01/19	3.50	0	934,440
Bonds of 2006	07/21/06	08/01/16	4.24	0	1,014,897
Bonds of 2008	12/16/08	09/01/18	4.36	1,959,788	2,423,883
Bonds of 2013-Nontax	03/11/13	03/11/27	2.11	9,045,000	9,540,000
Bonds of 2013-Taxable	03/11/13	03/11/17	1.48	2,390,000	3,560,000
Bonds of 2014	12/16/14	12/16/35	2.88	9,200,000	0
Premium on Bonds	03/11/13	03/11/27	n/a	411,628	449,048
Premium on Bonds	12/16/14	12/16/35	n/a	524,591	0
Notes:					
Farmers Home Admin	1992	2032	5.75	205,809	212,915
Capital Leases:					
Transit Bus	04/11/06	04/11/13	5.94	-	18,560
State Loans:					
Md Industrial Land Act:					
	1991	2017	6.90	102,640	166,346
Superfos Expansion	1994	2014	5.93		0
Micro - Integration	1995	2014	5.93	0	30,216
Superfos III					
	01/05/96	2020	5.00	837,801	981,461
PPG Purchase	2001	2022	4.69	81,936	99,317
MD PPG Improvements	2000	2020	1.00	144,000	144,000
Md Environmental Loan	2003	2023	0.89	305,470	343,960
Total Long - Term General Obligation Debt				<u>25,208,662</u>	<u>19,919,043</u>
Compensated Absences				<u>4,464,166</u>	<u>4,279,135</u>
Total long-term liabilities				<u>\$ 29,672,828</u>	<u>\$ 24,198,178</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Schedule of Business-type Debt						
	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,		
				2015	2014	
<b>Water Districts Debt:</b>						
Eckhart FHA Loan 1991 Series A	02/21/91	2013	6.0	\$ 77,432	\$ 80,236	
Eckhart FHA Loan 1991 Series B	02/21/91	2013	6.0	188,945	195,799	
Eckhart/Clarysville RDA Loan	04/17/11	2051	2.5	206,536	210,081	
Borden/Zhilman FHA Loan 1998	10/22/97	2037	4.5	258,395	264,930	
Carlos/Shaft FHA Loan 2000	12/28/99	12/28/2039	3.25	383,183	393,315	
Oldtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	180,803	185,581	
Oldtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	184,570	189,448	
Grahmtown FHA Loan 2001 R-2	2001	2042	4.5	499,958	509,611	
Consol FHA loan	2004	2044	4.5	90,710	92,233	
McCoole FHA Loan	1999	2039	4.5	858,341	878,587	
Barton Industrial Park	2005	2045	4.5	314,810	319,849	
Klondike FHA	2005	2045	4.5	410,663	417,132	
Morantown FHA Loan	2005	2046	4.25	150,926	153,312	
Mexico Farms	1992	2032	5.5	290,596	300,317	
Bowmans Addition RDA Loan	10/01/10	2051	3.75	568,068	575,628	
Bowmans Addition Phase 2 RDA	12/16/11	2052	2.00	588,861	599,178	
Bedford Rd/Shades Lane MDE	06/28/12	2052	1.00	41,569	42,925	
Cresaptown RDA Loan	06/28/12	2052	2.00	1,424,668	1,450,414	
Cresaptown RDA Loan 2	06/28/12	2052	2.00	441,522	449,505	
Mt Savage-FHA Loan	06/30/13	2053	2.00	3,405,521	3,405,522	
Mt Savage-MDE Loan	10/31/12	2042	1.00	84,669	87,339	
Rawlings	03/31/14	2054	2.00	186,000	189,240	
Rawlings-MDE Loan	2015	2020	2.00	110,249	-	
Sub-total				<u>10,946,995</u>	<u>10,990,182</u>	
Carlos/Shaft Loan	2006	2040	4.5	42,621	43,522	
Missick Road Loan	2006	2040	4.5	67,153	68,574	
Route 51 Loan	2006	2040	4.5	23,700	24,201	
PSC Rate case	2007	2024	4.5	172,379	189,127	
Sub - total				<u>305,853</u>	<u>325,424</u>	
Total debt				<u>11,252,848</u>	<u>11,315,606</u>	
Less: Current maturities of long - term debt				<u>(257,038)</u>	<u>(188,437)</u>	
Total Water Districts long - term debt				<u>\$ 10,995,810</u>	<u>\$ 11,127,169</u>	
<b>Sanitary Districts Debt:</b>						
<b>Maryland Water Quality Loans</b>						
Bowling Green	1984	2014	8.3	\$ 0	\$ 4,651	
Cresaptown	1984	2014	8.3	0	2,897	
Cresaptown	1986	2015	8.8	1,441	2,795	
Bedford Road	2013	2032	1.4	226,416	238,159	
Braddock Run	2013	2019	1.0	81,259	103,792	
Jennings Run	2014/2015	2036	1.0	257,098	197,906	
Sub - total				<u>566,214</u>	<u>550,200</u>	
<b>Maryland Department of Environment</b>						
Celanese Treatment Plant	1991	2010	3.705	-	-	
Celanese WWTP Upgrade	06/03	2023	0.40	4,166,005	4,566,787	
Inflow and Infiltration Study I	12/03	2023	0.40	529,398	602,340	
Celanese	2006	2026	0.40	456,629	495,947	
Inflow and Infiltration Study II	2008	2028	1.00	806,223	861,789	
George Creek WWTP Upgrade	2009	2029	0.40	5,963,542	6,365,785	
Inflow and Infiltration Study II	2010	2030	1.00	238,737	255,789	
Sub - total				<u>12,160,534</u>	<u>13,148,437</u>	
<b>Farmers Home Administration Loans</b>						
Georges Creek	2007	2047	4.125	458,752	465,539	
Cash Valley Road	1996	2036	4.50	106,576	109,636	
Oldtown Road	1996	2036	4.50	404,180	415,791	
Bowling Green/Cresaptown A	2007	2047	4.125	1,731,677	1,757,302	
Bowling Green/Cresaptown B	2007	2047	4.125	339,948	344,987	
Bedford Road	2012	2052	2.000	449,117	457,237	
Bedford Road	2013	2052	2.000	488,657	497,321	
Jennings Run	2013	2052	2.000	854,479	854,478	
Sub - total				<u>4,833,386</u>	<u>4,902,291</u>	
Oldtown	2006	2036	4.5	16,355	16,813	
Sub - total				<u>16,355</u>	<u>16,813</u>	
Total				<u>17,576,489</u>	<u>18,617,741</u>	
Less: Current maturities of long - term debt				<u>(1,142,386)</u>	<u>(1,104,290)</u>	
Total Sanitary Districts Long - term Debt				<u>\$ 16,434,103</u>	<u>\$ 17,513,451</u>	

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 10. Long-Term Debt - continued

The following is a summary of debt transactions for the discretely presented component units for the fiscal year ended June 30, 2015

Long-term Liabilities - Component Units							
Long-term debt activity for the year ended June 30, 2015:							
	Allegany College of Maryland			LaVale Sanitary Commission			
Payable at July 1, 2014	\$ 178,936			\$ 3,458,226			
Amount issued	-			45,419			
Amount retired	(53,748)			(116,597)			
Payable at June 30, 2015	<u>\$ 125,188</u>			<u>\$ 3,387,048</u>			
Annual debt service requirements to maturity:							
	Allegany College of Maryland (Capital Leases)			LaVale Sanitary Commission			
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	
2016	52,380	5,892	58,272	120,518	133,580	254,098	
2017	53,773	2,614	56,387	125,042	129,056	254,098	
2018	15,131	385	15,516	129,536	124,562	254,098	
2019	3,904	29	3,933	134,220	119,879	254,099	
2020				139,102	114,996	254,098	
2021-2025	-	-	-	728,512	494,256	1,222,768	
2026-2030	-	-	-	812,330	338,810	1,151,140	
2031-2035	-	-	-	937,847	149,529	1,087,376	
2036-2040	-	-	-	259,941	4,798	264,739	
	<u>\$ 125,188</u>	<u>\$ 8,920</u>	<u>\$ 134,108</u>	<u>\$ 3,387,048</u>	<u>\$ 1,609,466</u>	<u>\$ 4,996,514</u>	

Note 11. 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 by writing to the following:

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 11. 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 13.62% of covered payroll. Employees belonging to the pension system must contribute seven percent of their base salary and seven percent of the base salary that exceeds the social security wage base. The County is required to contribute at an actuarially determined rate also. The contribution rate for the County is currently 10.59% 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, 2015, 2014 and 2013, were \$ 1,472,135, \$1,427,675, and \$1,313,060 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, 2015**

Note 11. Pension and Retirement Systems-continued

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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, 2015, the County reported total net pension liability of \$ 10,872,378, (of which \$10,046,078 was attributed to governmental activities and \$ 826,300 was attributed to business-type activities) for its proportionate share of the MD State Retirement System's net pension liability. The net pension liability was measured as of June 30, 2014 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 the County's contributions to the MD State Retirement System relative to total contributions made by all participants to the MD State Retirement System for the year ended June 30, 2014, actuarially determined. At June 30, 2014, The County's proportion was 6%.

Pension expense for the pension plan for the year ended June 30, 2015 was \$ 1,480,944, of which \$1,368,558 was attributed to governmental activities and \$ 112,386 was attributed to business-type activities.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 11. Pension and Retirement Systems-continued

At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Deferred Outflows of Resources:</b>			
Changes in Assumptions	145,324	11,953	157,277
County contributions to the MD Retirement system subsequent to the measurement date	1,360,253	111,882	1,472,135
<b>Total Deferred Outflows of Resources:</b>	<b>1,505,577</b>	<b>123,835</b>	<b>1,629,412</b>
<b>Deferred Inflows of Resources:</b>			
Net Difference between projected and actual earnings on pension plan investments	1,099,610	90,444	1,190,054
<b>Total Deferred Inflows of Resources:</b>	<b>1,099,610</b>	<b>90,444</b>	<b>1,190,054</b>

The amount \$ 1,472,135 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, 2016. Other 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:	
2016	(206,555)
2017	(206,555)
2018	(206,555)
2019	(206,555)
2020	(206,555)
<b>Total</b>	<b>(1,032,777)</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 11. Pension and Retirement Systems-continued

**Actuarial Assumptions**

The total pension liability in the June 30, 2014 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	2.9% general, 3.4% wage
Salary increases	3.4% to 11.9%, including inflation
Discount rate	7.65%
Investment rate of return	7.65%
Mortality	RP-2000 Combined Healthy Mortality Table projected to the year 2025

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 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 reduce 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. 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public Equity	35%	4.70%
Fixed Income	10%	2.00%
Credit Opportunity	10%	3.00%
Real Return	14%	2.80%
Absolute Return	10%	5.00%
Private Equity	10%	6.30%
Real Estate	10%	4.50%
Cash	1%	1.40%
Total	<u>100%</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that employee 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 to determine the total pension liability. 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.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 11. Pension and Retirement Systems-continued

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

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower(6.65%) or 1% higher (8.65%) than the current rate:

	1% Decrease 6.65%	Current Discount Rate 7.65%	1% Increase 8.65%
County's proportionate share of the net pension liability	15,668,465	10,872,378	6,855,049

**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.

*Defined Contribution Plan*

Allegheny 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, 2015, there were 5 members enrolled in the plan.

The defined contribution plan requires the County to contribute 9.73% to the Management Contractual Employees Retirement Plan of annual covered payroll. The required contribution was \$ 37,807, 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, 2015.

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.

*Allegheny 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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 11. Pension and Retirement Systems-continued

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 of Education is required to contribute at an actuarially determined rate for individuals in the employee retirement system and the employee contributory pension system. The current rate is 9.73%. The contribution requirements of plan members and the Board are established and may be amended by the State Retirement and Pension System Board of Trustees. The Board recorded pension expense for the FY 15 in the amount of \$ 701,350 and the net pension liability recorded was \$ 5,665,273. Deferred outflows of resources was recorded in the amount of \$ 783,553, of which, \$ 81,952 was for change in assumptions and \$ 701,601 was for contributions made subsequent to the measurement date. Deferred inflows of resources was recorded in the amount of \$ 620,101 for the net difference between projected and actual earnings on pension plan investments.

**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, 2015. The Library's pension expense for the year was \$ 169,321. Net pension liability was \$ 74,502 at June 30, 2015. Deferred outflows of resources was \$ 9,834 of which \$ 1,078 was due to changes in assumptions and \$ 8,756 was the Library's contributions subsequent to the measurement date. Deferred inflows of resources was recorded in the amount of \$ 8,155 for the 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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 11. Pension and Retirement Systems-continued

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, 2015. Allegany College's pension expense for FY 15 was \$ 93,036 and net pension liability was \$ 751,515. Deferred outflows of resources were recorded at \$ 92,831, of which \$ 10,871 was due to change in pension assumptions and \$ 81,960 was attributed to contributions made subsequent to the measurement date. Deferred inflows of resources was recorded at \$ 82,258 for the net difference between projected and actual earnings on pension investments.

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, 2015. LaVale Sanitary's pension expense for the fiscal year ended was \$ 10,554. Net pension liability was \$ 855,000, however pension contributions exceeding the required annual contributions are recorded as an asset in the Commission's financial statements; the balance at June 30, 2015 was \$ 385,838 and therefore, no net pension liability obligation exists.

At June 30, 2015, the Commission reported deferred outflows of resources in the amount of \$ 348,480 of which, \$ 191,819 was the difference between expected and actual experience, \$ 108,481 was the change in assumption amount and \$ 48,180 was the net difference between projected and actual earnings on pension plan investments. The deferred inflows of resources was \$ 59,046, which was attributed to change in assumptions.

Note 12. Length of Service Award Program

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**A. Plan Description**

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

At year end, the program membership consisted of 529 eligible members and no retirees.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 12. Length of Service Award Program-continued

**B. Funding Policy**

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

**C. Annual Program Cost**

Fiscal Year Ending	Annual Program Cost (APC)	Percentage of APC Contributed	Net Program Obligation
June 30, 2009	\$200,000	100%	0
June 30, 2010	\$200,000	100%	0
June 30, 2011	\$199,000	100%	0
June 30, 2012	\$210,240	100%	0
June 30, 2013	\$235,805	100%	0
June 30, 2014	\$201,986	100%	0
June 30, 2015	\$200,008	100%	0

The program's funding provides for periodic County contributions at actuarially determined rates that are sufficient to accumulate adequate assets to pay benefits when due. At year end the plan had net assets available for benefits totaling \$1,115,363.

**D. Funding Status and Funding Progress**

As of January 1, 2014, the most recent actuarial valuation date, the plan was funded 115%. The actuarial accrued liability for benefits was \$ 968,595 resulting in an UAAL of \$ (146,768).

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**Note 13. Governmental Fund Balance Classifications**

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

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

Fiscal Year 2015 Fund Balance Classifications				
Fund Balances:	General Fund	Major Special Revenue Fund Revolving Building	Other Funds	Total
Nonspendable				
Long term receivables	\$ 1,200,000	\$ -	\$ -	\$ 1,200,000
Restricted for:				
Transit bus replacement	148,863	-	-	148,863
Housing programs	-	-	181,969	181,969
Coal Haul Roads	-	-	575,108	575,108
Drug task Force	-	-	49,543	49,543
Inmate activities/fire companies	-	-	598,091	598,091
High School Construction	-	-	8,787,577	8,787,577
Stream Restoration	-	-	5,664	5,664
Committed to:				
Economic development	-	11,637,890	-	11,637,890
FY 2016 Budget	949,319	-	-	949,319
School capital	-	-	498,773	498,773
Assigned to:				
Election machine replacements	150,000	-	-	150,000
Future Disparity Grant Funding	3,264,000	-	-	3,264,000
Stormwater Remediation in BG/Cres	250,000	-	-	250,000
Potential State of MD Budget Cuts	750,000	-	-	750,000
High School Construction Contingency	1,250,000	-	-	1,250,000
Technology Enhancements	-	-	405,220	405,220
Highway Projects	-	-	475,499	475,499
Public safety projects	-	-	200,572	200,572
Public works projects	-	-	(15,852)	(15,852)
County building improvements	-	-	328,858	328,858
Unassigned:	19,642,135	-	(305,634)	19,336,501
	<u>\$ 27,604,317</u>	<u>\$ 11,637,890</u>	<u>\$ 11,785,388</u>	<u>\$ 51,027,595</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 14. Postemployment Healthcare Plan

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

**Funding Policy.** The contribution requirements of plan members and the County are established and may be amended by ACMBT board of trustees. ACBP members under age 65 receiving benefits who were hired prior to July 1, 1997 contribute 8% of the premium and members under the age 65 receiving benefits who were hired after June 30, 1997 contribute 50% of the premium. The County pays \$ 150 per month for retirees over 65.

The current ARC rate is 5.63 percent of annual covered payroll.

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

Annual Required Contribution (ARC)	\$ 900,832
Interest on Net OPEB Obligation	(50,913)
Adjustment to ARC	41,443
Annual OPEB cost (expense)	891,362
Contribution Towards OPEB Cost	<u>(1,043,554)</u>
Increase (Decrease) in Net OPEB Obligation (asset)	(152,193)
Net OPEB Obligation (Asset)-Beginning of the year	<u>(727,324)</u>
Net OPEB Obligation (Asset)-End of the year	<u>\$ (879,516)</u>

Note 14. Postemployment Healthcare Plan-continued

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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

For fiscal year 2015, the County's annual OPEB cost (expense) of \$891,362 for ACBP was less than the ARC. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the preceding fiscal year are as follows:

Fiscal Year Ended	Annual OPEB Costs	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/15	891,362	117.0%	\$ (879,516)
06/30/14	1,568,681	103.7%	\$ (727,324)
06/30/13	1,954,347	100.0%	\$ (669,473)

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**Funding Status and Funding Progress.** The funded status of the plan as of July 1, 2015 (the date of the latest actuarial valuation) was as follows:

Actuarial accrued liability (AAL)	\$ 14,004,913
Actuarial value of plan assets	<u>2,439,038</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 11,565,875</u>
Funded ratio (actuarial value of plan assets/AAL)	17.41%
Covered payroll (active plan members)	\$ 15,993,334
UAAL as a percentage of covered payroll	72.30%

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

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

Note 14. Postemployment Healthcare Plan-continued

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

In the July 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The inflation rate was assumed to be constant at 3% per year. The actuarial assumptions included a 7.0 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after 6 years. The actuarial value of ACBP assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three year period. The ACBP's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at July 1, 2015, was thirty years. The County has elected to apply GASB Statement No. 45 prospectively and as a result the liability at transition was \$0.

Note 15. 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 a Health Insurance Trust Fund, an employee benefit trust fund, used to account for the activity and assets held in trust for the health insurance benefits of its employees.

The third-party administrator submits invoices periodically for all processed claims and administrative fees, and the County issues payment to the third-party administrator, who in turn issues individual claims checks. To protect itself against significant losses, the County has stop-loss policies in place for individual participant health care claims in excess of \$200,000 per year and aggregate annual participant claims in excess of \$10,009,929.

Third party administrators estimated the non-discounted claims liability reported in the funds at June 30, 2015. It is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Because actual claims liabilities depend on such complex factors as inflation, change in legal doctrines and damage awards, the process used in computing claims liabilities does not necessary result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balance of claims payable relating to the funds for fiscal year 2015 are as follows:

Balance at July 1, 2014	\$ 657,052
Claims and changes in estimates	(129,914)
Claim payments	-
Balance at June 30, 2015	<u>\$ 527,138</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 16. Pending Claims and Litigation

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The County is the defendant in several lawsuits in which plaintiffs are seeking to recover amounts from the County as a result of alleged damages incurred by those plaintiffs. Although the outcome of these lawsuits and any other potential proceeding, lawsuit or claim that is pending or threatened are not presently determinable, it is the opinion of the County's legal counsel and County management that resolution of these matters will not have a material effect on the financial condition of the County. At this time, there are no known claims or judgments due within one year.

Note 17. Contingent Liabilities

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The County participates in a number of state and federally assisted grant programs, principal of which are the U.S. Department of Agriculture, the U.S. Department of Transportation and the U.S. Department of Housing and Urban Developments economic development and housing assistance grant programs. Entitlement to the grant proceeds is generally based on compliance with the terms and conditions of the grant agreements and applicable regulations, including expenditure of the resources for eligible purposes. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for and including the year ended June 30, 2015 may not have been concluded.

Allegheny County has borrowed funds on behalf of the LaVale Sanitary District for the purpose of improvements to sewer and water lines and construction of a water treatment plant and water reservoir. The LaVale Sanitary District is responsible for the debt service payments and County has never been called upon to make any of the direct payments of the conduit debt. As of June 30, 2015, such debt includes loans with the U.S. Department of Agriculture of \$3,154,043.

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

Note 18. Accounting Changes and Restatement of Net Position

In fiscal year 2015, the Governmental Accounting Standards Board (GASB) Statement 68 "Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27 was effective. This statement was issued in order to improve accounting and financial reporting by state and local governments for pensions

**ALLEGANY COUNTY, MARYLAND  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

Note 18. Accounting Changes and Restatement of Net Position-continued

The implementation of Statement 68 resulted in restatement of the beginning net position of the governmental activities in the government-wide financial statements and the business-type activities in the fund and entity wide statements

An adjustment for net pension liability was made:

	<b><u>Governmental Activities</u></b>	<b><u>Business-Type Activities</u></b>
Net Position at June 30, 2014, as previously stated	\$104,667,865	\$90,010,315
Net Pension Liability activity required to be reported	(9,756,676)	(802,497)
Net Position at June 30, 2014, restated	<u>\$94,911,189</u>	<u>\$89,207,818</u>

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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**ALLEGANY COUNTY, MARYLAND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS**

**NON-PENSION POST EMPLOYMENT BENEFITS TRUST (OPEB)**

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2012	2,304,271	24,377,567	9.5%	22,073,296	14,024,592	157.4%
July 1, 2013	2,439,834	20,046,494	12.20%	17,606,660	\$13,867,239	127.00%
July 1, 2015	2,439,038	14,004,913	17.40%	11,565,875	\$15,993,334	72.30%

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

**LENGTH OF SERVICE AWARD PROGRAM TRUST (LOSAP)**

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2012	617,495	520,526	119.0%	(96,969)	N/A	N/A
January 1, 2013	847,553	756,003	112.0%	(91,550)	N/A	N/A
January 1, 2014	1,115,363	968,595	115.0%	(146,768)	N/A	N/A

**SCHEDULE OF EMPLOYER CONTRIBUTIONS:**

Year Ended June 30	Annual Required Contribution	Actual Contribution Made	Percentage Contributed
2011	599,000	599,000	100%
2012	210,240	210,240	100%
2013	235,805	235,805	100%
2014	201,986	201,986	100%
2015	200,008	200,008	100%

\*Note: First contribution was made during FY 2011

**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) as a % of payroll	Plan fiduciary net position as a % of total pension liability
2015	6.10%	\$10,872,378	14,004,466	77.64%	69.53%

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

**SCHEDULE OF COUNTY'S CONTRIBUTIONS**

Year Ended 30-Jun	Contractually required contribution	Contributions relative to Contractually Req contribution	Contribution Deficiency	County's Covered Payroll	Contributions as a % of covered employee payroll
2015	1,472,135	\$1,472,135	-	13,959,828	10.55%

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

**Notes to Required Supplementary Information:**

- Change in Benefit Terms** There were no benefit changes during the year.
- Change in Size or Composition of Population** - There were no significant changes in the size or composition of the population during the year.
- Changes in Assumptions** Adjustments to the rollforward liabilities were made to reflect the following assumption changes in the 2014 valuation:  
 -Investment return assumption changed from 7.7% to 7.65%.  
 -Inflation assumption changed from 2.95% to 2.9%



**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<u>Taxes:</u>				
Property Taxes:				
Real and personal property	\$ 40,914,360	\$ 40,664,360	\$ 40,606,724	\$ (57,636)
Payments in lieu of taxes:				
Coal companies	260,000	260,000	156,638	(103,362)
Housing Authorities	38,500	38,500	38,257	(243)
Rocky Gap	295,000	295,000	295,000	-
Interest on Delinquent taxes	900,000	900,000	1,221,257	321,257
Sub-total	<u>42,407,860</u>	<u>42,157,860</u>	<u>42,317,876</u>	<u>160,016</u>
Less:				
Prompt payment discounts	192,000	192,000	177,028	14,972
Deferred revenues	500,000	500,000	118,031	381,969
Industrial exemptions	100,000	100,000	77,452	22,548
Enterprise zone exemptions	165,000	165,000	106,662	58,338
Residential development tax credit	25,000	25,000	-	25,000
Tax increment financing	75,000	75,000	38,191	36,809
Historic tax credit	75,000	75,000	51,427	23,573
Real estate tax set-aside	25,000	25,000	-	25,000
PILOT abatement	11,400	11,400	11,400	-
Sub-total	<u>1,168,400</u>	<u>1,168,400</u>	<u>580,191</u>	<u>588,209</u>
Total Net Property Taxes	<u>41,239,460</u>	<u>40,989,460</u>	<u>41,737,685</u>	<u>748,225</u>
Income Taxes	23,675,889	24,475,889	25,910,575	1,434,686
Other Local Taxes:				
Hotel/motel tax	1,024,345	1,024,345	978,088	(46,257)
Admissions	220,000	220,000	320,462	100,462
Recordation	1,100,000	1,100,000	1,031,559	(68,441)
911 Fees	525,000	525,000	390,713	(134,287)
Trailer court	67,000	67,000	64,109	(2,891)
Transfer tax	375,000	375,000	387,897	12,897
Highway users taxes	462,965	462,965	466,089	3,124
Rocky Gap slots revenue	-	-	-	-
Total Local Taxes	<u>3,774,310</u>	<u>3,774,310</u>	<u>3,638,917</u>	<u>(135,393)</u>
Total Taxes	<u>68,689,659</u>	<u>69,239,659</u>	<u>71,287,177</u>	<u>2,047,518</u>
Licenses and Permits				
Alcoholic beverage licenses	100,000	100,000	93,737	(6,263)
Amusement licenses	5,000	5,000	5,116	116
Traders licenses	94,000	94,000	95,059	1,059
Occupational licenses	800	800	700	(100)
Building permits	25,000	25,000	35,373	10,373
Marriage licenses	4,500	4,500	4,515	15
Cable franchise fees	410,000	410,000	425,841	15,841
Sediment control permits	24,000	24,000	18,081	(5,919)
Total Licenses and Permits	<u>663,300</u>	<u>663,300</u>	<u>678,422</u>	<u>15,122</u>

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES (Continued):</b>				
<u>Intergovernmental:</u>				
Federal Funds:				
Homeland security grant	91,051	91,051	146,710	55,659
Civil defense	65,000	65,000	83,588	18,588
FEMA grant	12,875	12,875	20,877	8,002
MTA Transportation planning	78,498	99,484	109,252	9,768
Food distribution to the needy	12,300	12,300	-	(12,300)
Emergency shelter grant	57,750	57,750	72,639	14,889
Masters program	71,946	71,946	81,955	10,009
Payments in lieu of property taxes	7,500	7,500	7,205	(295)
Sub-total Federal funds	<u>396,920</u>	<u>417,906</u>	<u>522,226</u>	<u>104,320</u>
State Funds:				
Public Health	14,000	14,000	13,394	(606)
Police protection	218,193	218,193	214,350	(3,843)
State 911 grant	1,500	1,500	1,800	300
State transportation planning	9,812	9,812	11,033	1,221
Maryland Department of Environment grant	1,000	1,000	-	(1,000)
Juvenile services grant	15,130	15,130	4,591	(10,539)
Department of Natural Resources	20,000	20,000	228,019	208,019
Conservation aid salary	28,976	28,976	28,976	-
Program Open Space grant	234,368	234,368	38,051	(196,317)
Disparity grant	8,930,611	8,930,611	8,930,611	-
State Jury Reimbursement	50,000	50,000	38,280	(11,720)
Tourism grant	36,000	36,000	-	(36,000)
Governors Office of Crime Control			13,308	13,308
Work Crew Supervisor	30,647	30,647	32,094	1,447
Miscellaneous	158,747	222,767	234,865	12,098
Sub-total State Funds	<u>9,748,984</u>	<u>9,813,004</u>	<u>9,789,372</u>	<u>(23,632)</u>
Other Intergovernmental:				
Other agencies	356,446	383,038	600,745	217,707
Sub-total Other Intergovernmental:	<u>356,446</u>	<u>383,038</u>	<u>600,745</u>	<u>217,707</u>
<b>Total Intergovernmental</b>	<u>10,502,350</u>	<u>10,613,948</u>	<u>10,912,343</u>	<u>298,395</u>

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

<u>REVENUES (Continued)</u>	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Service Charges:</u>				
General government charges:				
State civil process	50,000	50,000	45,571	(4,429)
Plans & specifications	5,000	5,000	1,927	(3,073)
Regulation & Maps	-	-	240	240
Tax sale fees	22,000	22,000	31,742	9,742
Election filing fees	-	-	837	837
Security interest filing fee	-	-	45	45
License application fees	8,200	8,500	8,250	(250)
Liquor License transfer fee	4,500	4,500	1,300	(3,200)
Bay restoration collection fee	5,000	5,000	-	(5,000)
Health Ins Admin fee	1,100	1,100	262	(838)
Other general government service charges	5,500	5,500	5,500	-
Tourism promotion charges	87,500	87,500	27,634	(59,866)
Collection fees-special areas	60,000	60,000	57,635	(2,365)
Liquor License Collection fee	3,600	3,600	3,485	(115)
Hotel/Motel collection fee	20,500	20,500	21,959	1,459
Partial payment fee	1,500	1,500	2,464	964
Engineering fees	40,000	40,000	40,000	-
Indirect cost allocation	574,914	574,914	20,915	(553,999)
Sub-total general government charges	889,314	889,614	269,766	(619,848)
Public safety charges:				
Police protection charges	10,000	10,000	92,723	82,723
Fingerprinting fee	200	200	10	(190)
Impound fees	-	-	4,610	4,610
Jail work release	12,000	12,000	13,852	1,852
Boarding state prisoners	25,000	79,855	250,605	170,750
Boarding Federal prisoners	5,000	5,000	21,457	16,457
Community service fee	22,000	22,000	14,915	(7,085)
Home detention fee	35,000	35,000	25,114	(9,886)
Inmate Medical Copay	4,000	4,000	4,039	39
Building Inspection fees	15,000	15,000	10,691	(4,309)
Ambulance fees	120,000	120,000	133,281	13,281
Sub-total public safety charges	248,200	303,055	571,297	268,242
Sanitation and Waste Removal:				
Landfill fees	165,000	165,000	163,805	(1,195)
Recycling fees	50,000	50,000	132,268	82,268
Recycled material sales	11,000	11,000	18,365	7,365
Sub-total Sanitation and Waste	226,000	226,000	314,438	88,438

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES (Continued):</b>				
<u>Service Charges (continued):</u>				
Public service enterprises:				
Upper Potomac River Commission	313,198	313,198	313,198	-
Road closing fees	300	300	-	(300)
Sub-total public service charges	<u>313,498</u>	<u>313,498</u>	<u>313,198</u>	<u>(300)</u>
Total Service Charges	<u>1,677,012</u>	<u>1,732,167</u>	<u>1,468,699</u>	<u>(263,468)</u>
<u>Fines and Forfeitures:</u>				
Circuit court fines	7,000	7,000	5,712	(1,288)
Contraband seizures	-	-	13,668	13,668
Liquor violation fines	8,000	8,000	2,900	(5,100)
Zoning fines	5,400	5,400	5,258	(142)
Fines and forfeitures	2,500	2,500	49,950	47,450
Total Fines and Forfeitures	<u>22,900</u>	<u>22,900</u>	<u>77,488</u>	<u>54,588</u>
<u>Miscellaneous:</u>				
Interest	116,759	116,759	134,080	17,321
Rents and concessions	322,385	322,385	367,321	44,936
Miscellaneous	24,360	113,780	238,434	124,654
Total Miscellaneous	<u>463,504</u>	<u>552,924</u>	<u>739,835</u>	<u>186,911</u>
Total Revenues	<u>82,018,725</u>	<u>82,824,898</u>	<u>85,163,964</u>	<u>2,339,066</u>

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>EXPENDITURES:</b>	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
<u>General Government:</u>				
Legislative:				
County Commissioners	167,101	167,691	165,010	2,681
County Commissioners Office	-	-	-	-
Total legislative	<u>167,101</u>	<u>167,691</u>	<u>165,010</u>	<u>2,681</u>
Judicial:				
Family Support Services	153,079	167,139	154,409	12,730
Alternative dispute resolution	5,668	5,668	4,980	688
Circuit court masters program	109,009	112,486	104,600	7,886
Circuit court	355,243	361,418	347,836	13,582
Orphans court	63,389	66,683	63,901	2,782
Family Law Master	68,855	68,855	74,018	(5,163)
State's attorney	1,321,077	1,330,286	1,334,969	(4,683)
Law library	22,000	22,000	22,000	-
Grand and petit juries	70,922	70,922	56,766	14,156
Total Judicial	<u>2,169,242</u>	<u>2,205,457</u>	<u>2,163,479</u>	<u>41,978</u>
Executive:				
Administrator	308,125	312,602	270,191	42,411
Elections:				
Registration and elections	597,262	600,395	476,511	123,884
Financial Administration:				
Finance Office	506,080	515,233	420,695	94,538
Tax Office	621,207	628,734	376,017	252,717
State Assessment Fee	390,687	390,687	342,416	48,271
Accounting Software	-	244,418	298,851	(54,433)
Professional services	56,700	56,700	56,643	57
Total Financial Administration	<u>1,574,674</u>	<u>1,835,772</u>	<u>1,494,622</u>	<u>341,150</u>
Legal:				
Legal counsel	200,287	200,287	171,124	29,163
Other legal/professional	142,000	142,000	134,720	7,280
Total legal	<u>342,287</u>	<u>342,287</u>	<u>305,844</u>	<u>36,443</u>
Personnel Administration:				
Human Resources department	523,282	527,811	487,569	40,242
Human resources board of appeals	3,551	3,551	1,871	1,680
Wellness/Employee recognition	11,013	11,013	5,146	5,867
Total personnel administration	<u>537,846</u>	<u>542,375</u>	<u>494,586</u>	<u>47,789</u>
Planning and Zoning:				
Planning and zoning department	384,621	387,133	324,083	63,050
Land use planning	-	-	-	-
Total Planning and Zoning	<u>384,621</u>	<u>387,133</u>	<u>324,083</u>	<u>63,050</u>
General Services:				
County Building Maintenance	1,198,055	1,202,982	1,071,976	131,006
Data Processing	277,208	277,208	248,842	28,366
Total general services	<u>1,475,263</u>	<u>1,480,190</u>	<u>1,320,818</u>	<u>159,372</u>
Other general government:				
Liquor control board	114,088	114,088	113,501	587
Insurance	385,500	385,500	374,637	10,863
Employee benefits	184,000	184,000	70,964	113,036
Post retirement benefits	1,012,213	1,012,213	821,083	191,130
Total Other General Government	<u>1,695,801</u>	<u>1,695,801</u>	<u>1,380,185</u>	<u>315,616</u>
Total General Government	<u>9,252,222</u>	<u>9,569,703</u>	<u>8,395,329</u>	<u>1,174,374</u>

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>EXPENDITURES:</b>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued):</b>				
<u>Public Safety:</u>				
<u>Police:</u>				
Police Department	1,516,050	1,518,554	1,599,042	(80,488)
Sheriffs department	1,098,829	1,105,811	1,214,406	(108,595)
C31 Unit	13,000	13,000	3,696	9,304
Safe School	80,727	80,727	95,051	(14,324)
Juvenile review board	49,430	76,022	53,459	22,563
Drug Seizures-Sheriff			22,029	(22,029)
Truancy Prevention	73,133	73,133	73,162	(29)
Coalition Out of School				-
Total Police	<u>2,831,169</u>	<u>2,867,247</u>	<u>3,060,845</u>	<u>(193,598)</u>
<u>Fire and rescue:</u>				
Emergency medical services	656,240	795,920	820,941	(25,021)
Drug Seizures	-	-	-	-
Length of service award	210,000	210,000	206,828	3,172
Volunteer fire companies	1,036,086	1,036,086	1,014,087	21,999
Total Fire	<u>1,902,326</u>	<u>2,042,006</u>	<u>2,041,856</u>	<u>150</u>
<u>Correction:</u>				
County detention center maintenance	181,497	182,622	181,156	1,466
County detention center	7,162,762	7,249,379	7,414,447	(165,068)
Juvenile service grant	15,081	15,081	-	15,081
Alternative sentencing	177,664	177,664	177,031	633
Home detention grant	146,387	146,387	139,026	7,361
Total Correction	<u>7,683,391</u>	<u>7,771,133</u>	<u>7,911,660</u>	<u>(140,527)</u>
<u>Other Protection:</u>				
Permits & enforcement	255,983	255,983	239,979	16,004
Emergency Management Agency	239,590	239,590	206,685	32,905
Local emergency planning	1,000	1,000	1,500	(500)
Animal control	360,918	360,918	360,918	-
911	2,140,931	2,140,931	2,233,400	(92,469)
Hazardous materials operations	69,513	69,513	59,024	10,489
Public safety department	159,741	159,741	159,022	719
Domestic preparedness grant	91,051	91,051	227,894	(136,843)
Building Codes	48,401	48,401	46,799	1,602
Code Enforcement	125,723	125,723	100,389	25,334
Flood control	4,000	4,000	-	4,000
Transportation planning	112,811	112,811	108,474	4,337
Total Other Protection	<u>3,609,662</u>	<u>3,609,662</u>	<u>3,744,084</u>	<u>(134,422)</u>
<b>Total Public Safety</b>	<u>16,026,548</u>	<u>16,290,048</u>	<u>16,758,445</u>	<u>(468,397)</u>
<u>Public Works:</u>				
<u>Public Services:</u>				
Highway department	7,673,264	7,673,264	7,470,024	203,240
Airport	240,000	240,000	240,000	-
<u>Waste collection:</u>				
Solid waste disposal	394,429	394,429	376,934	17,495
Solid waste recycling	169,248	169,248	171,872	(2,624)
UPRC	391,498	391,498	391,498	-
County engineer	944,344	944,344	954,365	(10,021)
<b>Total Public Works</b>	<u>9,812,783</u>	<u>9,812,783</u>	<u>9,604,693</u>	<u>208,090</u>

Continued

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>EXPENDITURES:</b> <b>EXPENDITURES (Continued):</b>	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Health and Hospitals:</u>				
Brook Building	150,000	150,000	126,655	23,345
Willowbrook Office	291,000	291,000	271,317	19,683
Health Department supplemental	28,481	28,481	25,645	2,836
Western Maryland Health Planning	9,000	9,000	9,379	(379)
Prescribed Medication			-	-
Total Health and Hospitals	478,481	478,481	432,996	45,485
<u>Social Services:</u>				
Nursing Home costs	339,596	339,596	260,274	79,322
Pauper's burials	1,300	1,300	-	1,300
Human Resources Devel. Comm.	737,570	737,570	737,568	-
Emergency shelter grant	57,750	57,750	72,639	(14,889)
Child abuse coordinator	121,404	121,404	125,019	(3,615)
Family Crisis Center	88,000	88,000	88,000	-
Food distribution to the needy	12,300	12,300	-	12,300
Total Social Services	1,357,920	1,357,920	1,283,500	74,418
<u>Recreation and Culture:</u>				
Agriculture Expo	13,000	13,000	13,000	-
Allegany County Arts Council	35,000	35,000	35,000	-
Allegany County fair	389,632	389,632	409,695	(20,063)
Highland trail operations	83,804	104,790	140,341	(35,551)
Cumberland Summer Theatre	8,000	8,000	8,000	-
Program Open Space	234,368	234,368	22,672	211,696
Total Recreation and Culture	763,804	784,790	628,708	156,082
<u>Conservation of Natural Resources:</u>				
Agricultural Extension Service	141,946	141,946	141,941	5
Soil conservation services	103,708	103,708	104,476	(768)
Gypsy moth control	10,000	10,000	8,265	1,735
Total Conservation of Natural Resources	255,654	255,654	254,682	972
<u>Community Development &amp; Housing</u>				
Allegany Co. Public Housing Authority	8,000	8,000	8,000	-
Total Community Development & Housing	8,000	8,000	8,000	-
<u>Economic Development:</u>				
Department of Economic Development	477,107	488,322	542,834	(54,512)
Scenic railroad development	140,000	140,000	140,000	-
Tri-County Council	40,000	40,000	40,000	-
Tourism department	529,035	529,035	531,965	(2,930)
Toll House	2,650	2,650	369	2,281
Thrasher Museum	15,000	15,000	30,239	(15,239)
Community promotion	9,000	9,000	6,150	2,850
Canal Place Preservation	-	-	-	-
Total Economic Development	1,212,792	1,224,007	1,291,557	(67,550)

(continued)

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

	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	1,422,523	1,422,523	1,422,523	-
Department of Social Services	9,800	9,800	9,800	-
Total Appropriations to Other Gov't Units:	<u>1,461,027</u>	<u>1,461,027</u>	<u>1,461,027</u>	<u>-</u>
<u>Miscellaneous:</u>				
Miscellaneous	70,672	70,670	32,321	38,349
Total Miscellaneous	<u>70,672</u>	<u>70,670</u>	<u>32,321</u>	<u>38,349</u>
<u>Payments to Component Units</u>				
Allegany Co. Board of Education	29,418,144	29,418,144	29,418,144	-
Allegany College	7,555,000	7,555,000	7,555,000	-
Allegany County Library	947,500	947,500	947,500	-
Information Technology	313,562	313,562	313,562	-
Total payments to component units	<u>38,234,206</u>	<u>38,234,206</u>	<u>38,234,206</u>	<u>-</u>
Total Expenditures	<u>78,934,109</u>	<u>79,547,289</u>	<u>78,385,464</u>	<u>1,161,823</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,084,616</u>	<u>3,277,609</u>	<u>6,778,500</u>	<u>3,500,889</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
<u>Unexpended balance - prior years</u>				
	-	-	-	-
<u>Transfers In from other funds:</u>				
Transfers from special revenue funds	75,440	75,440	-	(75,440)
Transfers from enterprise funds	28,608	28,608	23,890	(4,718)
Total Transfers In	<u>104,048</u>	<u>104,048</u>	<u>23,890</u>	<u>(80,158)</u>
<u>Operating Transfers to Other Funds:</u>				
Special revenue funds:				
Transit Fund	(309,733)	(310,433)	(239,771)	70,662
Housing & Section 8 fund	-	-	-	-
Narcotics Task Force	(6,500)	(6,500)	(10,928)	(4,428)
Gaming fund	-	(789)	-	789
RBF	-	-	-	-
Debt service Fund:				
From General government	(2,550,647)	(2,550,647)	(1,877,861)	672,786
From Bureau of Police	-	-	-	-
Capital Projects Fund				
Pay-Go Fund	(250,000)	(435,000)	(435,000)	-
Capital Projects Fund	-	-	-	-
Enterprise funds:				
Allconet	-	-	-	-
Sanitary fund/Water fund	(91,784)	(98,285)	(94,364)	3,921
Total operating transfers to other funds	<u>(3,208,664)</u>	<u>(3,401,654)</u>	<u>(2,657,924)</u>	<u>743,730</u>
<u>Sale of capital assets</u>	20,000	20,000	1,716	(18,284)
Total Other Financing Sources and Uses	<u>(3,084,616)</u>	<u>(3,277,606)</u>	<u>(2,632,318)</u>	<u>645,288</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 3</u>	4,146,182	<u>\$ 4,146,179</u>
Fund balance, beginning			23,458,135	
Fund balance, ending			<u>\$ 27,604,317</u>	

**ALLEGANY COUNTY, MARYLAND  
BUDGETARY COMPARISON SCHEDULE  
REVOLVING BUILDING FUND SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental:				
Federal	\$ 600,000	\$ 600,000	\$ -	\$ (600,000)
Interest	-	-	-	-
Miscellaneous	3,374,406	3,374,406	3,374,863	457
Total Revenues	<u>3,974,406</u>	<u>3,974,406</u>	<u>3,374,863</u>	<u>(599,543)</u>
<b>EXPENDITURES</b>				
Economic development	<u>13,074,035</u>	<u>13,074,035</u>	<u>644,808</u>	<u>12,429,227</u>
Total Expenditures	<u>13,074,035</u>	<u>13,074,035</u>	<u>644,808</u>	<u>12,429,227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,099,629)</u>	<u>(9,099,629)</u>	<u>2,730,055</u>	<u>11,829,684</u>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Unexpended balance - prior years	10,185,621	10,185,621	-	(10,185,621)
Transfer from other funds	-	-	-	-
Transfers to other funds	(1,085,992)	(1,085,992)	(1,527,658)	(441,666)
Proceeds from debt issuance	-	-	-	-
Sale of capital assets	-	-	-	-
Total Other Financing Sources and Uses	<u>9,099,629</u>	<u>9,099,629</u>	<u>(1,527,658)</u>	<u>(10,627,287)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	1,202,397	<u>\$ 1,202,397</u>
Fund balance, beginning			10,435,493	
Fund balance, ending			<u>\$ 11,637,890</u>	

**Notes to Required Supplementary Information  
June 30, 2015**

**Budgetary Basis**

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

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

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# NONMAJOR GOVERNMENTAL FUNDS

## Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

## Debt Service Fund

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

## Capital Projects Funds

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

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

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

ALLEGANY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2015

	Special Revenue Funds						
	Coal Haul Roads Fund	Transit Fund	Community Development Block Grant Fund	Block Grant Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund	Gaming Fund
<b>ASSETS:</b>							
Cash	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ 1,000	\$ -
Cash - restricted	-	-	-	-	60,221	-	-
Investments	754,788	-	-	-	-	100,136	-
Investments-Restricted	-	-	-	-	-	-	-
Receivables	-	-	-	309,091	-	-	-
Notes and loans	-	-	-	-	-	-	-
Other	528	470,400	-	-	-	60	16,183
Due from other funds	-	-	9,739	172,230	77,656	146,589	233,366
Inventory	-	55,277	-	-	-	-	-
Total Assets	<u>755,316</u>	<u>525,827</u>	<u>9,739</u>	<u>481,321</u>	<u>137,877</u>	<u>247,785</u>	<u>249,549</u>
<b>LIABILITIES:</b>							
Accounts payable	-	8,806	-	-	77,656	21,512	64,832
Accrued payroll	-	30,953	-	-	-	1,412	4,392
Accrued payroll fringe	-	19,453	-	-	-	126	1,102
Due to other funds	180,208	267,713	-	-	-	-	-
Amounts held in escrow	-	-	-	-	60,221	175,192	-
Unavailable Revenue	-	-	-	309,091	-	-	-
Total Liabilities	<u>180,208</u>	<u>326,925</u>	<u>-</u>	<u>309,091</u>	<u>137,877</u>	<u>198,242</u>	<u>70,326</u>
<b>DEFERRED INFLOWS of RESOURCES:</b>							
Grant Reimbursement not Available	-	198,902	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>198,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	575,108	-	9,739	172,230	-	49,543	-
Committed	-	-	-	-	-	-	179,223
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	<u>575,108</u>	<u>-</u>	<u>9,739</u>	<u>172,230</u>	<u>-</u>	<u>49,543</u>	<u>179,223</u>
Total Liabilities, deferred inflows of resources and fund balances	<u>\$ 755,316</u>	<u>\$ 525,827</u>	<u>\$ 9,739</u>	<u>\$ 481,321</u>	<u>\$ 137,877</u>	<u>\$ 247,785</u>	<u>\$ 249,549</u>

**ALLEGANY COUNTY, MARYLAND  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

Special Revenue Funds			Debt Service	Capital Project Funds			Total	Total
State Fire, Rescue & Public Safety Fund	Rocky Gap Slots Revenue Fund	Total	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Capital Projects Funds	Nonmajor Governmental Funds
\$ -		\$ 1,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,150
-		60,221	-	-	-	-	-	60,221
300,887		1,155,811	-	-	1,690,372	-	1,690,372	2,846,183
-		309,091	-	-	-	8,909,123	8,909,123	8,909,123
2,711	184,176	674,058	-	273,362	1,277	557	275,196	949,254
297,838	123,923	1,061,341	-	91,757	29,608	5,663	127,028	1,188,369
-		55,277	-	-	-	-	-	55,277
<u>601,436</u>	<u>308,099</u>	<u>3,316,949</u>	<u>-</u>	<u>365,119</u>	<u>1,721,257</u>	<u>8,915,343</u>	<u>11,001,719</u>	<u>14,318,668</u>
3,345	308,099	484,250	-	39,856	7,409	-	47,265	531,515
-		36,757	-	-	-	-	-	36,757
-		20,681	-	-	-	-	-	20,681
-		447,921	189,889	-	-	122,103	122,103	759,913
-		235,413	-	-	-	-	-	235,413
-		309,091	-	441,008	-	-	441,008	750,099
<u>3,345</u>	<u>308,099</u>	<u>1,534,113</u>	<u>189,889</u>	<u>480,864</u>	<u>7,409</u>	<u>122,103</u>	<u>610,376</u>	<u>2,334,378</u>
-		198,902	-	-	-	-	-	198,902
-		198,902	-	-	-	-	-	198,902
-		-	-	-	-	-	-	-
598,091		1,404,711	-	-	-	8,793,240	8,793,240	10,197,951
-		179,223	-	-	319,550	-	319,550	498,773
-		-	-	-	1,394,298	-	1,394,298	1,394,298
-		-	(189,889)	(115,745)	-	-	(115,745)	(305,634)
<u>598,091</u>	<u>-</u>	<u>1,583,934</u>	<u>(189,889)</u>	<u>(115,745)</u>	<u>1,713,848</u>	<u>8,793,240</u>	<u>10,391,343</u>	<u>11,785,388</u>
<u>\$ 601,436</u>	<u>\$ 308,099</u>	<u>\$ 3,316,949</u>	<u>\$ -</u>	<u>\$ 365,119</u>	<u>\$ 1,721,257</u>	<u>\$ 8,915,343</u>	<u>\$ 11,001,719</u>	<u>\$ 14,318,668</u>

1,413,850

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds						
	Coal Haul Roads Fund	Transit Fund	Community Development Block Grant Fund	Block Grant Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund	Gaming Fund
<b>REVENUES:</b>							
Other local taxes	\$ 70,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336,176
Intergovernmental:							
Federal	-	944,284	674	1,031	867,564	76,690	-
State/Other	-	465,272	-	-	40,000	-	-
Service charges	-	368,875	-	-	-	-	33,200
Fines and forfeitures	-	-	-	-	-	72,761	-
Interest	1,924	-	-	-	-	190	-
Miscellaneous	-	600	-	47,885	-	55,587	-
<b>Total Revenues</b>	<b>72,411</b>	<b>1,779,031</b>	<b>674</b>	<b>48,916</b>	<b>907,564</b>	<b>205,228</b>	<b>369,376</b>
<b>EXPENDITURES:</b>							
<b>Current:</b>							
General government	-	-	-	-	-	-	137,395
Public safety	-	-	-	-	-	182,441	53,304
Public works	-	1,846,289	-	-	-	-	-
Highways	14,697	-	-	-	-	-	-
Community Development and Housing	-	-	-	112,128	907,564	-	-
Economic development	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital Outlay:							
General government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	38,074	-
Public works	112,666	152,848	-	-	-	-	-
Education	-	-	-	-	-	-	-
Recreation & Culture	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Payments to component units: Board of Education/ACC	-	-	-	-	-	-	63,625
<b>Total Expenditures</b>	<b>127,363</b>	<b>1,999,137</b>	<b>-</b>	<b>112,128</b>	<b>907,564</b>	<b>220,515</b>	<b>254,324</b>
Excess (deficiency) of revenues over (under) expenditures	(54,952)	(220,106)	674	(63,212)	-	(15,287)	115,052
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	-	239,769	-	-	-	10,927	-
Transfers out	(92,693)	(19,663)	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
<b>Total Other Financing Sources and uses</b>	<b>(92,693)</b>	<b>220,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,927</b>	<b>-</b>
Net change in fund balances	(147,645)	-	674	(63,212)	-	(4,360)	115,052
Fund balance, beginning,	722,753	-	9,065	235,442	-	53,903	64,171
Fund balance, ending	<u>\$ 575,108</u>	<u>\$ -</u>	<u>\$ 9,739</u>	<u>\$ 172,230</u>	<u>\$ -</u>	<u>\$ 49,543</u>	<u>\$ 179,223</u>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	
\$ -		\$ 406,663	\$ -			\$ -	\$ -	\$ 406,663
-		1,890,243	-	837,977		-	837,977	2,728,220
271,791	1,014,469	1,791,532	-	147,667	526,794	-	674,461	2,465,993
27,247		429,322	-	-	-	-	-	429,322
-		72,761	-	-	-	-	-	72,761
480		2,594	-	-	3,272	7,680	10,952	13,546
40,339		144,411	-	14,320	8,000	-	22,320	166,731
<u>339,857</u>	<u>1,014,469</u>	<u>4,737,526</u>	<u>-</u>	<u>999,964</u>	<u>538,066</u>	<u>7,680</u>	<u>1,545,710</u>	<u>6,283,236</u>
-		137,395	-	-	-	-	-	137,395
283,912	294,469	814,126	-	-	-	-	-	814,126
-		1,846,289	-	-	-	-	-	1,846,289
-		14,697	-	-	-	-	-	14,697
-		1,019,692	-	-	-	-	-	1,019,692
-		-	-	-	-	-	-	-
-		-	725	-	-	-	-	725
-		-	4,397,552	-	-	-	-	4,397,552
-		-	558,774	-	-	-	-	558,774
-		-	-	89,234	63,889	154,126	307,249	307,249
-		38,074	-	222,480	306,262	-	528,742	566,816
-		265,514	-	705,452	785,629	36,346	1,527,427	1,792,941
-		-	-	-	-	806,327	806,327	806,327
-		-	-	-	-	-	-	-
-		-	-	-	-	-	-	-
-		-	-	-	-	-	-	-
-	560,000	623,625	-	-	-	-	-	623,625
<u>283,912</u>	<u>854,469</u>	<u>4,759,412</u>	<u>4,957,051</u>	<u>1,017,166</u>	<u>1,155,780</u>	<u>996,799</u>	<u>3,169,745</u>	<u>12,886,208</u>
55,945	160,000	(21,886)	(4,957,051)	(17,202)	(617,714)	(989,119)	(1,624,035)	(6,602,972)
-		250,696	3,405,835	92,693	595,000	-	687,693	4,344,224
-	(160,000)	(272,356)	-	-	-	-	-	(272,356)
-	-	-	-	-	-	9,740,351	9,740,351	9,740,351
-	-	-	-	-	-	-	-	-
-	(160,000)	(21,660)	3,405,835	92,693	595,000	9,740,351	10,428,044	13,812,219
55,945	-	(43,546)	(1,551,216)	75,491	(22,714)	8,751,232	8,804,009	7,209,247
542,146	-	1,627,480	1,361,327	(191,236)	1,736,562	42,008	1,587,334	4,576,141
<u>\$ 598,091</u>	<u>\$ -</u>	<u>\$ 1,583,934</u>	<u>\$ (189,889)</u>	<u>\$ (115,745)</u>	<u>\$ 1,713,848</u>	<u>\$ 8,793,240</u>	<u>\$ 10,391,343</u>	<u>\$ 11,785,388</u>

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# NONMAJOR ENTERPRISE FUNDS

## Enterprise Funds

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

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

County Loan Fund - this fund accounts for the loan activity between the County, various agencies and the community. It 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, 2015**

<u>ASSETS</u>	<u>Allconet II</u>	<u>Allegany County Loan Fund</u>	<u>Total</u>
Current Assets:			
Cash:			
Cash	\$ -	\$ -	\$ -
Receivables:			
Accounts (net)	4,049		4,049
Other	33,107	16,902	50,009
Due from other funds	475,107	692,412	1,167,519
Miscellaneous assets	-	-	-
Total current assets	<u>512,263</u>	<u>709,314</u>	<u>1,221,577</u>
Non-current Assets:			
Advances to other funds	-	322,205	322,205
Capital assets subject to depreciation	4,442,403	-	4,442,403
Accumulated depreciation	(3,840,935)	-	(3,840,935)
Total noncurrent assets	<u>601,468</u>	<u>322,205</u>	<u>923,673</u>
Total Assets	<u>1,113,731</u>	<u>1,031,519</u>	<u>2,145,250</u>
 <u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	61,640	-	61,640
Due to other funds	-	-	-
Miscellaneous liabilities	-	-	-
Total current liabilities	<u>61,640</u>	<u>-</u>	<u>61,640</u>
Noncurrent Liabilities:			
Long term debt:			
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>61,640</u>	<u>-</u>	<u>61,640</u>
 <u>NET POSITION</u>			
Net investment in capital assets	601,468	-	601,468
Unrestricted	450,623	1,031,519	1,482,142
Total Net Position	<u>\$ 1,052,091</u>	<u>\$ 1,031,519</u>	<u>\$ 2,083,610</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, 2015**

<u>OPERATING REVENUES:</u>	<u>Allconet II</u>	<u>Allegany County Loan Fund</u>	<u>Total</u>
Service charges	316,477	-	316,477
Total operating Revenues	<u>316,477</u>	<u>-</u>	<u>316,477</u>
<u>OPERATING EXPENSES:</u>			
Rent Expense	11,569	-	11,569
Utilities	6,512	-	6,512
Repairs & maintenance	19,899	-	19,899
Professional services	171,162	-	171,162
Materials and supplies	-	-	-
Insurance	1,084	-	1,084
Miscellaneous			-
Depreciation	124,359	-	124,359
Total operating expenses	<u>334,585</u>	<u>-</u>	<u>334,585</u>
Operating Income (Loss)	<u>(18,108)</u>	<u>-</u>	<u>(18,108)</u>
<u>NON-OPERATING REVENUE (EXPENSES):</u>			
Interest income	1,289	-	1,289
Other income (expense)	-	-	-
Total non-operating revenue (expenses)	<u>1,289</u>	<u>-</u>	<u>1,289</u>
Income (Loss) before contributions and transfers	(16,819)	-	(16,819)
Federal grants			-
Other agency grants			-
Transfer in		-	-
Transfer out	-	(23,890)	(23,890)
Change in net position	<u>(16,819)</u>	<u>(23,890)</u>	<u>(40,709)</u>
Total net position - beginning	1,068,910	1,055,409	2,124,319
Total net position - ending	<u>\$ 1,052,091</u>	<u>\$ 1,031,519</u>	<u>\$ 2,083,610</u>

ALLEGANY COUNTY, MARYLAND  
 COMBINING STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Allconet II	Allegheny County Loan Fund	Total
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 320,541	\$ 23,890	\$ 344,431
Cash payments for goods and services	(229,665)		(229,665)
Other operating revenues	-	-	-
Net cash provided by operating activities	<u>90,876</u>	<u>23,890</u>	<u>114,766</u>
<b>Cash flows from noncapital financing activities:</b>			
Advances from other funds	669,547	4,792	674,339
Advances to other funds	(761,712)	(4,792)	(766,504)
Transfers from other funds	-	-	-
Transfers to other funds	-	(23,890)	(23,890)
Net cash provided by noncapital financing activities	<u>(92,165)</u>	<u>(23,890)</u>	<u>(116,055)</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	-	-	-
Grant Revenue/Other agency revenue	-	-	-
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>			
Purchase of investments	-	-	-
Sale of investments	-	-	-
Interest on investments	1,289	-	1,289
Net cash used in investing activities	<u>1,289</u>	<u>-</u>	<u>1,289</u>
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)	\$ (18,108)	\$ -	\$ (18,108)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	124,359	-	124,359
Provision for uncollectible accounts	-	-	-
Change in assets & liabilities:			
(Increase) decrease in receivables	4,064	23,890	27,954
(Increase) decrease in prepaids	-	-	-
Increase (decrease) in acc'ts payable	(19,439)	-	(19,439)
Increase (decrease) in accrued payroll	-	-	-
Total adjustments	<u>108,984</u>	<u>23,890</u>	<u>132,874</u>
Net cash provided by operating activities	<u>\$ 90,876</u>	<u>\$ 23,890</u>	<u>\$ 114,766</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, 2015**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<u>Expenditures:</u>				
Current:				
Miscellaneous:				
Paying agent fees	\$ 175,000	\$ 175,000	\$ 725	\$ 174,275
Debt Service:				
Principal payments on :				
General obligation debt	2,636,762	2,636,762	4,104,099	(1,467,337)
State loans	300,349	300,349	293,453	6,896
Total principal payments	<u>2,937,111</u>	<u>2,937,111</u>	<u>4,397,552</u>	<u>(1,460,441)</u>
Interest payments on:				
General obligation debt	508,833	508,833	524,796	(15,963)
State loans	35,358	35,358	33,978	1,380
Total interest payments	<u>544,191</u>	<u>544,191</u>	<u>558,774</u>	<u>(14,583)</u>
Total Expenditures	<u>3,656,302</u>	<u>3,656,302</u>	<u>4,957,051</u>	<u>(1,300,749)</u>
Deficiency of revenues under expenditures	<u>(3,656,302)</u>	<u>(3,656,302)</u>	<u>(4,957,051)</u>	<u>1,300,749</u>
<u>Other Financing Sources and (Uses):</u>				
Bond Proceeds	-	-		-
Transfers from other funds:				
From the General Fund	2,550,647	2,550,647	1,877,862	(672,785)
From the Transit Fund	19,663	19,663	19,663	-
From the Revolving Building Fund	1,085,992	1,085,992	1,508,310	422,318
Total Other Financing Sources and Uses	<u>3,656,302</u>	<u>3,656,302</u>	<u>3,405,835</u>	<u>(250,467)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(1,551,216)	<u>\$ (1,551,216)</u>
Fund balance, beginning			<u>1,361,327</u>	
Fund balance, ending			<u>\$ (189,889)</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015

	Coal Haul Roads Fund				Transit Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	100,000	100,000	70,487	(29,513)	-	-	-	-
Intergovernmental:	-	-	-	-	-	-	-	-
Federal	-	-	-	-	1,437,806	1,437,806	944,284	(493,522)
State	-	-	-	-	498,760	498,760	465,272	(33,488)
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	464,767	464,767	368,875	(95,892)
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	5,000	5,000	1,924	(3,076)	-	-	-	-
Miscellaneous	-	-	-	-	5,000	5,000	600	(4,400)
Total Revenues	<u>105,000</u>	<u>105,000</u>	<u>72,411</u>	<u>(32,589)</u>	<u>2,406,333</u>	<u>2,406,333</u>	<u>1,779,031</u>	<u>(627,302)</u>
<b>EXPENDITURES:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	105,000	105,000	127,363	22,363	2,696,403	2,697,103	1,999,135	697,968
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
Total Expenditures	<u>105,000</u>	<u>105,000</u>	<u>127,363</u>	<u>22,363</u>	<u>2,696,403</u>	<u>2,697,103</u>	<u>1,999,135</u>	<u>697,968</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(54,952)	(10,226)	(290,070)	(290,770)	(220,104)	70,666
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	309,733	310,433	239,769	(70,664)
Transfers to other funds	-	-	(92,693)	(92,693)	(19,663)	(19,663)	(19,663)	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	(92,693)	(92,693)	290,070	290,770	220,106	(70,664)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(147,645)</u>	<u>\$ (102,919)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2</u>	<u>\$ 2</u>
Fund balance, beginning			722,753				-	
Fund balance, ending			<u>\$ 575,108</u>				<u>\$ 2</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015

	Community Development Block Grant Fund				Block Grant Program Income Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	674	674	-	-	1,031	1,031
State	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	47,885	47,885
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>674</u>	<u>674</u>	<u>-</u>	<u>-</u>	<u>48,916</u>	<u>48,916</u>
<b>EXPENDITURES:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	112,128	(112,128)
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,128</u>	<u>(112,128)</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	674	674	-	-	(63,212)	(63,212)
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>674</u>	<u>\$ 674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(63,212)</u>	<u>\$ (63,212)</u>
Fund balance, beginning,			9,065				235,442	
Fund balance, ending			<u>\$ 9,739</u>				<u>\$ 172,230</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015

	Community Development & Housing Fund				Drug Task Force Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	867,564	867,564	-	-	76,690	76,690
State	-	-	40,000	40,000	-	-	-	-
Other	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	72,000	72,000	72,761	761
Interest	-	-	-	-	-	-	190	190
Miscellaneous	-	-	-	-	-	-	55,587	55,587
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>907,564</u>	<u>907,564</u>	<u>72,000</u>	<u>72,000</u>	<u>205,228</u>	<u>133,228</u>
<b>EXPENDITURES:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	78,500	78,500	220,515	(142,015)
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	907,564	(907,564)	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Unit	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>907,564</u>	<u>(907,564)</u>	<u>78,500</u>	<u>78,500</u>	<u>220,515</u>	<u>(142,015)</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(6,500)	(6,500)	(15,287)	(8,787)
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	6,500	6,500	10,928	4,428
Transfers to other funds	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,500</u>	<u>6,500</u>	<u>10,928</u>	<u>4,428</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(4,359)</u>	<u>\$ (4,359)</u>
Fund balance, beginning,			-	-			53,903	
Fund balance, ending			<u>\$ -</u>	<u>-</u>			<u>\$ 49,544</u>	

(Continued)

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015

	Gaming Fund				Revolving Building Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	300,000	300,000	336,176	36,176	-	-	-	-
Intergovernmental:								
Federal	-	-	-	-	-	-	-	-
State	-	-	-	-	600,000	600,000	-	(600,000)
Other	-	-	-	-	-	-	-	-
Service charges	31,000	31,000	33,200	2,200	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	3,374,406	3,374,406	3,374,863	457
<b>Total Revenues</b>	<u>331,000</u>	<u>331,000</u>	<u>369,376</u>	<u>38,376</u>	<u>3,974,406</u>	<u>3,974,406</u>	<u>3,374,863</u>	<u>(599,543)</u>
<b>EXPENDITURES:</b>								
General government	145,987	146,776	137,395	9,381	-	-	-	-
Public safety	46,253	46,253	53,304	(7,051)	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health & hospitals	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	13,054,687	13,054,687	644,808	12,409,879
Miscellaneous	-	-	-	-	-	-	-	-
Payments to Component Unit	138,760	138,760	63,625	75,135	-	-	-	-
<b>Total Expenditures</b>	<u>331,000</u>	<u>331,789</u>	<u>254,324</u>	<u>77,465</u>	<u>13,054,687</u>	<u>13,054,687</u>	<u>644,808</u>	<u>12,409,879</u>
Excess (deficiency) of revenues over (under) expenditures	-	(789)	115,052	115,841	(9,080,281)	(9,080,281)	2,730,055	11,810,336
<b>OTHER FINANCING SOURCES AND (USES):</b>								
Unexpended balance - prior y	-	-	-	-	10,185,621	10,185,621	-	(10,185,621)
Transfer from other funds	-	789	-	(789)	-	-	-	-
Transfers to other funds	-	-	-	-	(1,105,340)	(1,105,340)	(1,527,658)	(422,318)
Debt issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>789</u>	<u>-</u>	<u>(789)</u>	<u>9,080,281</u>	<u>9,080,281</u>	<u>(1,527,658)</u>	<u>(10,607,939)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>115,052</u>	<u>\$ 115,052</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,202,397</u>	<u>\$ 1,202,397</u>
Fund balance, beginning,			64,171				10,435,493	
Fund balance, ending			<u>\$ 179,223</u>				<u>\$ 11,637,890</u>	

ALLEGANY COUNTY, MARYLAND  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015

	Fire, Rescue & Public Safety Fund				Rocky Gap Slots Revenue Fund				Total Special Revenue Funds			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>												
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-	400,000	400,000	406,663	6,663
Intergovernmental:												
Federal	-	-	-	-	-	-	-	-	1,437,806	1,437,806	1,890,243	452,437
State	225,566	225,566	271,791	46,225	754,404	754,404	1,014,469	260,065	1,324,326	1,324,326	1,791,532	467,206
Other	-	-	-	-	-	-	-	-	-	-	-	-
Service charges	95,000	95,000	27,247	(67,753)	-	-	-	-	590,767	590,767	429,322	(161,445)
Fines and forfeitures	-	-	-	-	-	-	-	-	72,000	72,000	72,761	761
Interest	-	-	480	480	-	-	-	-	5,000	5,000	2,594	(2,406)
Miscellaneous	37,000	37,000	40,339	3,339	-	-	-	-	3,416,406	3,416,406	3,519,274	102,868
<b>Total Revenues</b>	<b>357,566</b>	<b>357,566</b>	<b>339,857</b>	<b>(17,709)</b>	<b>754,404</b>	<b>754,404</b>	<b>1,014,469</b>	<b>260,065</b>	<b>7,246,305</b>	<b>7,246,305</b>	<b>8,112,389</b>	<b>866,084</b>
<b>EXPENDITURES:</b>												
General government	-	-	-	-	-	-	-	-	145,987	146,776	137,395	(9,381)
Public safety	357,566	357,566	283,912	73,654	754,404	754,404	294,469	459,935	482,319	482,319	852,200	369,881
Public works	-	-	-	-	-	-	-	-	2,801,403	2,802,103	2,126,498	(675,605)
Health & hospitals	-	-	-	-	-	-	-	-	-	-	-	-
Highway	-	-	-	-	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-	-	-	1,019,692	1,019,692
Economic development	-	-	-	-	-	-	-	-	13,054,687	13,054,687	644,808	(12,409,879)
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Payments to Component Unit	-	-	-	-	-	-	560,000	(560,000)	138,760	138,760	623,625	484,865
<b>Total Expenditures</b>	<b>357,566</b>	<b>357,566</b>	<b>283,912</b>	<b>73,654</b>	<b>754,404</b>	<b>754,404</b>	<b>854,469</b>	<b>(100,065)</b>	<b>16,623,156</b>	<b>16,624,645</b>	<b>5,404,218</b>	<b>(11,220,427)</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	55,945	55,945	-	-	160,000	160,000	(9,376,851)	(9,378,340)	2,708,171	(10,354,343)
<b>OTHER FINANCING SOURCES AND (USES):</b>												
Unexpended balance - prior year	317,988	317,988	-	(317,988)	-	-	-	-	10,503,609	10,503,609	-	(10,503,609)
Transfer from other funds	-	-	-	-	-	-	-	-	316,233	317,722	250,697	(67,025)
Transfers to other funds	-	-	-	-	-	-	(160,000)	(160,000)	(1,125,003)	(1,125,003)	(1,800,014)	(675,011)
Debt issued	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>317,988</b>	<b>317,988</b>	<b>-</b>	<b>(317,988)</b>	<b>-</b>	<b>-</b>	<b>(160,000)</b>	<b>(160,000)</b>	<b>9,694,839</b>	<b>9,696,328</b>	<b>(1,549,317)</b>	<b>(11,245,645)</b>
<b>Net change in fund balances</b>	<b>\$317,988</b>	<b>\$317,988</b>	<b>55,945</b>	<b>\$ (262,043)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 317,988</b>	<b>\$ 317,988</b>	<b>\$ 1,158,854</b>	<b>\$ (21,599,988)</b>
Fund balance, beginning,			542,146				-				12,062,973	
Fund balance, ending			<u>\$598,091</u>				<u>\$ -</u>				<u>\$ 13,221,827</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, 2015**

	Capital Improvement Projects Fund				Pay-As-You-Go (PAYGO) Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>								
Intergovernmental								
Federal grants			\$ 837,977	\$ 837,977	\$ 286,000	\$ 286,000		\$ (286,000)
State grants	5,000	5,000	147,667	142,667	600,000	600,000	526,794	(73,206)
Other			-	-			-	-
Other Taxes			-	-			-	-
Miscellaneous:								
Interest	-	-	-	-	-	-	8,000	8,000
Miscellaneous	-	-	14,320	14,320	-	-	3,272	3,272
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>999,964</u>	<u>994,964</u>	<u>886,000</u>	<u>886,000</u>	<u>538,066</u>	<u>(347,934)</u>
<b>EXPENDITURES:</b>								
General Government			89,234	(89,234)	553,955	553,955	63,889	490,066
Public Safety			222,480	(222,480)	300,000	300,000	306,262	(6,262)
Public Works	625,000	625,000	705,452	(80,452)	782,500	967,500	785,629	181,871
Health	-	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Recreation, Culture & Libraries	-	-	-	-	117,500	117,500		117,500
Conservation of Natural Resourc	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Payments to component units	-	-	-	-	-	-	-	-
Total Expenditures	<u>625,000</u>	<u>625,000</u>	<u>1,017,166</u>	<u>(392,166)</u>	<u>1,753,955</u>	<u>1,938,955</u>	<u>1,155,780</u>	<u>783,175</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(620,000)</u>	<u>(620,000)</u>	<u>(17,202)</u>	<u>602,798</u>	<u>(867,955)</u>	<u>(1,052,955)</u>	<u>(617,714)</u>	<u>435,241</u>
<b>OTHER FINANCING SOURCES AND USES:</b>								
Unexpended fund balance	620,000	620,000		(620,000)	617,955	617,955	-	(617,955)
Transfers In:								
From other funds	-	-	92,693	92,693	250,000	435,000	595,000	160,000
Transfers Out:								
To other funds	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total Other Financing Uses	<u>620,000</u>	<u>620,000</u>	<u>92,693</u>	<u>(527,307)</u>	<u>867,955</u>	<u>1,052,955</u>	<u>595,000</u>	<u>(457,955)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>75,491</u>	<u>\$ 75,491</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(22,714)</u>	<u>\$ (22,714)</u>
Fund balance, beginning			(191,236)				1,736,562	
Fund balance, ending			<u>\$ (115,745)</u>				<u>\$ 1,713,848</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, 2015

Public Improvement Bonds Capital Projects Fund				Total All Capital Projects			
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 286,000	\$ 286,000	\$ 837,977	\$ 551,977
-	-	-	-	605,000	605,000	674,461	69,461
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	7,680	7,680	-	-	15,680	15,680
-	-	-	-	-	-	17,592	17,592
-	-	7,680	7,680	891,000	891,000	1,545,710	654,710
-	-	154,126	(154,126)	553,955	553,955	307,249	246,706
-	-	-	-	300,000	300,000	528,742	(228,742)
-	-	36,346	(36,346)	1,407,500	1,592,500	1,527,427	65,073
-	-	806,327	(806,327)	-	-	806,327	(806,327)
-	-	-	-	-	-	-	-
-	-	-	-	117,500	117,500	-	117,500
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	996,799	(996,799)	2,378,955	2,563,955	3,169,745	(605,790)
-	-	(989,119)	(989,119)	(1,487,955)	(1,672,955)	(1,624,035)	48,920
-	-	-	-	1,237,955	1,237,955	-	(1,237,955)
-	-	-	-	250,000	435,000	687,693	252,693
-	-	-	-	-	-	-	-
-	-	9,740,351	9,740,351	-	-	9,740,351	9,740,351
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	9,740,351	9,740,351	1,487,955	1,672,955	10,428,044	8,755,089
\$ -	\$ -	8,751,232	\$ 8,751,232	\$ -	\$ -	8,804,009	\$ 8,804,009
		42,008				1,587,334	
		<u>\$ 8,793,240</u>				<u>\$ 10,391,343</u>	

**CAPITAL PROJECT FUNDS**

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

**FROM INCEPTION TO JUNE 30, 2015**

ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

	Project Proj. No.	Length Budget	Revenues and other Sources					Debt Proceeds	Rever
			Federal Grants	State Grants	Other Intergov'l	Service Charges	Miscellaneous. Revenues		
<b>Capital Improvement Projects Fund</b>									
New Hope Bridge	4083	130,000	121,853	-	-	-	-	-	
Cash Valley Road	4084	675,100	674,237	-	-	-	-	-	
Diaster Recovery	4085	250,000	219,550	-	-	-	-	-	
AC Auto Tech Building	4086	500,000	-	-	-	-	-	-	
Flood buyouts	4087	10,797	-	-	-	-	-	-	
Detention Center HVAC	408A	435,000	433,692	-	-	-	-	-	
Orleans Road Bridge	408B	6,939,000	-	-	-	-	69,893	-	
Bridge Industrial Park	408C	250,000	-	-	-	-	-	-	
Fairgrounds	408F	150,000	-	-	-	-	14,320	-	
Allegany High School	408H	11,200,000	-	-	-	-	-	-	
Potomac Hollow Road Bridge	408P	795,000	733,778	-	-	-	-	-	
Takoma Drainage	408T	375,000	-	384,864	-	-	-	-	
Tree Planting Grant	408U	175,000	-	217,683	-	-	-	-	
Emergency Watershed	408V	50,000	-	127,591	-	-	-	-	
Rural Legacy	408W	327,526	-	318,297	-	-	-	-	
Dry Run Phase II	409L	520,000	292,086	-	-	-	-	-	
Flood Gate, Savage Dam	409S	3,715,000	3,265,061	401,372	328,590	-	-	-	
Potomac River Water	409T	70,000	15,000	-	-	-	-	-	
Flood Mitigation, PDM Scattered	409X	211,247	158,247	-	-	-	-	-	
Highland Trail	410X	10,606,000	3,224,644	5,829,521	6,772	-	215,706	-	
			<u>9,138,148</u>	<u>7,279,328</u>	<u>6,772</u>	<u>328,590</u>	<u>299,919</u>	<u>-</u>	
<b>Pay-As-You-Go Capital Project Fund</b>									
Computer Network	418I	350,000	-	-	-	-	-	-	
Roads Paving Program	418R	5,331,608	-	892,639	-	40,000	8,000	-	
LaVale Blvd Storm Drain	420O	1,500,000	-	110,435	-	-	132,813	-	
Software upgrade	420S	805,309	230,856	-	-	-	-	-	
Disaster Emergency Capital	420V	200,000	-	-	-	-	-	-	
Animal Shelter Quarantine Addn	420X	271,084	-	-	-	-	64,460	-	
Caretaker House	420Y	50,000	-	-	-	-	-	-	
OP Roads Improvements	4203	733,123	-	-	-	16,392	-	-	
Bridge Street bridge	4207	416,000	-	-	-	-	-	-	
Drainage improvements	4208	25,000	-	-	-	-	-	-	
Fiber infrastructure	421A	200,000	-	-	-	-	-	-	
Dans Mt Tower	421B	75,000	-	30,000	-	-	-	-	
Library Repairs	421F	200,000	-	-	90,000	-	-	-	
Sheriff Building	421H	800,000	-	-	-	-	4,000	-	
Allconet	421J	100,000	-	-	-	-	-	-	
Rocky Gap Slots-Fire Companies	421L	79,775	-	-	-	-	-	-	
Rocky Gap Slots-Bd of ED	421M	159,775	-	-	-	-	-	-	
Rocky Gap Slots-County	421N	159,775	-	-	-	-	-	-	
County bldg improvements	4181	251,681	18,981	-	-	-	121,604	-	
			<u>249,837</u>	<u>1,033,074</u>	<u>90,000</u>	<u>56,392</u>	<u>330,877</u>	<u>-</u>	
<b>Public Improvement Bonds Capital Project Fund</b>									
Computer aided dispatcher	432B	702,000	-	21,363	-	-	-	702,000	
BOE Central Office Roof	432D	273,000	-	-	-	-	-	-	
Bond Interest	432Z	15,444	-	-	-	-	21,513	-	
Library - LaVale parking lot	4322	34,000	-	-	-	-	-	33,588	
Braddock Run Restoration	4323	800,000	82,500	500,000	-	-	500	300,000	
Jennings Run Restoration	4324	800,000	-	500,000	-	-	-	300,000	
AC Geothermal Project	4327	327,000	-	-	-	-	-	326,800	
2013 PIB Closing Costs	4331	-	-	-	-	-	-	226,935	
2013 Taxable Bond Closing Costs	4333	-	-	-	-	-	-	56,017	
2013 PIB Bond Interest	433Y	-	-	-	-	-	-	-	
2014 PIB Educational Bond Closing	4341	150,000	-	-	-	-	7,680	146,446	
2014 PIB Educational Bond Costs	4342	-	-	-	-	-	-	9,593,905	
Courthouse roof	4239	342,000	-	-	-	-	-	250,000	
			<u>82,500</u>	<u>1,021,363</u>	<u>-</u>	<u>-</u>	<u>29,693</u>	<u>11,935,691</u>	
<b>Total Capital Project Funds</b>			<u>\$ 9,470,485</u>	<u>\$ 9,333,765</u>	<u>\$ 96,772</u>	<u>\$ 384,982</u>	<u>\$ 660,489</u>	<u>\$ 11,935,691</u>	

ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

Revenues and other Sources		Expenditures and other Uses			Remaining	
Transfers	Total	Expenditures	Transfers	Total	Project	Project
In	Sources		Out	Uses	Balance	Budget
46,613	168,466	168,467	-	168,467	(1)	(38,467)
863	675,100	675,100	-	675,100	-	-
	219,550	222,332		222,332	(2,782)	27,668
500,000	500,000	439,197	-	439,197	60,803	60,803
11,591	11,591	378	11,213	11,591	-	(794)
2,227	435,919	435,919		435,919	-	(919)
-	69,893	323,824	-	323,824	(253,931)	6,615,176
	-	16,957		16,957	(16,957)	233,043
	14,320			-	14,320	150,000
	-	1,941		1,941	(1,941)	11,198,059
251,693	985,471	985,471		985,471	-	(190,471)
	384,864	374,653		374,653	10,211	347
	217,683	219,425		219,425	(1,742)	(44,425)
72,462	200,053	200,053		200,053	-	(150,053)
	318,297	316,551		316,551	1,746	10,975
94,527	386,613	387,328	-	387,328	(715)	132,672
220,000	4,215,023	4,079,612	80,112	4,159,724	55,299	(444,724)
123,360	138,360	118,773	-	118,773	19,587	(48,773)
53,000	211,247	209,738	794	210,532	715	715
376,791	9,653,434	9,653,791	-	9,653,791	(357)	952,209
1,753,127	18,805,884	18,829,510	92,119	18,921,629	(115,745)	18,463,041
365,039	365,039	159,314	5,725	165,039	200,000	184,961
6,011,272	6,951,911	5,546,632	893,533	6,440,165	511,746	(1,108,557)
722,400	965,648	959,103	-	959,103	6,545	540,897
805,309	1,036,165	1,054,242	-	1,054,242	(18,077)	(248,933)
400,000	400,000	4,428	200,000	204,428	195,572	(4,428)
206,624	271,084	271,084	-	271,084	-	-
100,000	100,000	-	-	-	100,000	50,000
767,818	784,210	784,210	-	784,210	-	(51,087)
416,000	416,000	445,672	-	445,672	(29,672)	(29,672)
48,913	48,913	43,956	-	43,956	4,957	(18,956)
200,000	200,000	44,700	-	44,700	155,300	155,300
50,000	80,000	75,000		75,000	5,000	-
100,000	190,000	205,852		205,852	(15,852)	(5,852)
880,000	884,000	825,470		825,470	58,530	(25,470)
50,000	50,000	80		80	49,920	99,920
79,775	79,775	79,775		79,775	-	-
159,775	159,775			-	159,775	159,775
159,775	159,775			-	159,775	159,775
342,500	483,085	312,757	-	312,757	170,328	(61,076)
11,865,200	13,625,380	10,812,275	1,099,258	11,911,533	1,713,848	(203,403)
-	723,363	691,319	-	691,319	32,044	10,681
-	-	273,000	-	273,000	(273,000)	-
-	21,513	20,449	-	20,449	1,064	(5,005)
-	33,588	33,588	-	33,588	-	412
-	883,000	713,113	-	713,113	169,887	86,887
-	800,000	656,647	-	656,647	143,353	143,353
-	326,800	326,800	-	326,800	-	200
	226,935	225,456	-	225,456	1,479	(225,456)
	56,017	52,109	-	52,109	3,908	(52,109)
1,096	1,096	820	-	820	276	(820)
	154,126	154,126	-	154,126	-	(4,126)
	9,593,905	806,328	-	806,328	8,787,577	(806,328)
92,000	342,000	415,349	-	415,349	(73,349)	(73,349)
93,096	13,162,343	4,369,104	-	4,369,104	8,793,240	(925,660)
\$ 13,711,423	\$ 45,593,607	\$ 34,010,889	\$ 1,191,377	\$ 35,202,266	\$ 10,391,343	\$ 17,333,978

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**CAPITAL PROJECT FUNDS**

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

**FOR THE YEAR ENDED JUNE 30, 2015**

**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, 2015**

	Diaster Recovery (4085)	Orleans Rd Bridge (408B)	Potomac Hollow Rd Bridge (408P)	Takoma Drainage (408T)	Bridge Ind Park (408C)	Allegany High School (408H)	AC Auto Tech Bldg (4086)
<b>REVENUES:</b>							
Intergovernmental:							
Federal:							
Dept of Transportation	\$ -	\$ -	\$ 618,428	\$ -	\$ -	\$ -	\$ -
CDBG	\$ 219,550						
State:							
Dept of Natural Resources							
State Highway	-	-			-	-	-
Service charges	-	-	-	-	-	-	-
Miscellaneous:							
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>219,550</b>	<b>-</b>	<b>618,428</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>							
Public Safety	222,332	-	-	-	-	-	-
Public Works		1,116	628,918		16,957		
General Govt	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>222,332</b>	<b>1,116</b>	<b>628,918</b>	<b>-</b>	<b>16,957</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES and (USES):</b>							
Transfers-in from:							
General Fund		-	-	-	-	-	-
Other funds		-	92,693	-	-	-	-
Transfer Out		-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>92,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(2,782)</b>	<b>(1,116)</b>	<b>82,203</b>	<b>-</b>	<b>(16,957)</b>	<b>-</b>	<b>-</b>
Fund Balance, beginning	-	(252,815)	(82,203)	10,211	(1)	(1,941)	60,803
<b>Fund Balance, Ending</b>	<b>\$ (2,782)</b>	<b>\$ (253,931)</b>	<b>\$ -</b>	<b>\$ 10,211</b>	<b>\$ (16,958)</b>	<b>\$ (1,941)</b>	<b>\$ 60,803</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, 2015**

Bureau of Mines (4082)	Fairgrounds (408F)	UPRC Flood Gate (409S)	Potomac River Water Study (409T)	Tree Planting Grant (408U)	Rural Legacy (408W)	Highland Trail (410X)	Fund Total
\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 618,428
							219,550
				56,895	90,771		147,666
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	14,320	-	-	-	-	-	14,320
-	14,320	-	-	56,895	90,771	-	999,964
148	-	-	-	-	-	-	222,480
-	-	-	-	58,461	-	-	705,452
-	-	-	-	-	89,025	209	89,234
-	-	-	-	-	-	-	-
148	-	-	-	58,461	89,025	209	1,017,166
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	92,693
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	92,693
(148)	14,320	-	-	(1,566)	1,746	(209)	75,491
-	-	55,299	19,587	(176)	-	-	(191,236)
<u>\$ (148)</u>	<u>\$ 14,320</u>	<u>\$ 55,299</u>	<u>\$ 19,587</u>	<u>\$ (1,742)</u>	<u>\$ 1,746</u>	<u>\$ (209)</u>	<u>\$ (115,745)</u>

**ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
PAY-AS-YOU-GO (PAYGO) CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE YEAR ENDED JUNE 30, 2015**

	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	-	406,794		-	-	-	-	-
Misc State Grant	-	-	30,000	-	-	-	-	-
State Highway Users Tax								
Other Agency	-	-	-	-	-	-	-	-
Miscellaneous:								
Interest		-	-	-	-	-	-	-
Miscellaneous	-	8,000		-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>414,794</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>								
General Government		-	-	-	4,411	-	-	-
Public safety	-	-	75,000	-	-	-	-	-
Public works	-	676,441		88,752	-	-	-	-
Recreation & culture	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>676,441</b>	<b>75,000</b>	<b>88,752</b>	<b>4,411</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES and (USES):</b>								
Transfers-in from:								
General fund	-	192,500	50,000		-	-	-	-
Other funds	-			-	-	-	-	-
Transfers-out to:								
Other funds	-			-	-	-	-	-
Debt proceeds, capital lease	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>192,500</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(69,147)	5,000	(88,752)	(4,411)	-	-	-
Fund Balance, beginning	200,000	580,893	-	95,297	(13,666)	195,572	100,000	-
<b>Fund Balance, Ending</b>	<b>\$200,000</b>	<b>\$ 511,746</b>	<b>\$ 5,000</b>	<b>\$ 6,545</b>	<b>\$ (18,077)</b>	<b>\$ 195,572</b>	<b>\$100,000</b>	<b>\$ -</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, 2015

Bridge St Bridge (4207)	Drainage Improvements (4208)	Fiber Infrastructure (421A)	Library (421F)	Sheriff Bldg (421H)	Allconet (421J)	County Building Improv (4181)	Rocky Gap Slots Fire Co (421L)	Rocky Gap Slots Bd of Ed (421M)	Rocky Gap Slots County (421N)	Total PAYGO Capital Projects Fund
\$ -	\$ -	\$ -	\$ -			\$ -				\$ -
-	-	-	-	-	-	-	-	-	-	406,794
-	-	-	-	-	-	-	-	-	-	30,000
-	-	-	90,000	-	-	-	-	-	-	90,000
-	-	-	-	-	-	3,272	-	-	-	3,272
-	-	-	-	-	-	-	-	-	-	8,000
-	-	-	90,000	-	-	3,272	-	-	-	538,066
-	-	-	59,398	-	80	-	-	-	-	63,889
-	-	-	-	151,487	-	-	79,775	-	-	306,262
-	10,074	-	-	-	-	10,362	-	-	-	785,629
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	10,074	-	59,398	151,487	80	10,362	79,775	-	-	1,155,780
-	-	-	-	-	50,000	142,500	-	-	-	435,000
-	-	-	-	-	-	-	80,000	80,000	-	160,000
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	50,000	142,500	-	80,000	80,000	595,000
-	(10,074)	-	30,602	(151,487)	49,920	135,410	(79,775)	80,000	80,000	(22,714)
(29,672)	15,031	155,300	(46,454)	210,017		34,918	79,775	79,775	79,775	1,736,562
<u>\$ (29,672)</u>	<u>\$ 4,957</u>	<u>\$ 155,300</u>	<u>\$ (15,852)</u>	<u>\$ 58,530</u>	<u>\$ 49,920</u>	<u>\$ 170,328</u>	<u>\$ -</u>	<u>\$ 159,775</u>	<u>\$ 159,775</u>	<u>\$ 1,713,848</u>

ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
PUBLIC IMPROVEMENT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE YEAR ENDED JUNE 30, 2015

	2008 Public Improvement Bond					2013 PIB		2015 PIB		Totals			
	Computer Aided Dispatcher (432B)	Bond Interest (432Z)	Braddock Run Restoration (4323)	Jennings Run Restoration (4324)	BOE Central Office Roof (432D)	Court House Roof (4329)	Total 2008 Public Improvement Bond	Bond Closing Costs (4331)	Taxable Bond Closing Costs (4333)		Bond Interest (433Y)	Bond Closing (4341)	Bond Costs (4342)
<b>REVENUES:</b>													
Intergovernmental													
State grants													
MD Emergency Mgmt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						\$ -
MD Dept of Environment													
Miscellaneous													
Interest													
Miscellaneous													
Total Revenues	-	-	-	-	-	-	-	7,680	7,680				7,680
<b>EXPENDITURES:</b>													
General government													
Public Works													
Education													
Total Expenditures	-	-	35,526	-	-	-	35,526	820	820	154,126	806,327	806,327	154,126
													36,346
													806,327
													996,799
<b>OTHER FINANCING SOURCES and (USES):</b>													
Bond Proceeds													
Total Other Financing Sources and Uses	-	-	-	-	-	-	-	146,446	146,446				9,740,351
Net change in fund balances	-	-	(35,526)	-	-	-	(35,526)			(820)	0	8,787,578	9,740,351
Fund Balance, beginning	32,044	1,064	205,414	143,353	(273,000)	(73,349)	35,526	1,479	3,908	1,096	0	8,787,578	42,008
Fund Balance, Ending	\$ 32,044	\$ 1,064	\$ 169,888	\$ 143,353	\$ (273,000)	\$ (73,349)	\$ -	\$ 1,479	\$ 3,908	\$ 276	\$ 0	\$ 8,787,578	\$ 8,793,240

**ENTERPRISE FUNDS  
COMBINING SCHEDULES**

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

**SANITARY DISTRICTS  
COMBINING SCHEDULE  
OF NET POSITION**

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

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY WATER DISTRICTS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	General Operating 5011	Grahamtown 501A	Consol 501B	Barton Ind. Park 501C	Mexico Farms 501D	Franklin/ Brophytown 501E	Bowling Green 501F	Bowman's Addition 501G	Cresaptown 501H
<b>OPERATING REVENUES:</b>									
Service charges	\$ 27,657	\$ 126,065	\$ 30,518	\$ 21,845	\$ 866,852	\$ 41,548	\$ 436,319	\$ 150,419	\$ 769,978
Miscellaneous	-	-	-	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>27,657</b>	<b>126,065</b>	<b>30,518</b>	<b>21,845</b>	<b>866,852</b>	<b>41,548</b>	<b>436,319</b>	<b>150,419</b>	<b>769,978</b>
<b>OPERATING EXPENSES:</b>									
Salaries	-	15,802	4,362	-	10,664	776	50,799	15,608	48,570
Fringe benefits	-	7,690	2,123	-	5,190	378	24,722	7,596	23,636
Office expenses	-	-	-	-	-	-	-	-	-
Utilities	-	47,173	13,358	21,743	65,541	21,611	195,290	73,969	599,395
Repairs and maintenance	-	2,350	622	44	3,020	2,913	14,036	2,309	11,944
Contractual	-	-	-	-	-	-	-	-	-
Professional fees	-	281	77	-	190	9,633	10,294	277	863
Materials and supplies	-	1,331	364	-	899	62	4,597	1,465	4,085
Insurance	-	-	-	-	-	-	-	-	-
Indirect cost	-	5,372	1,612	2,638	6,262	1,226	12,661	7,850	26,318
Miscellaneous	-	-	-	-	-	-	-	-	13,582
Depreciation	-	39,486	18,186	44,422	49,310	-	38,927	72,632	42,332
<b>Total Operating Expenses</b>	<b>-</b>	<b>119,485</b>	<b>40,704</b>	<b>68,847</b>	<b>141,076</b>	<b>36,599</b>	<b>351,326</b>	<b>181,706</b>	<b>770,725</b>
Operating Income (Loss)	27,657	6,580	(10,186)	(47,002)	725,776	4,949	84,993	(31,287)	(747)
<b>NON-OPERATING REVENUE (EXPENSES):</b>									
Interest income	-	3,159	865	-	2,135	146	10,156	3,113	9,697
Interest expense	(5,752)	(22,691)	(4,117)	(14,301)	(16,280)	-	-	(34,797)	(37,806)
<b>Total Non-operating Revenue (Expenses)</b>	<b>(5,752)</b>	<b>(19,532)</b>	<b>(3,252)</b>	<b>(14,301)</b>	<b>(14,145)</b>	<b>146</b>	<b>10,156</b>	<b>(31,684)</b>	<b>(28,109)</b>
Income Before Contributions and Transfers	21,905	(12,952)	(13,438)	(61,303)	711,631	5,095	95,149	(62,971)	(28,856)
Capital Contributions:									
Federal grants	-	-	-	-	-	-	685,312	-	-
State grants	-	-	-	-	-	-	-	-	-
Other governments	-	-	-	-	-	-	-	-	-
Transfers in:									
General fund	-	-	-	2,580	-	-	-	-	-
Revolving Building Fund	-	-	-	19,348	-	-	-	-	-
<b>Change in Net Position</b>	<b>\$ 21,905</b>	<b>\$ (12,952)</b>	<b>\$ (13,438)</b>	<b>\$ (39,375)</b>	<b>\$ 711,631</b>	<b>\$ 5,095</b>	<b>\$ 780,461</b>	<b>\$ (62,971)</b>	<b>\$ (28,856)</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, 2015

Mt. Savage 501J	Bedford Road 501K	MF Industrial 501P	Rawlings Water 501R	Oldtown Road 5012	McCoole 5013	Ellerslie 5014	Eckhart 5015	Hoffman 5016	Route 36 Vale Summit 5017	Borden/ Zhilman/ Morantown 5018	Carlos/Shaft/ Klondike 5019	Total
\$ 177,100	\$ 25,931	\$ 56,514	\$ 48,272	\$ 205,059	\$ 170,422	\$ 358,332	\$ 294,665	\$ 7,687	\$ 68,115	\$ 126,090	\$ 173,386	\$ 4,182,774
-	-	-	-	-	-	-	-	-	-	-	-	0
<u>177,100</u>	<u>25,931</u>	<u>56,514</u>	<u>48,272</u>	<u>205,059</u>	<u>170,422</u>	<u>358,332</u>	<u>294,665</u>	<u>7,687</u>	<u>68,115</u>	<u>126,090</u>	<u>173,386</u>	<u>4,182,774</u>
18,902	2,520		5,429	20,165	20,067	43,431	31,507	969	6,495	15,317	21,619	333,002
9,203	1,227		2,642	9,813	9,766	21,136	15,333	471	3,161	7,454	10,481	162,022
-	-		-	105		105		-	-			210
68,424	14,376	582,418		103,972	47,691	131,624	89,069	2,763	40,306	44,004	82,359	2,245,086
4,181	959		571	6,307	33,592	56,766	4,301	106	1,602	1,622	6,915	154,160
-	-		-	-	-	2,181	-	-	-	-	-	2,181
337	45		96	358	357	10,162	558	18	115	272	384	34,317
1,597	213		454	1,701	1,892	3,656	2,642	84	543	1,289	1,874	28,748
-	-		-	-	-	158	158	-	-	-	-	316
4,205	1,206	20,256	103	7,699	8,139	19,377	10,974	270	3,259	5,130	9,627	154,184
-	-		-	-	-	-	-	-	-	-	-	13,582
	11,881			73,783	97,588	213,813	111,071	2,330	28,569	34,537	87,076	965,943
<u>106,849</u>	<u>32,427</u>	<u>602,674</u>	<u>9,295</u>	<u>223,903</u>	<u>219,092</u>	<u>502,409</u>	<u>265,613</u>	<u>7,011</u>	<u>84,050</u>	<u>109,625</u>	<u>220,335</u>	<u>4,093,751</u>
70,251	(6,496)	(546,160)	38,977	(18,844)	(48,670)	(144,077)	29,052	676	(15,935)	16,465	(46,949)	89,023
3,791	505		1,077	4,031	4,017	9,181	6,655	199	1,290	3,059	4,317	67,393
(64,868)	(592)		(3,524)	(16,294)	(39,105)	-	(21,571)	-	-	(18,238)	(33,266)	(333,202)
(61,077)	(87)	-	(2,447)	(12,263)	(35,088)	9,181	(14,916)	199	1,290	(15,179)	(28,949)	(265,809)
9,174	(6,583)	#####	36,530	(31,107)	(83,758)	(134,896)	14,136	875	(14,645)	1,286	(75,898)	(176,786)
1,132,444			501,804	-	-	-	-	-	-	-	-	2,319,560
420,498			1,048,068	-	-	-	-	-	-	-	-	1,468,566
-			-	-	-	-	-	-	-	-	-	0
-			-	-	-	-	-	-	-	-	-	2,580
-			-	-	-	-	-	-	-	-	-	19,348
<u>\$ 1,562,116</u>	<u>\$ (6,583)</u>	<u>(546,160)</u>	<u>\$ 1,586,402</u>	<u>(31,107)</u>	<u>\$ (83,758)</u>	<u>\$ (134,896)</u>	<u>\$ 14,136</u>	<u>\$ 875</u>	<u>\$ (14,645)</u>	<u>\$ 1,286</u>	<u>\$ (75,898)</u>	<u>3,633,268</u>
Total net position - beginning, restated												30,376,336
Total net position - ending												<u>\$ 34,009,604</u>

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY SANITARY DISTRICTS**  
**COMBINING SCHEDULE OF NET POSITION**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**June 30, 2015**

	General Fund 511	Bowling Green 516	Cresaptown 517	Braddock Run 518	Bedford Road 519	Jennings Run/Wills Creek 520	McCooles 521
<b>ASSETS</b>							
Current Assets:							
Cash:							
Cash	\$ 220,530	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash - Restricted	-	-	-	159,171	-	-	-
Investments	205,450	-	-	-	-	-	-
Receivables:							
Accounts (net)	5,167	107,136	90,711	390,219	130,905	135,571	20,615
Taxes - restricted	-	23,011	22,535	2,730	13,716	6,838	1,166
Accounts (net) - restricted	120,933	-	-	-	-	2,711	-
Other	1,708,831	-	-	-	-	-	-
Due from other funds	2,271,844	261,059	1,087,807	-	-	-	-
Inventory	60,277	-	-	-	-	-	-
Total current assets	<u>4,593,032</u>	<u>391,206</u>	<u>1,201,053</u>	<u>552,120</u>	<u>144,621</u>	<u>145,120</u>	<u>21,781</u>
Noncurrent Assets:							
Land	5,000	1,000	5,000	500	1,000	1,500	-
Construction in progress	4,496,369	-	-	-	-	-	-
Capital assets subject to depreciation	3,598,768	4,828,368	4,100,180	6,111,151	7,992,182	9,656,756	2,289,639
Less: Accumulated depreciation	(2,841,610)	(2,597,009)	(2,066,481)	(3,170,017)	(3,780,985)	(4,642,004)	(1,517,695)
Total noncurrent assets	<u>5,258,527</u>	<u>2,232,359</u>	<u>2,038,699</u>	<u>2,941,634</u>	<u>4,212,197</u>	<u>5,016,252</u>	<u>771,944</u>
Total Assets	<u>9,851,559</u>	<u>2,623,565</u>	<u>3,239,752</u>	<u>3,493,754</u>	<u>4,356,818</u>	<u>5,161,372</u>	<u>793,725</u>
<b>Deferred Outflows of Resources</b>							
Contributions to Pension Plan	154	4,497	3,732	13,412	6,699	6,424	964
Change in Pension Assumptions	16	479	398	1,433	715	686	102
Total Deferred Outflows of Resources	<u>170</u>	<u>4,976</u>	<u>4,130</u>	<u>14,845</u>	<u>7,414</u>	<u>7,110</u>	<u>1,066</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	1,033,056	2,586	488	108,027	86,718	47,356	8,220
Accrued wages payable	51,978	-	-	-	-	-	-
Accrued payroll fringe benefits	22,023	-	-	-	-	-	-
Accrued interest payable	7,618	1,217	1,251	471	2,406	5,501	-
Current portion of long term debt							
Bonds & loans	147,086	16,608	16,780	22,830	33,951	29,010	-
Other loans	-	-	-	-	-	-	-
Compensated absences	146,342	-	-	-	-	-	-
Due to other funds	5,194,087	-	-	1,054,761	1,886,800	2,531,150	868,287
Accrued health claims	-	-	-	-	-	-	-
Miscellaneous liabilities	115,437	-	-	115,621	-	-	-
Total current liabilities	<u>6,717,627</u>	<u>20,411</u>	<u>18,519</u>	<u>1,301,710</u>	<u>2,009,875</u>	<u>2,613,017</u>	<u>876,507</u>
Noncurrent Liabilities:							
Cash advance due General Fund	-	-	-	-	-	800,000	-
Net Pension Liability	1,130	33,221	27,569	99,034	49,485	47,413	7,096
Long term debt:							
Bonds & loans	1,427,272	1,060,642	979,054	58,429	1,218,783	994,011	-
Other loans	-	-	-	-	-	-	-
Compensated absences	311,876	-	-	-	-	-	-
Total noncurrent liabilities	<u>1,740,278</u>	<u>1,093,863</u>	<u>1,006,623</u>	<u>157,463</u>	<u>1,268,268</u>	<u>1,841,424</u>	<u>7,096</u>
Total Liabilities	<u>8,457,905</u>	<u>1,114,274</u>	<u>1,025,142</u>	<u>1,459,173</u>	<u>3,278,143</u>	<u>4,454,441</u>	<u>883,603</u>
<b>Deferred Inflows of Resources</b>							
Pension Activity	124	3,635	3,017	10,842	5,415	5,192	779
Total Deferred Inflows of Resources							
<b>NET POSITION</b>							
Net investment in capital assets	3,684,169	1,155,109	1,042,865	2,860,375	2,959,463	3,993,231	771,944
Restricted for debt service	120,933	23,011	22,535	2,730	13,716	9,549	1,166
Unrestricted	(2,411,402)	332,513	1,150,323	(824,521)	(1,892,506)	(3,293,931)	(862,701)
Total Net Position	<u>\$ 1,393,700</u>	<u>\$ 1,510,633</u>	<u>\$ 2,215,723</u>	<u>\$ 2,038,584</u>	<u>\$ 1,080,673</u>	<u>\$ 708,849</u>	<u>\$ (89,591)</u>

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY SANITARY DISTRICTS**  
**COMBINING SCHEDULE OF NET POSITION**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**June 30, 2015**

Oldtown 522	Flintstone 523	Georges Creek 524	Franklin/ Brophytown 525	Celanese Treatment Plant 526	Mexico Farms 527	Cash Valley Road 528	Oldtown Road 529	Barton Industrial Park 530	Total All Districts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	220,530
-	-	-	-	-	-	-	-	-	159,171
-	-	-	-	-	-	-	-	-	205,450
7,008	13,343	368,428	14,175	33,578	98,524	7,560	27,624	901	1,451,465
90	1,960	50,623	190	-	902	2,178	3,477	-	129,416
-	-	-	-	-	-	-	-	-	123,644
-	-	-	-	-	17,455	-	-	-	1,726,286
-	-	2,071,151	527,853	808,401	1,574,189	-	136,604	-	8,738,908
-	-	-	-	-	-	-	-	-	60,277
<u>7,098</u>	<u>15,303</u>	<u>2,490,202</u>	<u>542,218</u>	<u>841,979</u>	<u>1,691,070</u>	<u>9,738</u>	<u>167,705</u>	<u>901</u>	<u>12,815,147</u>
500	3,000	46,282	-	-	2,500	-	1,000	-	67,282
-	-	73,804	-	-	-	-	-	-	4,570,173
892,947	1,279,023	49,677,042	561,727	21,785,611	2,051,939	813,331	2,816,920	2,430,653	120,886,237
(590,771)	(812,896)	(16,182,655)	(367,261)	(5,615,116)	(932,940)	(386,332)	(1,260,966)	(443,818)	(47,208,556)
<u>302,676</u>	<u>469,127</u>	<u>33,614,473</u>	<u>194,466</u>	<u>16,170,495</u>	<u>1,121,499</u>	<u>426,999</u>	<u>1,556,954</u>	<u>1,986,835</u>	<u>78,315,136</u>
<u>309,774</u>	<u>484,430</u>	<u>36,104,675</u>	<u>736,684</u>	<u>17,012,474</u>	<u>2,812,569</u>	<u>436,737</u>	<u>1,724,659</u>	<u>1,987,736</u>	<u>91,130,283</u>
2,912	3,035	21,264	696	15,328	1,323	382	1,483	2,725	85,030
311	325	2,274	74	1,639	141	41	159	291	9,084
<u>3,223</u>	<u>3,360</u>	<u>23,538</u>	<u>770</u>	<u>16,967</u>	<u>1,464</u>	<u>423</u>	<u>1,642</u>	<u>3,016</u>	<u>94,114</u>
1,080	1,353	5,808	3	17,657	54,667	-	1,044	1,570	1,369,633
1,658	-	5,798	-	9,208	-	-	-	-	68,642
671	-	3,464	-	4,441	-	-	-	-	30,599
-	-	23,020	-	18,400	-	736	2,790	-	63,410
-	-	416,208	-	444,088	-	3,202	12,143	-	1,141,906
-	-	-	-	-	-	-	479	-	479
-	-	-	-	-	-	-	-	-	146,342
435,659	544,608	-	-	-	-	81,063	-	578,007	13,174,422
-	-	-	-	-	-	-	-	-	0
-	-	-	-	28,184	-	-	-	-	259,242
<u>439,068</u>	<u>545,961</u>	<u>454,298</u>	<u>3</u>	<u>521,978</u>	<u>54,667</u>	<u>85,001</u>	<u>16,456</u>	<u>579,577</u>	<u>16,254,675</u>
-	-	-	-	-	-	-	-	-	800,000
21,477	22,419	157,060	5,150	113,289	9,797	2,826	10,927	20,096	627,988
-	-	6,006,086	-	4,178,541	-	103,374	392,036	-	16,418,228
-	-	-	-	-	-	-	15,876	-	15,876
-	-	-	-	-	-	-	-	-	311,876
<u>21,477</u>	<u>22,419</u>	<u>6,163,146</u>	<u>5,150</u>	<u>4,291,830</u>	<u>9,797</u>	<u>106,200</u>	<u>418,839</u>	<u>20,096</u>	<u>18,173,968</u>
<u>460,545</u>	<u>568,380</u>	<u>6,617,444</u>	<u>5,153</u>	<u>4,813,808</u>	<u>64,464</u>	<u>191,201</u>	<u>435,295</u>	<u>599,673</u>	<u>34,428,643</u>
2,354	2,454	17,191	562	12,392	1,069	309	1,199	2,203	68,737
302,676	469,127	27,192,179	194,466	11,547,866	1,121,499	320,423	1,136,420	1,986,835	60,738,647
90	1,960	50,623	190	-	902	2,178	3,477	-	253,060
(452,669)	(554,131)	2,250,776	537,083	655,375	1,626,099	(76,951)	149,910	(597,959)	(4,264,690)
<u>\$ (149,903)</u>	<u>\$ (83,044)</u>	<u>\$ 29,493,578</u>	<u>\$ 731,739</u>	<u>\$ 12,203,241</u>	<u>\$ 2,748,500</u>	<u>\$ 245,650</u>	<u>\$ 1,289,807</u>	<u>\$ 1,388,876</u>	<u>\$ 56,727,017</u>

**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, 2015**

	General Fund 511	Bowling Green 516	Cresaptown 517	Braddock Run 518	Bedford Road 519	Jennings Run/Wills Creek 520	McCooles 521
<b>OPERATING REVENUES:</b>							
Service charges	\$ 13,682	\$ 394,546	\$ 359,678	\$ 1,271,124	\$ 486,999	\$ 435,374	\$ 67,714
Miscellaneous							
<b>Total Operating Revenues</b>	<b>13,682</b>	<b>394,546</b>	<b>359,678</b>	<b>1,271,124</b>	<b>486,999</b>	<b>435,374</b>	<b>67,714</b>
<b>OPERATING EXPENSES:</b>							
Wages and salaries	1,939	57,004	47,309	170,042	84,924	81,434	12,215
Employee benefits	944	27,741	23,024	82,752	41,328	39,630	5,944
Office expenses	238	6,883	5,703	20,526	10,240	9,825	1,474
Utilities	748	18,156	15,024	39,725	10,361	9,900	3,025
Repairs and maintenance	395	42,661	10,340	45,433	56,197	23,091	3,017
Contractual services	114	3,218	2,672	9,618	4,798	4,603	691
Water/Sewage treatment costs	-	206,660	182,673	1,076,351	659,529	379,455	59,309
Professional fees	47	2,442	1,135	6,035	2,038	1,955	293
Materials and supplies	618	19,426	15,977	56,734	29,231	25,610	6,910
Insurance	432	12,466	10,349	37,245	18,581	22,901	2,674
Indirect cost	1,150	33,207	27,567	99,213	49,495	47,492	7,124
Miscellaneous	114	1,174	1,671	2,241	2,354	1,959	275
Depreciation	3,108	86,804	95,615	159,805	142,137	171,707	51,125
<b>Total Operating Expenses</b>	<b>9,847</b>	<b>517,842</b>	<b>439,059</b>	<b>1,805,720</b>	<b>1,111,213</b>	<b>819,562</b>	<b>154,076</b>
<b>Operating Income (Loss)</b>	<b>3,835</b>	<b>(123,296)</b>	<b>(79,381)</b>	<b>(534,596)</b>	<b>(624,214)</b>	<b>(384,188)</b>	<b>(86,362)</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>							
Real and personal property taxes	-	204,211	183,682	29,866	134,091	52,226	4,613
Interest & Penalties, taxes	-	6,487	5,106	793	4,176	1,694	400
Discounts, taxes	-	(1,050)	(863)	(148)	(708)	(267)	(20)
Collection fees	-	(4,779)	(4,158)	(684)	(3,149)	(1,195)	(118)
Front footage assessments	-	-	-	-	-	15,980	42
Interest income	347	9,609	7,977	28,738	14,324	13,743	2,061
Interest income, debt service	-	-	-	-	-	-	-
Interest expense	(18,157)	(44,961)	(41,591)	(1,107)	(22,678)	(18,418)	-
Allocated debt service revenue	163,718	(14,704)	(12,205)	(43,889)	(21,912)	(21,015)	(3,155)
Gain (Loss) on disposal of assets	-	-	-	-	-	-	-
<b>Total Nonoperating revenue (expenses)</b>	<b>145,908</b>	<b>154,813</b>	<b>137,948</b>	<b>13,569</b>	<b>104,144</b>	<b>42,748</b>	<b>3,823</b>
<b>Income Before Contributions and Transfers</b>	<b>149,743</b>	<b>31,517</b>	<b>58,567</b>	<b>(521,027)</b>	<b>(520,070)</b>	<b>(341,440)</b>	<b>(82,539)</b>
Capital Contributions:							
Federal	-	-	-	-	-	83,000	-
State	-	-	-	1,383,250	623,766	78,519	-
Other	-	-	-	-	-	-	-
Transfers in:							
General Fund	-	-	-	-	-	-	-
Revolving Building Fund	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-	-
<b>Change in Net Position</b>	<b>149,743</b>	<b>31,517</b>	<b>58,567</b>	<b>862,223</b>	<b>103,696</b>	<b>(179,921)</b>	<b>(82,539)</b>
Net position - beginning , restated	1,243,957	1,479,116	2,157,156	1,176,361	976,977	888,770	(7,052)
<b>Net position - ending</b>	<b>\$ 1,393,700</b>	<b>\$ 1,510,633</b>	<b>\$ 2,215,723</b>	<b>\$ 2,038,584</b>	<b>\$ 1,080,673</b>	<b>\$ 708,849</b>	<b>\$ (89,591)</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, 2015

Oldtown 522	Flintstone 523	Georges Creek 524	Franklin/ Brophytown 525	Celanese Treatment Plant 526	Mexico Farms 527	Cash Valley Road 528	Oldtown Road 529	Barton Industrial Park 530	Total All Districts
\$ 17,055	\$ 35,656	\$ 980,037	\$ 46,533	\$ 1,127,100	\$ 522,095	\$ 26,058	\$ 115,853	\$ 5,514	\$ 5,905,018
<u>17,055</u>	<u>35,656</u>	<u>980,037</u>	<u>46,533</u>	<u>1,127,100</u>	<u>522,095</u>	<u>26,058</u>	<u>115,853</u>	<u>5,514</u>	<u>5,905,018</u>
2,714	4,556	124,962	8,822	187,066	16,771	4,847	18,807	-	823,412
1,089	1,987	59,830	4,293	86,866	8,162	2,359	9,152	-	395,101
337	553	15,068	1,059	9,098	2,019	583	2,272	-	85,878
8,211	13,529	77,007	169	191,091	14,452	72	8,376	-	409,846
547	917	34,293	1,757	119,636	24,186	968	6,349	-	369,787
158	264	7,224	496	3,233	946	273	1,064	-	39,372
76,665	79,906	378,053	2,911	-	316,319	27,684	6,504	101,325	3,553,344
66	110	2,998	211	1,804	402	116	486	-	20,138
857	1,435	39,200	2,751	110,537	7,890	1,515	9,147	-	327,838
599	3,557	45,043	1,922	-	3,663	1,058	6,677	-	167,167
1,595	2,671	72,833	5,120	-	9,758	2,820	10,982	-	371,027
27	46	2,389	86	-	405	49	1,068	-	13,858
20,166	34,623	1,030,966	13,377	444,707	44,076	21,521	73,483	48,558	2,441,778
113,031	144,154	1,889,866	42,974	1,154,038	449,049	63,865	154,367	149,883	9,018,546
(95,976)	(108,498)	(909,829)	3,559	(26,938)	73,046	(37,807)	(38,514)	(144,369)	(3,113,528)
950	11,314	309,862	1,738	-	9,540	12,850	35,420	-	990,363
15	564	14,262	37	-	200	427	754	-	34,915
(5)	(56)	(1,535)	(14)	-	(48)	(66)	(177)	-	(4,957)
(21)	(271)	(7,378)	(39)	-	(211)	(286)	(792)	-	(23,081)
24	366	4,595	-	-	-	-	-	-	21,007
461	773	21,077	1,482	25,641	2,828	817	3,178	-	133,056
-	-	(124,959)	-	(42,313)	-	(4,861)	(19,195)	-	(338,240)
(704)	(1,185)	(32,249)	(2,274)	-	(4,324)	(1,249)	(4,853)	-	-
720	11,505	183,675	930	(16,672)	7,985	7,632	14,335	-	813,063
(95,256)	(96,993)	(726,154)	4,489	(43,610)	81,031	(30,175)	(24,179)	(144,369)	(2,300,465)
-	-	-	-	-	-	-	-	-	83,000
-	-	-	-	60,000	-	-	-	-	2,145,535
-	-	-	-	-	-	-	-	-	0
-	-	-	-	43,784	-	-	-	48,000	91,784
-	-	-	-	-	-	-	-	-	0
(95,256)	(96,993)	(726,154)	4,489	60,174	81,031	(30,175)	(24,179)	(96,369)	19,854
(54,647)	13,949	30,219,732	727,250	12,143,067	2,667,469	275,825	1,313,986	1,485,245	56,707,163
\$ (149,903)	\$ (83,044)	\$ 29,493,578	\$ 731,739	\$ 12,203,241	\$ 2,748,500	\$ 245,650	\$ 1,289,807	\$ 1,388,876	\$ 56,727,017

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# **AGENCY FUND**

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

**ALLEGANY COUNTY, MARYLAND**  
**AGENCY FUND**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 201**

<b>ASSETS:</b>	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b>Taxes levied for State:</b>				
Taxes receivable - State	\$ 492,414	\$ 4,022,152	\$ 4,025,175	\$ 489,391
Bay restoration fee	380,911	972,177	1,024,418	328,670
Other receivables	13,656	25	13,503	178
<b>Taxes levied for Special Areas:</b>				
Lonaconing, Town of	19,765	119,758	120,290	19,233
Midland, Town of	5,379	37,644	37,290	5,733
Westernport, Town of	66,728	366,320	367,342	65,706
Cumberland differential	738	-	-	738
Bel Air Special Tax Area	1,749	30,154	30,287	1,616
Bowling Green Fire Co.	4,346	33,777	33,919	4,204
Bedford Road Fire Co.	5,199	43,019	42,821	5,397
Bowling Green Special Tax Area	4,163	26,412	27,110	3,465
Cresaptown Ambulance	12,616	139,074	138,553	13,137
Cresaptown Civic Imp. Assoc.	4,194	31,912	31,377	4,729
Cresaptown Fire Co.	13,594	184,460	182,970	15,084
Corriganville Light & Imp.	1,969	19,462	19,146	2,285
Ellerslie Special Tax Area	967	9,038	9,224	781
LaVale Volunteer Fire Dept.	15,165	173,539	172,912	15,792
LaVale Rescue Squad	7,592	86,769	86,462	7,899
LaVale Sanitary District	24,643	299,916	298,435	26,124
McCoole Special Tax Area	1,350	4,466	4,588	1,228
Moscow Light	812	3,757	3,928	641
Mt. Savage Special Tax Area	1,927	10,579	10,286	2,220
Potomac Park Special Tax Area	2,089	16,160	15,889	2,360
Rawlings Fire Co.	5,265	41,235	41,910	4,590
Sub-total special areas	<u>200,250</u>	<u>1,677,453</u>	<u>1,674,739</u>	<u>202,961</u>
Due from other funds	<u>266,495</u>	<u>6,859,635</u>	<u>6,851,591</u>	<u>274,538</u>
<b>Total Assets</b>	<u><u>\$ 1,353,728</u></u>	<u><u>\$ 13,531,442</u></u>	<u><u>\$ 13,589,426</u></u>	<u><u>\$ 1,295,741</u></u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 280,154	\$ 7,008,924	\$ 7,014,360	\$ 274,719
A/P Special Areas	200,249	1,695,578	1,692,866	202,961
Taxes payable - State	492,414	4,059,306	4,062,329	489,391
A/P Bay restoration fee	380,911	1,041,641	1,092,924	328,670
<b>Total Liabilities</b>	<u><u>\$ 1,353,728</u></u>	<u><u>\$ 13,805,449</u></u>	<u><u>\$ 13,862,479</u></u>	<u><u>\$ 1,295,741</u></u>

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

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY SOURCE**  
**June 30, 2015 and 2014**

ASSETS	Primary Government			
	At June 30, 2015			Net
	Cost	Accumulated Depreciation	Net Book Value	Book Value June 30, 2014
Land	\$ 22,371,965	\$ -	\$ 22,371,965	\$ 21,986,008
Construction in progress	879,676	-	879,676	1,892,137
Buildings	59,591,112	24,409,338	35,181,774	35,967,470
Infrastructure	49,673,813	31,419,206	18,254,607	17,962,491
Furniture & fixtures	1,050,840	835,752	215,088	260,710
Machinery & equipment	10,439,643	8,251,689	2,187,954	2,398,995
Vehicles	10,533,640	8,471,594	2,062,046	1,977,086
Heavy equipment	4,093,257	3,716,403	376,854	477,298
Other capital assets	1,233,506	613,762	619,744	718,795
Total Assets	<u>\$ 159,867,452</u>	<u>\$ 77,717,744</u>	<u>\$ 82,149,708</u>	<u>\$ 83,640,990</u>
<b>FUND EQUITY</b>				
Investment in general capital assets acquired before July 1, 1993 - source unidentified			\$ 8,165,296	\$ 8,229,732
Investment in construction in progress			1,892,137	1,892,137
Investment in general capital assets by source:				
General Fund:				
General revenues			10,988,334	10,535,561
Federal grants			4,004,309	3,901,254
State grants			2,849,831	2,799,871
Miscellaneous revenues			765,526	739,643
Debt proceeds			1,063,415	1,084,903
Special Revenue Funds:				
General revenues			44,567,638	44,361,089
Federal grants			6,031,104	5,856,426
State grants			8,025,695	8,011,429
Miscellaneous revenues			194,574	194,574
Debt proceeds			8,926,043	8,926,043
Capital Project Funds:				
General revenues			16,256,251	15,834,997
Federal grants			9,750,850	9,439,893
State grants			22,997,160	22,589,934
Miscellaneous revenues			1,127,822	1,082,823
Debt proceeds			10,889,879	10,889,879
Other			1,371,590	1,371,590
Less:				
Accumulated depreciation			<u>(77,717,744)</u>	<u>(74,100,785)</u>
Total Fund Equity			<u>\$ 82,149,708</u>	<u>\$ 83,640,990</u>

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF ASSETS BY FUNCTION**  
**June 30, 2015**

Function	Land	Buildings	Infrastructure	Furniture & Fixtures	Equipment	Vehicles	Other Capital Assets	Construction In Progress	Total Cost	Less Depreciation	Total
General Government	\$ 2,415,871	\$ 4,949,223	\$ 39,776	\$ 186,623	\$ 1,637,497	\$ 393,133	\$ 561,702	\$ 142,222	\$ 10,326,047	\$ (6,364,779)	\$ 3,961,268
Public Safety	2,267,365	19,625,438	2,647,358	330,345	7,692,421	1,709,198	175,857	-	34,447,982	(14,206,644)	20,241,338
Public Works	1,997,861	1,492,971	41,135,461	305,788	848,617	6,970,875	4,046,990	737,454	57,536,017	(41,165,417)	16,370,600
Health	575,119	6,553,202	-	-	-	-	4,121	-	7,132,442	(1,769,845)	5,362,597
Social Services	116	3,250	24,331	199,288	89,080	1,300,653	39,200	-	1,655,918	(1,200,998)	454,920
Recreation & Culture	583,119	2,627,765	214,288	21,911	10,913	36,162	409,293	-	3,903,451	(1,609,131)	2,294,320
Libraries	6,000	1,631,033	-	-	-	-	-	-	1,637,033	(809,309)	827,724
Natural Resources	-	-	-	-	15,839	15,999	-	-	31,838	(31,838)	-
Urban Development & Housing	56,637	426,508	-	4,160	35,846	9,302	-	-	532,453	(398,255)	134,198
Economic Development	14,469,877	22,281,722	5,612,599	5,995	109,430	98,318	86,330	-	42,664,271	(10,161,528)	32,502,743
Total General Capital Assets	\$ 22,371,965	\$ 59,591,112	\$ 49,673,813	\$ 1,054,110	\$ 10,439,643	\$ 10,533,640	\$ 5,323,493	\$ 879,676	\$ 159,867,452	\$ (77,717,744)	\$ 82,149,708

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Function	General Capital Assets June 30, 2014	Transfers to Other Funds	Asset Reclass	Additions	Deductions	Cost	Accumulated Depreciation June 30, 2014	Current Year Depreciation	Add Depreciation on Disposals	General Capital Assets June 30, 2015
General Government	\$ 10,301,070	\$ -	\$ -	\$ 24,976	\$ (74,072)	\$ 10,326,046	\$ (6,195,332)	\$ (169,446)	\$ 72,118	\$ 3,961,268
Public Safety	33,719,233	-	-	802,821	(269,605)	34,447,982	(13,036,532)	(1,242,231)	-	20,241,337
Public Works	56,308,053	-	-	1,497,572	(269,605)	57,536,020	(40,158,373)	(1,007,046)	-	16,370,601
Health	7,132,442	-	-	-	-	7,132,442	(1,551,404)	(218,441)	-	5,362,597
Social Services	1,513,258	-	-	142,660	-	1,655,918	(1,076,446)	(124,552)	-	454,920
Recreation & Culture	3,941,536	-	-	26,350	(64,435)	3,903,451	(1,531,397)	(107,168)	29,434	2,294,320
Libraries	1,637,033	-	-	-	-	1,637,033	(766,716)	(42,593)	-	827,724
Natural Resources	31,838	-	-	-	-	31,838	(31,838)	-	-	-
Urban Development & Housing	532,453	-	-	39,410	-	572,453	(383,861)	(14,394)	-	134,198
Economic Development	42,624,859	-	-	2,533,789	(408,112)	42,664,269	(9,368,886)	(792,640)	101,552	32,502,743
Total General Capital Assets	\$ 157,741,775	\$ -	\$ -	\$ 2,533,789	\$ (408,112)	\$ 159,867,452	\$ (74,100,785)	\$ (3,718,511)	\$ 101,552	\$ 82,149,708

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# **STATISTICAL SECTION**



# Statistical Section

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

Contents	Page
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Net Position by Component, Last Ten Fiscal Years.....	F-5
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<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax	
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Schedule of Property Tax Rates-Direct and Overlapping, Last Ten Fiscal Years.....	F-14
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<b>Debt Capacity</b>	
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<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
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<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	
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Operating Indicators by Function/Program, Last Ten Fiscal Years .....	F-30
Capital Asset Statistics by Function/Program, Last Ten Fiscal Years.....	F-31

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

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# **FINANCIAL TRENDS**

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Net Investment in										
Capital Assets										
Restricted	\$ 66,160,686	\$ 70,105,110	\$ 76,516,700	78,593,428	79,922,549	81,231,372	82,834,048	78,548,257	77,576,485	78,386,353
Unrestricted	2,277,836	13,043,675	5,939,861	4,418,898	3,963,136	3,009,835	1,921,413	3,083,383	3,030,834	11,975,277
Total governmental	3,048,018	(4,635,623)	(6,346,388)	(2,368,710)	2,817,886	4,485,252	9,060,676	18,220,459	24,060,546	9,739,329
activities net position	\$ 71,486,540	\$ 78,513,162	\$ 76,110,173	\$ 80,643,616	\$ 86,703,571	\$ 88,726,459	\$ 93,816,137	\$ 99,852,099	\$ 104,667,865	\$ 100,100,959
<b>Business-type activities</b>										
Net Investment in										
Capital Assets										
Restricted	\$ 67,030,468	\$ 62,978,258	\$ 64,244,563	76,553,963	80,104,054	82,056,523	81,346,531	82,603,601	88,732,280	93,011,267
Unrestricted	167,898	170,632	175,654	184,204	196,240	246,463	239,902	288,615	261,383	442,291
Total business-type	(1,694,100)	878,952	(20,398)	(3,714,137)	(307,597)	723,061	1,520,472	1,783,058	1,016,651	(633,330)
activities net position	\$ 65,504,266	\$ 64,028,042	\$ 64,399,819	\$ 73,024,030	\$ 79,994,697	\$ 83,026,047	\$ 83,106,905	\$ 84,675,274	\$ 90,010,314	\$ 92,820,228
<b>Primary Government</b>										
Net Investment in										
Capital Assets	\$ 133,191,154	\$ 133,083,368	\$ 140,761,263	\$ 155,147,391	\$ 160,026,603	\$ 163,287,895	\$ 164,180,579	\$ 161,151,858	\$ 166,308,765	\$ 171,397,620
Restricted	2,445,734	13,214,507	6,115,515	4,603,102	4,161,376	3,256,298	2,161,315	3,371,998	3,292,217	12,417,568
Unrestricted	1,353,918	(3,756,671)	(6,366,786)	(6,082,847)	2,510,269	5,208,313	10,581,148	20,003,517	25,077,197	9,105,999
Total primary government	\$ 136,990,806	\$ 142,541,204	\$ 140,509,892	\$ 153,667,646	\$ 166,698,268	\$ 171,752,506	\$ 176,923,042	\$ 184,527,373	\$ 194,676,179	\$ 192,921,187

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
<b>Governmental activities:</b>										
General Government:	\$ 7,046,308	\$ 7,517,730	\$ 9,121,475	\$ 9,072,487	\$ 8,846,071	\$ 8,485,854	\$ 9,275,767	\$ 9,087,290	\$ 8,745,293	\$ 8,971,206
Payment to data processing	294,847	311,568	328,464	350,334	348,334	348,334	358,754	358,754	332,956	313,562
Public Safety	14,571,046	13,998,396	15,612,059	16,622,059	18,650,566	17,290,112	16,887,997	16,887,997	17,406,223	18,600,877
Public Works	11,176,350	11,366,688	12,280,040	12,000,493	15,378,566	13,996,902	13,565,897	12,550,869	13,699,606	13,039,773
Health	1,610,957	1,778,704	2,083,410	1,932,151	1,902,425	1,452,867	2,279,472	2,073,143	1,967,479	2,073,143
Social Services	1,987,579	2,371,580	2,512,169	1,932,208	2,285,943	1,497,708	562,642	1,553,615	1,568,214	1,277,778
Education:	709,684	437,620	1,274,899	317,766	207,903	417,181	562,642	640,888	682,409	623,625
Payment to public school system	27,282,735	29,699,591	36,171,292	28,883,694	28,518,587	29,005,829	28,240,000	29,391,958	29,770,045	30,224,471
Payments to community college	6,010,000	6,382,000	7,175,000	7,425,000	7,425,000	7,425,000	7,425,000	7,425,000	7,555,000	7,555,000
Recreation, culture & libraries:	720,024	1,072,292	1,050,609	1,041,683	905,000	1,078,718	868,620	884,822	722,533	749,376
Payment to public library system	835,000	875,000	905,000	905,000	905,000	905,000	905,000	905,000	947,500	947,500
Conservation of natural resources	230,040	293,066	327,747	506,897	289,447	905,000	201,107	240,204	287,352	254,450
Economic Development	1,666,691	1,566,909	1,774,905	2,002,596	1,527,343	1,260,818	804,107	1,033,325	915,289	1,042,086
Community development & housing	2,487,755	3,083,041	4,113,586	2,407,460	2,296,740	3,099,936	2,879,427	2,548,509	3,602,112	2,672,959
Interest on long term debt:	1,377,559	1,351,127	1,810,725	1,810,688	1,678,376	1,438,754	1,290,789	987,503	581,199	650,717
Total governmental activities expenses	\$ 77,986,575	\$ 82,095,092	\$ 96,341,380	\$ 87,185,250	\$ 90,972,159	\$ 87,612,179	\$ 86,307,652	\$ 85,914,814	\$ 88,775,760	\$ 89,002,523
<b>Business-type activities:</b>										
Water	1,751,458	1,798,200	2,977,733	3,272,629	3,699,321	4,184,704	4,018,864	4,270,963	4,344,329	4,429,254
Sewer	7,137,019	7,900,344	7,249,045	7,220,779	7,251,103	7,914,948	8,485,797	8,622,450	8,986,494	9,354,485
Nursing Home	9,657,283	10,292,274	10,425,903	11,034,410	11,034,410	12,816,295	13,254,637	13,247,061	13,518,288	14,118,324
Other Funds	487,108	446,058	578,996	597,356	613,458	716,643	749,976	353,648	187,465	334,585
Total business-type activities expenses	19,032,858	20,436,876	21,231,677	22,125,174	22,583,882	24,732,586	25,509,266	25,483,712	26,256,572	27,146,847
<b>Total primary government expenses</b>	\$ 97,019,443	\$ 102,531,968	\$ 117,573,057	\$ 109,310,424	\$ 102,536,041	\$ 100,428,474	\$ 99,562,289	\$ 99,161,875	\$ 102,294,048	\$ 103,120,847
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges For services:	\$ 2,565,073	\$ 2,385,029	\$ 2,230,875	\$ 2,193,379	\$ 1,854,301	\$ 1,503,049	\$ 1,394,969	\$ 1,263,372	\$ 1,247,166	\$ 416,243
Public safety	850,935	957,924	940,444	874,542	1,002,656	842,854	931,374	952,807	999,315	1,403,788
Economic development	2,472,961	2,179,128	2,090,151	2,976,731	3,208,431	3,368,034	3,446,473	3,446,157	3,336,528	1,004,159
Other activities	935,592	783,227	898,153	819,558	756,974	781,680	779,869	739,760	804,327	3,786,001
Operating grants and contributions	6,162,976	5,564,276	5,130,297	5,111,876	5,488,828	4,309,939	4,123,606	5,100,079	4,470,054	4,320,955
Capital grants and contributions	4,861,929	5,205,639	6,009,919	2,193,383	6,597,432	4,801,667	2,770,368	3,688,323	1,296,010	1,086,127
Total governmental activities	17,869,466	17,075,223	17,299,839	14,169,469	18,888,622	11,286,223	13,458,659	11,870,498	12,153,400	12,017,273
Business-type activities:										
Charges For services:										
Water	1,379,464	1,313,974	2,530,078	2,809,168	3,385,635	3,792,949	3,646,217	3,688,155	3,957,267	4,182,774
Sanitary	5,488,342	5,671,545	4,653,216	4,835,519	5,007,377	5,265,246	5,411,747	5,444,477	5,735,194	5,905,018
Nursing Home	9,030,901	9,455,148	9,922,523	10,900,432	10,900,432	12,144,000	12,554,57	281,017	269,480	316,477
Other Funds	53,667	13,448	439,381	62,018	124,134	271,440	255,457	281,017	269,480	316,477
Operating grants and contributions	3,560,637	803,391	3,290,107	10,872,588	7,412,463	4,545,246	2,547,845	3,908,635	7,473,345	6,016,661
Capital grants and contributions	19,513,011	17,257,506	20,835,305	29,479,725	15,929,609	13,874,881	11,861,266	13,322,284	17,435,286	16,420,930
Total program revenues	37,382,477	34,332,729	38,135,144	43,649,194	34,818,231	25,161,104	25,319,925	25,192,782	29,588,686	28,438,203
<b>Total primary government revenues</b>	\$ 37,382,477	\$ 34,332,729	\$ 38,135,144	\$ 43,649,194	\$ 34,818,231	\$ 25,161,104	\$ 25,319,925	\$ 25,192,782	\$ 29,588,686	\$ 28,438,203

(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)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (60,117,109)	\$ (65,019,869)	\$ (79,041,541)	\$ (73,015,781)	\$ (72,083,537)	\$ (76,325,956)	\$ (72,848,993)	\$ (74,044,316)	\$ (76,622,360)	\$ (76,985,250)
Business-type activities	480,143	(3,179,370)	(399,372)	7,354,551	4,365,727	1,058,586	(1,393,371)	75,223	3,916,998	2,302,606
Total primary government net expense	<u>\$ (59,636,966)</u>	<u>\$ (68,199,239)</u>	<u>\$ (79,437,913)</u>	<u>\$ (65,661,230)</u>	<u>\$ (67,717,810)</u>	<u>\$ (75,267,370)</u>	<u>\$ (74,242,364)</u>	<u>\$ (73,969,093)</u>	<u>\$ (72,705,362)</u>	<u>\$ (74,682,644)</u>
<b>General Revenues And Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property taxes	\$ 29,094,141	\$ 30,141,707	\$ 32,492,011	\$ 34,266,623	39,552,052	41,236,282	41,271,372	40,882,732	41,334,050	40,209,077
Income taxes	23,407,305	23,177,237	24,990,613	26,338,493	22,821,267	24,239,325	24,657,767	24,460,225	24,169,537	26,099,413
Other local taxes	8,769,370	8,975,907	8,752,593	7,160,132	3,260,020	3,360,863	2,965,592	4,011,282	4,339,620	4,669,338
Licenses	308,405	323,025	332,774	342,819	353,375	355,176	415,086	415,158	414,862	425,841
Unrestricted grants	6,300,447	7,570,738	7,173,715	6,966,889	7,341,783	7,345,258	7,359,609	8,940,541	9,172,991	9,165,836
Investment earnings	1,436,172	1,634,969	1,923,408	1,303,210	1,082,485	1,184,451	1,163,443	868,087	1,745,196	1,353,238
Gain/(loss) on sale/retirement of capital assets	2,876,383	707,145	1,288,442	1,259,689	573,688	243,845	81,820	387,597	18,915	-
Miscellaneous	393,305	392,063	(315,004)	(88,631)	3,158,822	591,353	191,234	208,120	323,216	342,101
Transfers	96,895	(430,187)	-	(88,631)	3,158,822	(208,709)	(167,252)	(93,464)	(167,799)	(89,824)
Special item	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>\$ 72,682,423</u>	<u>\$ 72,492,604</u>	<u>\$ 76,638,552</u>	<u>\$ 77,549,224</u>	<u>\$ 78,143,492</u>	<u>\$ 78,348,844</u>	<u>\$ 77,938,671</u>	<u>\$ 80,080,278</u>	<u>\$ 81,350,588</u>	<u>\$ 82,175,020</u>
Business-type activities:										
Property taxes	\$ 732,367	\$ 884,340	\$ 819,542	\$ 891,363	901,613	1,414,497	996,575	986,573	1,019,069	997,240
Investment earnings	181,098	196,246	202,249	179,171	183,601	183,350	175,200	309,448	208,641	201,738
Miscellaneous	76,326	192,372	116,816	110,495	108,761	166,208	5,924	103,661	22,533	21,003
Gain/(loss) on sale/retirement of capital assets	-	-	(685,462)	-	4,569,787	208,709	129,278	-	-	-
Transfers	(96,895)	430,187	315,004	88,631	(3,158,822)	208,709	167,252	93,464	167,799	89,824
Total business-type activities	<u>\$ 894,896</u>	<u>\$ 1,703,145</u>	<u>\$ 768,149</u>	<u>\$ 1,269,660</u>	<u>\$ 2,504,940</u>	<u>\$ 1,972,764</u>	<u>\$ 1,474,229</u>	<u>\$ 1,493,146</u>	<u>\$ 1,418,042</u>	<u>\$ 1,309,805</u>
Total primary government	<u>\$ 73,577,319</u>	<u>\$ 74,195,749</u>	<u>\$ 77,406,701</u>	<u>\$ 78,818,884</u>	<u>\$ 80,748,432</u>	<u>\$ 80,321,608</u>	<u>\$ 79,412,900</u>	<u>\$ 81,573,424</u>	<u>\$ 82,768,630</u>	<u>\$ 83,484,825</u>
<b>Change in Net Position</b>										
Governmental activities, restated	\$ 12,565,314	\$ 7,472,735	\$ (2,402,989)	\$ 4,533,443	\$ 6,059,955	\$ 2,022,888	\$ 5,069,678	\$ 6,035,962	\$ 4,728,943	\$ 5,189,770
Business-type activities	1,375,039	(1,476,225)	371,777	8,624,211	6,970,667	3,031,350	80,858	1,568,369	5,335,040	3,612,411
Total primary government	<u>\$ 13,940,353</u>	<u>\$ 5,996,510</u>	<u>\$ (2,031,212)</u>	<u>\$ 13,157,654</u>	<u>\$ 13,030,622</u>	<u>\$ 5,054,238</u>	<u>\$ 5,170,536</u>	<u>\$ 7,604,331</u>	<u>\$ 10,063,983</u>	<u>\$ 8,802,181</u>

Note: Expenses include indirect cost allocation.

(Continued)

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

**Explanation of Significant Variances:**

- a Increase due to Allegany County's portion of new school construction.
- b Increase due to an increase in personnel salaries and fringe
- c Increase in grants due to significant grants received for Allegany Highlands Trail and Barton Business Park
- d Increase in grants due to grants received for Celanese Wastewater Treatment Plant
- e Increase due to donation of land from the State of Maryland for the Allegany Highlands Trail
- f Increase due to revenue growth from sources such as increase in tax rate, income tax increase, charges from boarding federal/state prisoners while expenses remained relatively the same.
- g Increase due expenditures for new High School
- h Increases/decreases due to separating water districts from combined sewer/water districts, therefore increasing water revenues and decreasing sewer.
- i Increase due to revenue collected for capital replacement of allconet switches
- j Increase due to donation of 911 assets from the State of Maryland in the amount of \$ 851,686
- k Increase due to an increase in personnel salaries and fringe due to new Bureau of Police Department and additional public safety grant expenditures
- l Decrease due to decrease in construction project expenditures.
- m Decrease in grants due to large education construction grant/loans being spent in prior years and not in FY 09 due to completion of project
- n Increase in grants due to grants received for Georges Creek WWTP Upgrade
- o Decrease in other taxes due to economic recession which affected recodation and transfer taxes.
- p Sold County owned Nursing Home
- q Increase due to over \$ 4 million in ARRA federal grant money received
- r Decrease due to less grant money received in FY 2010 for the Georges Creek WWTP Upgrade which is near completion
- s Decrease due to dramatic decrease in highway users revenue and recodation/transfer taxes.
- t Increase due to decrease in highway users tax revenue therefore transfers to highway fund increased.
- u Decrease in grants largely due to the decrease in American Recovery & Reinvestment Act Grants that were received in 2010
- v Decrease largely due to a large construction project being completed (Georges Creek Wastewater Plant)
- w Increase largely due to contribution related to donation of building
- x Decrease due to grant related projects being completed and projects financed more with loans
- y Decrease due to donation of building in FY 2012 in the amount of \$ 1.6 million and no such donation in FY 13
- z Increase due to increase in federal and state funding for the Mount Savage Water/Sewer project
- aa Increase due to expenditures largely due to additional road and "Pot-hole" work
- ab Increase due to increase in federal and state funding for the Mt. Savage & Rawlings Water projects and Jennings Run Sewer project

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Nonspendable	\$ 3,302,308	\$ 3,586,015	\$ 3,825,655	\$ 3,907,309	1,210,859	1,202,021	1,200,453	1,201,255	1,200,000	1,200,000
Restricted	9,399,968	10,361,286	11,675,991	11,892,893	15,761,591	110,767	129,902	148,863	148,863	148,863
Committed	\$ 12,702,276	\$ 13,947,301	\$ 15,501,646	\$ 15,799,702	\$ 16,972,450	2,649,697	881,313	-	-	949,319
Assigned						1,868,295	15,679,397	447,970	3,414,000	5,664,000
Unassigned						11,394,352	17,901,696	17,901,696	18,695,272	19,642,135
<b>Reserved</b>										
Unreserved	\$ 3,302,308	\$ 3,586,015	\$ 3,825,655	\$ 3,907,309	1,210,859	1,202,021	1,200,453	1,201,255	1,200,000	1,200,000
Total General Fund	\$ 12,702,276	\$ 13,947,301	\$ 15,501,646	\$ 15,799,702	\$ 16,972,450	\$ 17,225,132	\$ 17,891,065	\$ 19,699,784	\$ 23,458,135	\$ 27,604,317
<b>All Other Governmental Funds</b>										
Restricted						1,217,476	1,719,061	3,050,872	2,966,644	10,197,951
Committed						6,714,291	5,458,432	8,901,702	10,738,989	12,136,663
Assigned						2,340,790	2,695,550	2,442,285	1,497,237	1,394,298
Unassigned						(551,089)	43,002	(11,060)	(191,236)	(305,634)
<b>Reserved</b>										
Unreserved, reported in:	\$ 574,181	\$ 424,349	\$ 10,240,090	\$ 3,778,869	1,209,131					
Special revenue funds	5,102,167	5,001,124	5,182,529	5,890,017	8,196,602					
Capital project funds	1,220,786	2,467,471	2,817,863	1,148,208	3,015,176					
Debt service funds	1,175,000	1,517,200	1,687,610	1,654,049	315,232					
Total all other governmental funds	\$ 8,072,134	\$ 9,430,144	\$ 19,928,092	\$ 12,471,143	\$ 12,736,141	\$ 9,721,468	\$ 9,916,045	\$ 14,383,799	\$ 15,011,634	\$ 23,423,278

Note: Changes to fund balance classifications beginning in FY 2011 are due to changes required by GASB Statement Number 54

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

	2006	2007	2008	2009	2010	#	2011	2012	2013	2014	2015
<b>Revenues</b>											
Property taxes	\$ 29,786,204	30,740,703	32,434,205	35,282,339	39,691,592		42,100,002	42,049,578	40,302,290	43,948,120	41,737,685
Income taxes	22,103,548	23,977,520	24,859,124	25,429,314	23,824,268		24,249,781	24,854,127	24,249,292	24,112,733	25,910,575
Highway user taxes	4,813,872	4,823,654	4,643,174	4,023,384	2,277,622		3,171,590	2,294,448	4,244,914	5,711,589	4,660,089
Other local taxes	4,709,748	4,837,769	4,622,525	3,529,059	3,669,846		3,253,070	3,223,768	4,087,133	4,088,216	3,579,491
Licenses and permits	586,286	616,222	621,136	611,328	609,877		613,729	659,513	664,287	686,233	678,422
Intergovernmental:											
Federal	6,784,009	5,206,553	4,889,944	4,046,367	8,381,233		2,892,586	3,617,971	2,991,120	2,044,238	3,250,446
State	10,779,726	14,134,749	13,132,681	9,961,957	10,014,893		9,518,068	8,681,987	10,909,579	12,151,477	12,285,365
Other	561,733	399,757	328,351	354,708	362,382		5,154,474	5,714,763	5,377,554	4,677,561	6,000,745
Service charges	3,136,916	2,878,752	3,245,344	2,875,791	2,602,221		2,000,673	2,232,599	1,756,235	1,740,331	1,898,021
Fines and forfeitures	78,618	109,022	71,133	98,463	114,372		74,177	141,890	96,119	170,927	150,249
Interest	752,182	948,856	1,215,979	440,827	247,564		162,578	121,670	128,522	103,748	152,354
Miscellaneous	3,047,951	2,908,467	2,504,957	3,489,990	3,832,288		4,005,045	3,644,693	3,902,225	3,949,663	4,142,621
Total revenues	\$ 87,141,793	\$ 91,582,024	\$ 92,568,593	\$ 90,103,432	\$ 93,578,128		\$ 89,987,773	\$ 89,972,005	\$ 90,049,230	\$ 94,134,836	\$ 94,822,063
<b>Expenditures</b>											
General government	6,403,875	7,203,861	7,394,222	8,507,964	8,368,897		8,277,780	8,622,096	8,436,402	7,999,532	8,532,724
Public safety	13,162,203	13,340,006	14,769,517	15,177,619	14,903,570		16,224,735	16,110,171	16,144,972	16,216,972	17,572,571
Public works	11,014,386	10,483,049	12,772,343	11,598,782	11,752,219		12,123,968	11,496,843	11,178,747	11,806,708	11,465,679
Health and Hospitals	547,635	668,436	639,555	477,204	479,537		460,030	425,309	438,291	411,510	432,996
Social Services	2,481,137	2,267,955	2,199,074	1,825,634	2,911,063		1,449,501	1,497,113	1,378,693	1,483,664	1,283,500
Education	6,788	33,511	785,391	28,261	25,261		24,511	23,761	29,754	-	-
Recreation, culture and libraries	557,173	296,339	785,391	818,848	555,124		863,290	736,413	736,413	616,169	628,708
Conservation of natural resources	222,849	286,942	321,258	505,126	286,273		212,577	201,090	239,976	319,102	254,682
Community Development and Housing	1,666,589	1,535,517	1,790,426	1,987,093	1,566,389		1,299,107	870,841	1,018,262	900,783	1,027,692
Economic development	4,313,128	4,093,940	9,649,364	5,048,205	2,017,520		3,774,604	3,260,393	1,690,366	2,084,527	1,936,365
Miscellaneous	17,671	25,749	28,742	27,755	20,869		114,855	27,089	34,803	31,222	33,046
Appropriation to other governments	1,044,128	1,162,444	1,243,264	1,245,011	1,242,952		1,242,369	1,225,199	1,347,973	1,376,033	1,461,027
Capital Outlay	8,594,428	10,789,035	11,882,463	3,704,254	8,092,983		3,209,772	1,741,884	2,320,671	3,076,325	4,096,958
Debt Service:											
Interest	1,442,163	1,317,568	1,791,147	1,830,204	1,732,167		1,491,130	1,271,904	1,083,631	666,802	558,774
Principal	4,716,262	4,213,086	4,892,495	4,728,665	4,887,794		5,002,830	4,563,988	16,833,941	3,937,149	4,397,552
Payments to Component Units	33,734,847	34,948,568	36,788,464	37,130,334	36,878,334		36,918,334	36,928,754	38,080,712	39,280,450	38,234,206
Total expenditures	\$ 89,925,262	\$ 93,417,886	\$ 106,981,132	\$ 94,640,959	\$ 95,720,852		\$ 92,910,505	\$ 89,029,012	\$ 100,933,607	\$ 90,206,948	\$ 91,916,480
Excess of revenues over (under)	\$ (2,783,469)	\$ (1,835,862)	\$ (14,412,579)	\$ (4,537,527)	\$ (2,142,724)		\$ (2,922,732)	\$ 942,993	\$ (10,884,377)	\$ 3,927,888	\$ 2,905,583
<b>Other Financing Sources (Uses)</b>											
Proceeds from borrowing	\$ 149,483	\$ 14,141,516	\$ 5,237,697	4,663,719	63,719		7,823,754	7,293,320	5,877,961	6,239,177	4,368,114
Proceeds from refinancing	-	-	-	-	-		-	-	14,736,467	-	-
Payments to escrow agent	-	-	-	-	-		-	-	-	-	-
Transfers in	10,558,497	12,204,383	11,082,801	13,684,810	19,552,823		7,823,754	7,293,320	5,877,961	6,239,177	4,368,114
Transfers from component units	-	-	-	-	-		-	-	-	-	-
Transfers out	(10,461,602)	(12,634,570)	(11,397,805)	(13,773,441)	(16,393,999)		(8,032,465)	(7,460,574)	(5,971,428)	(6,406,976)	(4,457,938)
Sale of capital assets	4,552,930	358,874	2,330,993	102,838	217,528		369,452	84,771	2,517,850	628,097	1,716
Total Other Financing Sources (Uses)	\$ 4,799,308	\$ 14,070,203	\$ 7,253,686	\$ 4,677,926	\$ 3,440,071		\$ 160,741	\$ (82,483)	\$ 17,160,850	\$ 458,298	\$ 9,652,243
Net Change in fund balances	\$ 2,015,839	\$ 12,234,347	\$ (7,158,893)	\$ 140,399	\$ 1,297,347		\$ (2,761,991)	\$ 860,510	\$ 6,276,473	\$ 4,385,186	\$ 12,557,826
Debt service as a percentage of noncapital expenditures	7.8%	6.7%	6.9%	7.4%	7.2%		7.40%	6.8%	18.1%	5.2%	5.5%

# 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		Totals		Personal & Corporate Personal Total Direct Tax Rate
	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	
2006	2,439,119,223	2,439,119,223	9,047,760	9,047,760	344,568,390	344,568,390	2,792,735,373	2,792,735,373	2.6113
2007	2,542,803,943	2,542,803,943	8,701,450	8,701,450	358,861,080	358,861,080	2,910,366,473	2,910,366,473	2.5583
2008	2,762,960,350	2,762,960,350	9,994,750	9,994,750	329,523,214	329,523,214	3,102,478,314	3,102,478,314	2.5688
2009	3,014,146,982	3,014,146,982	6,519,060	6,519,060	320,952,870	320,952,870	3,341,618,912	3,341,618,912	2.5623
2010	3,141,346,303	3,141,346,303	6,100,480	6,100,480	424,375,697	424,375,697	3,571,822,480	3,571,822,480	2.5478
2011	3,360,795,103	3,360,795,103	6,596,150	6,596,150	347,045,160	347,045,160	3,714,436,413	3,714,436,413	2.5763
2012	3,547,448,518	3,547,448,518	5,747,720	5,747,720	353,272,590	353,272,590	3,906,468,828	3,906,468,828	2.4993
2013	3,532,084,432	3,532,084,432	5,694,540	5,694,540	346,092,240	346,092,240	3,883,871,212	3,883,871,212	2.4693
2014	3,511,729,354	3,511,729,354	5,028,930	5,028,930	358,164,980	358,164,980	3,874,923,264	3,874,923,264	2.4700
2015	3,469,830,592	3,469,830,592	4,997,740	4,997,740	345,858,616	345,858,616	3,820,686,948	3,820,686,948	2.5088

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**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b><u>Municipal Direct Tax Rates (1.2)</u></b>										
Barton	0.1728	0.1649	0.1662	0.1709	0.1699	0.1835	0.1981	0.2156	0.2220	0.2220
Cumberland	0.9654	0.9654	0.9654	0.9654	0.9654	0.9654	0.9654	0.9479	0.9479	0.9479
Frostburg	0.5820	0.5665	0.5665	0.5665	0.5500	0.5500	0.5540	0.5500	0.5500	0.5500
Lonaconing	0.5552	0.3400	0.3400	0.3400	0.3700	0.3400	0.3400	0.3400	0.3400	0.3400
Luke	0.7500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5000	0.5000	0.5000
Midland	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2708	0.2800	0.2800
Westernport	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
<b><u>Allegany County Direct Tax Rates (1.3)</u></b>										
Barton	0.8976	0.8910	0.8892	0.9038	0.9475	0.9545	0.9552	0.9551	0.9494	0.9727
Cumberland	0.8530	0.8424	0.8371	0.8519	0.8999	0.9016	0.9074	0.9090	0.9087	0.9309
Frostburg	0.8597	0.8497	0.8436	0.8579	0.9065	0.9086	0.9107	0.9136	0.9111	0.9366
Lonaconing	0.8761	0.8675	0.8655	0.8834	0.9328	0.9305	0.9336	0.9333	0.9283	0.9548
Luke	0.8735	0.8645	0.8620	0.8799	0.9289	0.9266	0.9304	0.9302	0.9227	0.9516
Midland	0.8976	0.8910	0.8892	0.9038	0.9475	0.9545	0.9552	0.9551	0.9474	0.9727
Westernport	0.8847	0.8745	0.8702	0.8854	0.9328	0.9305	0.9336	0.9333	0.9263	0.9548
Unincorporated	0.9790	0.9800	0.9810	0.9820	0.9829	0.9829	0.9829	0.9829	0.9829	1.0007
<b><u>Special Taxing Areas (1.4)</u></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	0.2900	0.2900	0.2530	0.2530	0.2530	0.2530
Braddock Run	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070	0.0040	0.0040	0.0040	0.0040
Cresaptown	0.2500	0.2500	0.2500	0.2500	0.2900	0.2900	0.3000	0.3000	0.3000	0.3000
Jennings Run - Wills Creek	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Cash Valley Subdistrict	0.1860	0.1860	0.1860	0.1860	0.1860	0.1860	0.2200	0.2200	0.2200	0.2200
McCoole	0.0310	0.0310	0.0310	0.0310	0.0700	0.0700	0.1400	0.1400	0.1400	0.1400
Flintstone/ Gilpin	0.1500	0.1500	0.1500	0.1500	0.1700	0.1700	0.2000	0.2000	0.2000	0.2000
Franklin/ Brophytown	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0920	0.0920	0.0920	0.0920
Oldtown	0.0330	0.0330	0.0330	0.0330	0.0800	0.0800	0.0960	0.0960	0.0960	0.0960
George's Creek	0.2100	0.2100	0.2100	0.2100	0.4700	0.1600	0.1600	0.1600	0.1600	0.1600
Mexico Farms	0.0510	0.0510	0.0510	0.0510	0.0600	0.0600	0.1840	0.1840	0.1840	0.1840
Oldtown Road	0.1300	0.1040	0.0770	0.0770	0.0770	0.0770	0.2400	0.2400	0.2400	0.2400
<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	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.0320	0.0320
Bowling Green Volunteer Fire Co	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Corriganville Light & Imp Assoc.	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Cresaptown Ambulance Taxing Area	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280
Cresaptown Civic Improvement Assoc	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400
Cresaptown Special Fire Tax Area	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Ellerslie Special Taxing Area	0.0300	0.0300	0.0300	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
LaVale Sanitary Commission	0.0520	0.0520	0.0530	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
LaVale Fire Department	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
LaVale Volunteer Rescue Squad	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
McCoole Special Taxing Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Moscow Special Taxing Area	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200
Mt Savage Special Taxing Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Potomac Park Citizens Committee	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0320	0.0320	0.0320
Rawlings Special Fire Tax Area	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0600	0.0600	0.0600
<b>Total County Direct Rate (1.5)</b>	<b>1.0035</b>	<b>0.9880</b>	<b>0.9877</b>	<b>0.9997</b>	<b>1.0305</b>	<b>1.0191</b>	<b>1.0249</b>	<b>1.0275</b>	<b>1.0233</b>	<b>1.0445</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.

Source: Allegany County Finance Department; Maryland State Assessment Office

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

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value
AES WR Limited Partnership	\$ 72,243,917	1	1.87%	\$ 122,313,948	1	4.38%
Potomac Edison Co	55,590,820	2	1.44%	49,813,260	4	1.78%
CSX Transportation	39,369,037	3	1.02%	18,559,381	8	0.66%
Trans-Allegheny Interstate Line	36,028,010	4	0.93%			
New Page (Mead/Westvaco)	35,012,800	5	0.91%	73,144,233	2	2.62%
LaVale Associates	33,651,720	6	0.87%	28,746,420	6	1.03%
Columbia Gas of Maryland	25,579,610	7	0.66%	23,266,290	7	0.83%
Verizon-Maryland (Bell Atlantic)	18,580,360	8	0.48%	39,157,940	5	1.40%
Hunter Douglas Northeast, Inc.	15,829,080	9	0.41%			
Allegany Coal-Land	13,984,974	10	0.36%			
Sacred Heart Hospital				55,998,900	3	2.01%
American Woodmark				3,457,760	10	0.12%
Western Md health				6,133,966	9	0.22%
<b>Total</b>	<b>\$ 345,870,328</b>		<b>8.97%</b>	<b>\$ 420,592,098</b>		<b>15.05%</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
2006	23,311,852	21,694,064	93.06%	(23,499)	1,594,051	23,288,353	23,288,115	100.00%
2007	24,152,164	22,574,066	93.47%	(37,176)	1,540,453	24,114,988	24,114,519	100.00%
2008	26,296,828	24,418,173	92.86%	(54,137)	1,823,263	26,242,691	26,241,436	100.00%
2009	28,732,488	26,710,075	92.96%	(55,778)	1,967,909	28,676,710	28,677,984	100.00%
2010	31,122,925	28,546,101	91.72%	(43,560)	2,533,350	31,079,365	31,079,451	100.00%
2011	32,868,341	30,352,908	92.35%	(55,187)	2,436,590	32,813,154	32,789,498	99.93%
2012	33,037,418	30,557,037	92.49%	(34,905)	2,402,299	33,002,513	32,959,336	99.87%
2013	32,760,110	30,023,529	91.65%	(18,520)	2,662,860	32,741,590	32,686,389	99.83%
2014	32,615,476	30,189,373	92.56%	(20,368)	1,312,236	32,595,108	31,501,609	96.65%
2015	32,363,414	29,837,271	92.19%			32,363,414	29,837,271	92.19%

**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
2006	221,878	201,105	90.64%	(10,295)	6,591	211,583	207,696	98.16%
2007	208,932	186,368	89.20%	(7,244)	9,289	201,688	195,657	97.01%
2008	240,950	143,066	59.38%	(69,162)	21,204	171,788	164,270	95.62%
2009	156,136	131,719	84.36%	(762)	12,286	155,374	144,005	92.68%
2010	145,616	119,211	81.87%	(6,980)	11,856	138,636	131,067	94.54%
2011	157,764	119,985	76.05%	(13,839)	10,292	143,925	130,277	90.52%
2012	134,221	117,375	87.45%	(5,035)	3,796	129,186	121,171	93.80%
2013	133,495	114,347	85.66%	(8,074)	3,220	125,421	117,567	93.74%
2014	115,658	104,621	90.46%	(856)	3,423	114,802	108,044	94.11%
2015	113,785	99,147	87.14%			113,785	99,147	87.14%

**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
2006	8,408,395	8,276,381	98.43%	(34,960)	85,499	8,373,435	8,361,880	99.86%
2007	8,210,266	8,094,923	98.60%	(16,650)	52,378	8,193,616	8,147,301	99.43%
2008	7,921,091	7,814,936	98.66%	272,369	328,284	8,193,460	8,143,219	99.39%
2009	7,710,088	7,559,542	98.05%	1,241,442	1,335,898	8,951,530	8,895,440	99.37%
2010	9,076,556	8,244,551	90.83%	(93,328)	686,391	8,983,228	8,930,942	99.42%
2011	8,147,312	7,948,859	97.56%	(69,807)	102,857	8,077,505	8,051,716	99.68%
2012	8,147,310	7,377,461	90.55%	(28,316)	649,363	8,118,994	8,026,824	98.86%
2013	7,893,890	7,089,831	89.81%	18,937	700,439	7,912,827	7,790,270	98.45%
2014	8,178,512	7,666,345	93.74%	(296,529)	138,543	7,881,983	7,804,888	99.02%
2015	7,909,034	7,583,185	95.88%			7,909,034	7,583,185	95.88%

**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
2006	31,942,125	30,171,550	94.46%	(68,754)	1,686,141	31,873,371	31,857,691	99.95%
2007	32,571,362	30,855,357	94.73%	(61,071)	1,602,120	32,510,291	32,457,477	99.84%
2008	34,458,868	32,376,175	93.96%	149,070	2,172,750	34,607,939	34,548,925	99.83%
2009	36,598,711	34,401,336	94.00%	1,184,902	3,316,093	37,783,613	37,717,429	99.82%
2010	40,345,097	36,909,863	91.49%	(143,868)	3,231,597	40,201,229	40,141,460	99.85%
2011	41,173,417	38,421,752	93.32%	(138,833)	2,549,739	41,034,584	40,971,491	99.85%
2012	41,318,949	38,051,873	92.09%	(68,256)	3,055,458	41,250,693	41,107,331	99.65%
2013	40,787,495	37,227,707	91.27%	(7,657)	3,366,519	40,779,838	40,594,226	99.54%
2014	40,909,646	37,960,339	92.79%	(317,753)	1,454,202	40,591,893	39,414,541	97.10%
2015	40,386,233	37,519,603	92.90%			40,386,233	37,519,603	92.90%

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	Sanitary Federal Loans				Nursing Home Loans
2006	22,944,000	699,910	206,123	6,433,258	156,183	4,218,791	-	77,435	10,137,902	1,017,406	501,088	46,392,096	2.40%	639
2007	28,532,000	5,610,818	126,929	5,941,976	475,717	4,161,123	-	19,503	10,012,618	3,790,944	475,926	59,147,554	3.00%	815
2008	24,949,597	10,253,745	288,444	5,065,139	445,537	4,449,625	-	19,169	9,489,761	3,363,826	449,448	58,774,291	2.70%	809
2009	25,787,011	9,815,243	259,423	4,630,302	414,419	4,379,776	-	18,819	13,269,238	3,323,335	421,565	62,319,151	2.70%	859
2010	21,920,544	9,365,495	206,094	4,175,771	397,734	4,306,768	-	18,453	15,666,339	3,281,112	-	59,338,310	2.60%	790
2011	17,861,152	8,695,326	131,177	3,697,419	380,516	5,047,339	-	18,070	15,840,547	3,237,076	-	55,108,622	2.30%	734
2012	14,215,926	8,502,021	74,090	3,199,049	362,737	7,588,062	-	17,670	15,108,960	3,664,134	-	52,732,649	2.10%	706
2013	20,948,078	219,629	36,080	2,203,357	344,380	10,928,261	-	17,251	14,519,950	4,968,713	-	54,185,699	2.10%	732
2014	17,922,268	212,915	18,560	1,765,300	325,424	10,859,917	130,265	16,814	13,698,637	4,902,290	-	49,852,390	1.90%	678
2015	23,531,007	205,809	0	1,471,847	305,853	10,710,507	236,488	16,355	12,726,747	4,833,367	-	54,038,000	2.10%	741

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Taxable Value of Property</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Population</u>	<u>Debt Per Capita</u>
2006	22,944,000	2,792,735,373	0.82%	72,613	315.98
2007	28,532,000	2,910,366,473	0.98%	72,603	392.99
2008	24,949,597	3,102,478,314	0.80%	72,658	343.38
2009	25,787,011	3,341,618,912	0.77%	72,532	355.53
2010	21,920,544	3,571,822,480	0.61%	75,101	291.88
2011	17,861,152	3,714,436,413	0.48%	75,059	237.96
2012	14,215,926	3,906,468,828	0.36%	74,692	190.33
2013	20,948,078	3,883,871,212	0.54%	74,012	283.04
2014	17,922,268	3,874,923,264	0.46%	73,521	243.77
2015	23,531,007	3,820,686,948	0.62%	72,952	322.55

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements  
 Long-term compensated absences payable balances are not included in this schedule  
 Table above does not include premium on bond payable in the amount of \$ 936,218 for FY 15

Source: Allegany County Finance Office and Bureau Of Economic Analysis

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Population	72,613	72,603	72,658	72,532	75,101	75,059	74,692	74,012	73,521	72,962
Inmate population excluded	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279
Net population for debt limit	69,334	69,324	69,379	69,253	71,822	71,780	71,413	70,733	70,242	69,673
Debt Per Capita	585	585	585	585	585	585	585	585	585	585
Debt Limit	40,560,390	40,554,540	40,586,715	40,513,005	42,015,870	41,991,300	41,776,605	41,378,805	41,091,570	40,758,705
Total Net Debt applicable to limit	30,283,291	40,211,723	40,556,925	40,491,979	35,667,904	30,585,074	25,991,086	23,407,144	19,469,995	24,272,444
Legal Debt Margin	10,277,099	342,817	29,790	21,026	6,347,966	11,406,226	15,785,519	17,971,661	21,621,575	16,486,261
Total net debt applicable to the limit as a percentage of debt limit	74.7%	99.2%	99.9%	99.9%	84.9%	72.8%	62.2%	56.6%	47.4%	59.6%

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

County debt policy dated May 1996

## Allegheny 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		
2015	7,056,321	6,576,768	479,553	1,114,763	338,240	1,453,003	0.33		
2014	6,910,702	6,208,477	702,225	1,086,079	352,416	1,438,495	0.49		
2013	6,710,671	5,793,480	917,191	1,117,642	352,578	1,470,220	0.62		
2012	6,663,036	5,697,183	965,853	1,112,180	321,865	1,434,045	0.67		
2011	6,944,595	5,641,225	1,303,370	1,113,166	336,551	1,449,717	0.90		
2010	6,166,813	5,053,655	1,113,158	725,634	315,904	1,041,538	1.07		
2009	5,947,874	5,114,760	833,114	727,580	283,759	1,011,339	0.82		
2008	5,756,775	5,221,279	535,496	786,386	233,002	1,019,388	0.53		
2007	6,800,108	5,835,667	964,441	750,057	233,277	983,334	0.98		
2006	6,390,329	5,189,019	1,201,310	436,091	190,715	626,806	1.92		

### WATER DISTRICTS

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage		
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		
2012	3,708,484	2,960,296	748,188	112,458	235,508	347,966	2.15		
2011	3,863,485	3,194,883	668,602	97,647	221,780	319,427	2.09		
2010	3,442,520	2,805,180	637,340	89,693	207,391	297,084	2.15		
2009	2,866,797	2,395,589	471,208	100,967	211,276	312,243	1.51		
2008	2,585,222	2,099,680	485,542	97,009	215,232	312,241	1.56		
2007	1,417,547	1,053,569	363,978	60,953	195,878	256,831	1.42		
2006	1,430,789	1,068,917	361,872	55,436	181,207	236,643	1.53		

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

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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

<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>
<b>2006</b>	72,613	1,897,150	26,127	9,715	5.59%
<b>2007</b>	72,603	1,974,017	27,189	9,526	5.20%
<b>2008</b>	72,658	2,204,237	30,337	9,221	5.80%
<b>2009</b>	72,532	2,310,845	31,860	9,157	8.90%
<b>2010</b>	75,101	2,292,903	30,531	9,152	8.93%
<b>2011</b>	75,059	2,352,416	31,341	9,022	8.88%
<b>2012</b>	74,692	2,453,991	32,855	8,913	8.02%
<b>2013</b>	74,012	2,556,902	34,547	8,929	8.60%
<b>2014</b>	73,521	2,659,178	35,929	8,872	7.20%
<b>2015</b>	72,952	2,622,134	35,943	8,751	7.30%

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

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

<b>Employer</b>	<b>2015</b>			<b>2006</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>
Western Maryland Health Systems	2,200	1	6.14%	2,400	1	7.48%
Allegany County Board Of Education	1,346	2	3.76%	1,418	2	4.42%
ATK Tactical Systems	1,050	3	2.93%	1,032	4	3.22%
Frostburg State University	977	4	2.73%	904	6	2.82%
CSX Transportation	900	5	2.51%	925	5	2.88%
Hunter Douglas	860	6	2.40%	570	8	1.78%
Allegany College	800	7	2.23%	507	10	1.54%
New Page Corporation (VERSO)	700	8	1.95%	1,100	3	3.43%
Western Correctional Institution	588	9	1.64%	550	9	1.58%
North Branch Correctional Institution	574	10	1.60%			
Allegany County Government				593	7	1.85%
<b>Total</b>	<b>9,995</b>		<b>27.90%</b>	<b>9,999</b>		<b>31.00%</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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Commissioners & Staff	7.0	8.0	8.0	8.0	8.0	7	6	5	5	5.75
Judicial	27.3	28.0	28.6	28.6	29.1	28.1	27.9	27.9	29.05	28.75
Finance	9.6	9.6	9.6	9.6	9.6	9.3	9	8	6	5
Tax Office	7.5	7.5	7.5	7.5	7.7	7.7	7.7	7.7	7.7	7.7
Maintenance	16.1	16.4	16.2	15.7	15.7	14.7	15	14	13.9	13.9
Other	32.1	38.6	40.8	43.7	42.6	39.7	38.3	36.9	37.45	40.8
Public Safety										
Sheriff/Bureau of Police	31.6	33.2	29.4	28.3	32.4	34.4	34.4	34.4	34.5	34.4
Detention Center	85.3	85.0	85.5	86.0	85.4	84	85.8	85.8	85.8	81
911	25.0	24.6	25.2	26.2	25.9	25.9	25.9	25.9	26.55	29.05
Other	13.1	13.4	21.9	23.5	31.3	32.3	31.1	30.1	26.6	24.714
Public Works										
Roads division	74.5	74.5	75.7	75.7	74.7	74.4	68.4	67.4	67.4	66.4
Engineering	15.4	16.5	16.3	16.3	14.5	13.5	12	12	9.9	9.9
Solid Waste	5.4	5.3	5.3	5.3	5.3	5.3	4.3	4.3	5.05	5.46
Transit	29.6	32.7	33.0	31.9	30.2	29	27.9	27.9	27.9	27.76
Health and Hospitals	3.3	2.3	2.0	2.0	2.0	2.0	2	2.0	2	2.0
Social Services	1.0	1.0	1.0	1.0	1.0	1.0	1	1.0	1	1.0
Recreation, culture, libraries, tourism	2.0	2.0	2.0	2.0	2.0	1.4	1.4	1.4	1.4	1.4
Conservation of natural resources	2.0	2.0	2.0	2.0	2.0	2.0	1	1.0	1	1.0
Community Development and Housing	5.6	4.3	4.3	4.3	3.7	2.3	-	-	-	-
Economic Development	10.1	7.2	7.5	8.3	7.7	7.5	7.7	6.3	5.7	5.7
Sanitary	24.0	25.0	25.0	26.0	31.8	33.8	34	34.0	34	36.0
Nursing Home	165.5	152.1	150.5	147.5	-	-	-	-	-	-
Total	593.0	589.2	597.3	599.4	462.6	455.3	440.8	433.0	427.9	427.6

Source: Allegany County Finance Office-Budget

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

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>										
Average number of tax bills issued	38,130	38,124	38,419	38,454	38,532	38,518	38,529	38,530	38,535	38,475
Number of building permits issued	424	460	410	372	312	328	325	285	267	267
<b>Public Safety</b>										
Total Number of arrests	1,246	608	1,060	1,491	1,608	1,285	1,593	1,860	1,792	not avail
Total Number of traffic stops	1,527	1,153	1,167	1,840	1,640	1,579	1,782	1,492	1,558	not avail
Average number of inmates	172	179	203	168	157	170	150	153	150	134
Number of Volunteer Fire Stations	23	23	23	23	23	23	22	21	21	21
<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	500,772	675,570	502,317	446,420	384,182	332,324	381,238	376,369	409,383	409,383
Transit passengers	119,027	138,131	179,555	189,004	189,708	187,522	219,995	210,601	205,090	205,090
<b>Community Development and Housing</b>										
Number of families' rent subsidized	262	267	190	198	** N/A					
Low-Income Housing loans issued	36	43	21	35	7	** N/A				
<b>Sanitary</b>										
Average number of sanitary/water customers	8,500	8,500	8,500	8,500	9,250	9,250	9,500	9,750	9,850	10,130
<b>Nursing Home</b>										
Total Number of Beds Available, Annually	55,845	55,845	55,998	55,845	0	0	0	0	0	0
Number of Beds Occupied Annually	47,422	48,400	47,512	48,692	0	0	0	0	0	0
Occupancy Rate, Annual	85%	86%	85%	87%	0	0	0	0	0	0
<b>Gaming</b>										
Games Sold	* 49,901	48,800	43,056	36,206	35,357	33,395	32,701	30,699	27,437	26,013
Operators Licensed	* 100	79	83	85	92	88	100	81	80	70
Inspections Conducted	* 1,035	965	972	921	860	672	851	610	748	701

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

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

Source: Various County Departments

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

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Number of major buildings maintained	10	11	11	11	11	11	11	11	11	11
Public Safety										
Number of police stations	1	1	1	2	4	4	4	4	4	4
Number of patrol vehicles	20	20	20	29	34	38	36	40	33	33
Public Works										
Miles of roads maintained	544	544	544	544	544	544	544	544	544	544
Average number of highway vehicles	140	140	140	140	140	140	140	140	140	140
Number of Garages-Roads Dept	4	4	5	5	5	5	5	5	5	5
Number of operating transit buses	10	10	11	14	21	22	22	22	22	22
Economic Development										
Number of Industrial parks	8	8	8	8	8	8	8	8	8	8
Number of Buildings leases	14	15	12	10	13	13	13	12	11	11
Sanitary										
Sanitary/Water (miles)	175	175	175	175	175	175	175	175	175	175
Number of Wastewater Treatment plants	6	6	6	6	6	6	6	6	6	6
Number of Water Storage Tanks	6	6	6	6	6	6	6	6	6	6
Nursing Home										
Number of buildings maintained	1	1	1	1	0	0	0	0	0	0

Source: Various County Departments

