



# 2023

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## Annual Comprehensive Financial **REPORT**

for the fiscal year ended June 30, 2023

### **BOARD OF COUNTY COMMISSIONERS**

**DAVID. J CAPORALE**  
President

**WILLIAM R. ATKINSON**  
Commissioner

**CREADE V. BRODIE, JR.**  
Commissioner

**JASON M. BENNETT, CPA**  
County Administrator

### **ALLEGANY COUNTY FINANCE OFFICE**

[www.alleganygov.org/finance](http://www.alleganygov.org/finance)



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

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# **INTRODUCTORY SECTION**

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Board of County Commissioners

David J. Caporale, President  
William R. Atkinson, Commissioner  
Creade V. Brodie, Jr., Commissioner  
Jason M. Bennett, CPA, Administrator  
T. Lee Beeman, Esq, Attorney

**July 8, 2024**

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

The Annual Comprehensive Financial Report of Allegany County, Maryland for the fiscal year ending June 30, 2023, 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, 2023, 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, 2023, 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 2010 census showed a population of 75,087; according to the 2020 Census, the population is 68,106 for the County. The County seat and principal city is Cumberland, with a 2020 population of 19,076

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

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

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

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

## **Budget**

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

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

## **Operating Budget**

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

function, activity, and sub activity; and (5) any other material which the Board of County Commissioners may deem advisable.

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

### **Capital Budget**

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

### **Adoption of Budget**

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

### **Factors Affecting Financial Condition**

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

**Local economy:** Allegany County currently enjoys a favorable economic environment and local indicators point to continued stability. The unemployment rate decreased from June 30, 2022 at 4% to 2.6% for June 30, 2023. The region has diverse manufacturing and industrial base of rail transportation and the manufacturing of window coverings. During regular years, a varied service provider base gives the area relative stability of the unemployment rate. Major service providers include health services, government, education, and call centers.

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

Allegany County has a total labor force of 30,835.

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

**Major initiatives:** The County has taken major steps to improve and expand our broadband offerings to our citizens, schools and businesses utilizing CARES and ARPA funds as a result of the global pandemic. The goal will be to allow access to broadband in every corner of the County while focusing on enhanced speeds. The County also created Invest Allegany with these funds to spur capital investment and rehabilitation in our main street communities.

The County has recently partnered with Geocycle to locate their pre-processing waste to value facility in our Barton Business Park shell building. Geocycle is a multi-national company and global leader in co-processing technologies. This partnership creates new living wage jobs and investment in Allegany County.

#### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) last awarded a Certificate of Achievement for Excellence in Financial Reporting to Allegany County for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the twenty-fifth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Respectfully submitted,



Jason M. Bennett, CPA  
County Administrator

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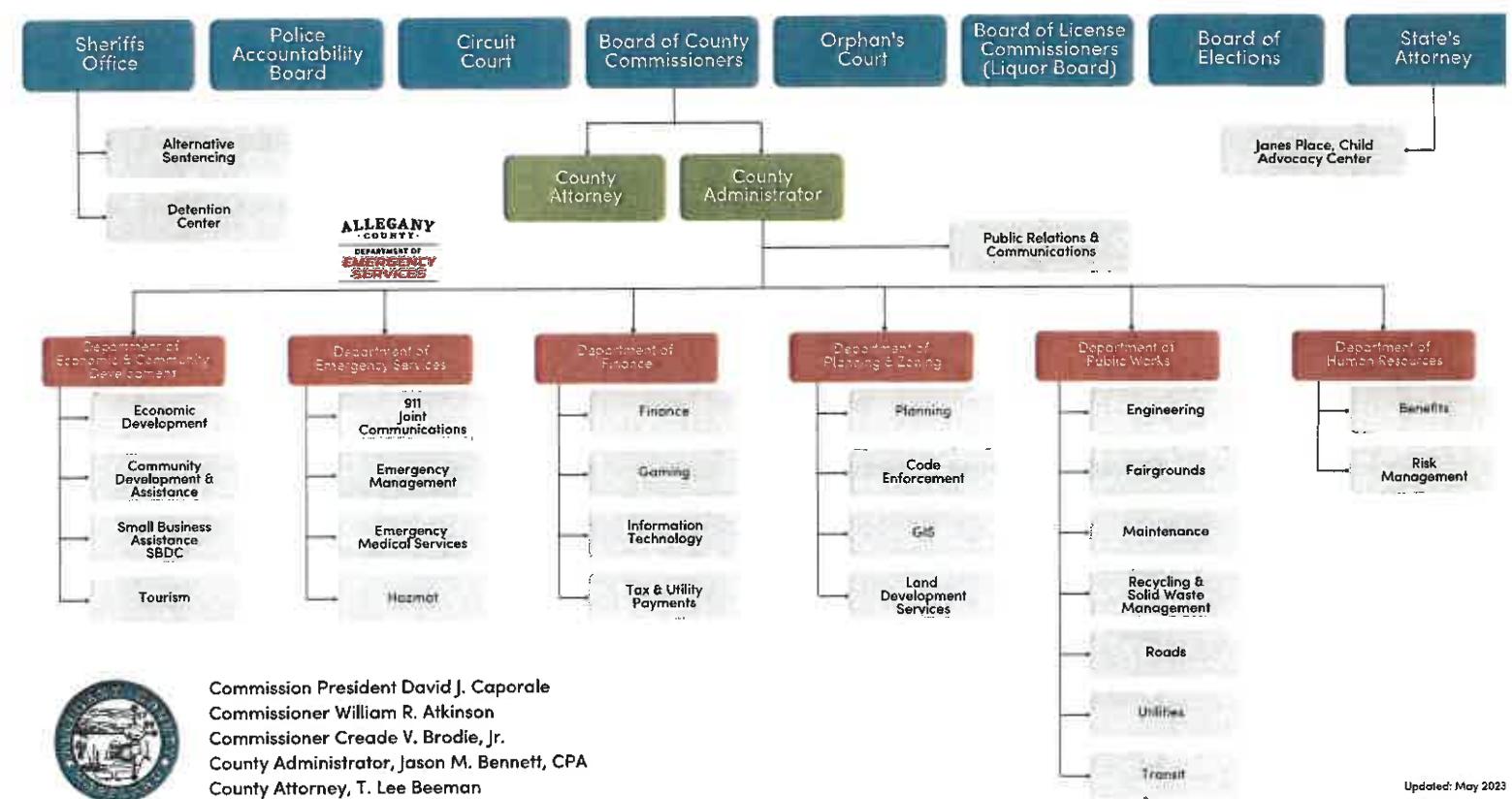
Allegany County, Maryland  
Summary of Certain Officials  
June 30, 2023

Board of Commissioners

David J. Caporale, President  
Creade V. Brodie Jr., Commissioner  
William Atkinson, Commissioner

County Administrator	Jason M. Bennett, CPA
Clerk of the Board	Samantha Logsdon
Director of Finance	Jason M. Bennett, CPA
Director of Public Works	Adam Patterson
Director of Economic & Community Development	Jeff Barclay
Director of Human Resources & Personnel Services	Kristi Liller
Sheriff	Craig A. Robertson
State's Attorney	James Elliott
County Attorney	Lee Beeman, Esquire
Election Administrator	Diane L. Loibel

# ALLEGANY COUNTY 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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Allegany County, Maryland, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Allegany County Board of Education, Allegany College of Maryland, and the Allegany County Library System, which represent 93 percent, 94 percent, and 97 percent, respectively, of the assets, net position, and revenues of the component units as of June 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Allegany County Board of Education, Allegany College of Maryland, and the Allegany County Library System, is based solely on the reports of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Allegany County, Maryland, and to meet our other ethical responsibilities, in accordance

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

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

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

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages B-1 through B-9, the schedule of changes in net pension liability, County's proportionate share of the net pension liability, and County's contributions on page D-3, schedule of changes in post retirement benefits liability, County's post retirement benefits contributions, and County's post retirement benefits investment returns on page D-4, notes to required supplementary information on page D-5, and the budgetary comparison information on pages D-6 through D-14 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Allegany County, Maryland's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the reports of the

other auditors, the combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

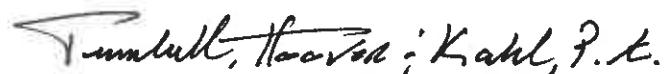
### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 2024, on our consideration of Allegany County, Maryland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Allegany County, Maryland's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Allegany County, Maryland's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Turnbull, Haarstad & Kahl, P.C." The signature is fluid and cursive, with "Turnbull" and "Haarstad" on the first line and "& Kahl, P.C." on the second line.

Cumberland, Maryland  
July 8, 2024

## 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, 2023. 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 \$192.6 million (*net position*). Of this amount, \$188.5 million is net investment in capital assets and \$6.8 million is restricted for specific purposes (restricted net position). The County's total unrestricted net position is (\$2.7 million). This total unrestricted net position amount includes \$4.7 million from governmental activities, and unrestricted net position balance from business-type activities of (\$7.4 million).
- The government's total net position increased by \$29.7 million or 18.2%. The governmental net position increased \$19.4 million. Business-type net assets increased by \$10.3 million during the year.
- As of the close of the current fiscal year, Allegany County's governmental funds reported combined ending fund balances of \$78.4 million, an increase of \$ 22.5 million in comparison with the prior year. Approximately 35.7% of the ending fund balance, \$28 million, is *available for spending* at the government's discretion (*unassigned fund balance*), \$ 11 million is restricted, \$ 30.1 million is committed to certain programs and \$9.3 million is assigned to specific programs.
- Allegany County's governmental activity outstanding debt increased by \$1.3 million (or 3.2%) during the current fiscal year. The County's business-type debt decreased by \$.8 million (or 3%).

### Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, vacation leave).

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

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

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

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

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

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

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

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

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

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 C21-80 of this report.

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

Also reported as *required supplementary information* are budgetary comparison schedules for the General Fund, the Revolving Building and the ARP Fund which are reported as major funds. Required supplementary information can be found on pages D4-14 of this report.

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

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

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Allegany County, assets exceeded liabilities by \$192.6 million at the close of the most recent fiscal year.

By far the largest portion of Allegany County's net position (\$188.5 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 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
<b>Assets:</b>						
Current and other assets	\$ 118,083,162	\$ 102,331,748	\$ (2,498,341)	\$ (3,409,914)	\$ 115,584,821	\$ 98,921,834
Capital assets	94,354,283	94,201,491	136,036,452	125,486,980	230,390,735	219,688,471
Total assets	212,437,445	196,533,239	133,538,111	122,077,066	345,975,556	318,610,305
Deferred Outflows of Resources	8,133,433	8,887,155	470,648	499,403	8,604,081	9,386,558
<b>Liabilities:</b>						
Current and other liabilities	20,145,343	26,743,204	5,649,504	3,514,752	25,794,847	30,257,956
Long-term liabilities outstanding	95,488,710	84,525,172	25,365,513	25,918,038	120,854,223	110,443,210
Total liabilities	115,634,053	111,268,376	31,015,017	29,432,789	146,649,069	140,701,166
Deferred Inflows of Resources	15,232,909	22,402,521	95,661	510,112	15,328,570	22,912,633
<b>Net position:</b>						
Net investment in capital assets	78,291,000	84,103,156	110,175,362	98,831,785	188,466,362	182,934,941
Restricted	6,693,621	6,085,554	154,353	155,488	6,847,974	6,241,042
Unrestricted	4,719,295	(18,439,213)	(7,431,634)	(6,353,707)	(2,712,339)	(24,792,920)
<b>Total net position</b>	<b>\$ 89,703,916</b>	<b>\$ 71,749,497</b>	<b>\$ 102,898,081</b>	<b>\$ 92,633,567</b>	<b>\$ 192,601,998</b>	<b>\$ 164,383,063</b>

An additional portion of Allegany County's net position (3.5%) represents resources that are subject to external restrictions on how they may be used. The County has a negative *unrestricted net position* balance of (\$2.7 million). The *unrestricted net position* balance for the governmental activities was \$4.7 million and the business-type activities have a balance of (\$7.4 million).

During the current fiscal year, the government's net position increased by \$29.7 million. Revenues increased by \$25.5 million to \$172.9 million while expenses increased by \$ 4.3 million from the prior year to \$143 million. The revenue increase was largely due to an increase of \$ 21.7 million received in income tax revenue, which was largely due to income tax received from a resident's large lottery winning.

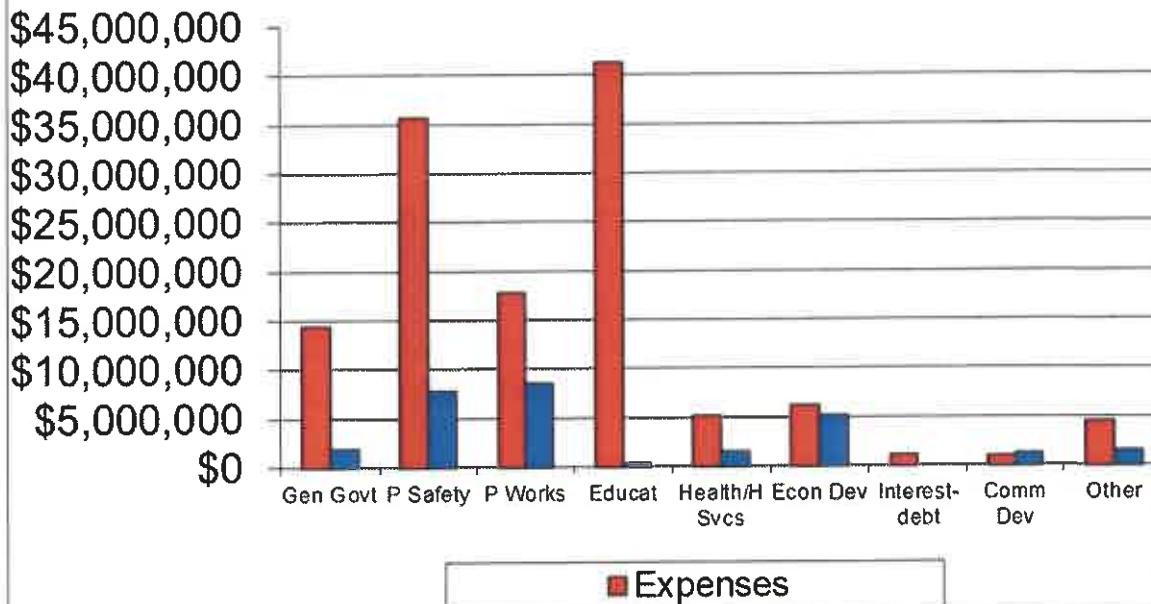
**ALLEGANY COUNTY'S CHANGES IN NET POSITION**

Revenues:	Governmental Activities		Business-type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Program revenues:						
Charges for services	\$ 10,011,564	\$ 8,908,496	\$ 11,113,848	\$ 11,387,414	\$ 21,125,412	\$ 20,295,910
Operating grants and contributions	11,926,965	16,909,992	-	-	11,926,965	16,909,992
Capital grants and contributions	6,171,465	2,383,082	9,456,084	8,372,352	15,627,549	10,755,434
General revenues:						
Property taxes	45,926,969	43,696,143	1,297,497	1,242,709	47,224,466	44,938,852
Income taxes	54,702,658	33,003,260	-	-	54,702,658	33,003,260
Other local taxes	9,091,709	9,443,240	-	-	9,091,709	9,443,240
Franchise taxes	376,722	417,590	-	-	376,722	417,590
Grants and contributions not restricted to specific programs	8,990,216	8,939,578	-	-	8,990,216	8,939,578
Unrestricted fees						
Unrestricted investment earnings	2,549,394	1,500,407	157,327	203,396	2,706,721	1,703,803
Gain on sale/retirement of capital assets						
268,155	636,518	8,600	4,800	276,755	641,318	
Miscellaneous	882,597	363,728			882,597	363,728
Total revenues	<u>150,898,414</u>	<u>126,202,034</u>	<u>22,033,356</u>	<u>21,210,671</u>	<u>172,931,770</u>	<u>147,412,705</u>
Expenses:						
General government	14,443,504	13,541,978	-	-	14,443,504	13,541,978
Payment to data processing	16,275	108,086	-	-	16,275	108,086
Public safety	35,683,736	31,391,856	-	-	35,683,736	31,391,856
Public works	17,875,568	16,739,713	-	-	17,875,568	16,739,713
Health	2,573,986	2,050,301	-	-	2,573,986	2,050,301
Social services	2,584,399	4,625,319	-	-	2,584,399	4,625,319
Education	595,159	2,252,313	-	-	595,159	2,252,313
Payment to public school system	32,124,912	32,349,768	-	-	32,124,912	32,349,768
Payment to community college	8,566,856	8,066,856	-	-	8,566,856	8,066,856
Recreation, culture & libraries	3,010,940	3,896,128	-	-	3,010,940	3,896,128
Payment to public library system	1,094,515	999,000	-	-	1,094,515	999,000
Conservation of natural resources	393,546	355,681	-	-	393,546	355,681
Community development & housing	1,009,691	1,137,795	-	-	1,009,691	1,137,795
Economic development	6,257,209	4,881,991	-	-	6,257,209	4,881,991
Interest on long-term debt	1,287,041	1,066,807	-	-	1,287,041	1,066,807
Water	-	5,202,024	4,979,909	-	5,202,024	4,979,909
Sewer	-	10,228,760	10,020,927	-	10,228,760	10,020,927
Other proprietary funds						
Total expenses	<u>127,517,337</u>	<u>123,463,592</u>	<u>15,741,760</u>	<u>15,418,520</u>	<u>143,259,097</u>	<u>138,882,112</u>
Increase in net position before transfers	<u>23,381,077</u>	<u>2,738,442</u>	<u>6,291,596</u>	<u>5,792,151</u>	<u>29,672,673</u>	<u>8,530,593</u>
Transfers	<u>(3,972,917)</u>	<u>(257,240)</u>	<u>3,972,917</u>	<u>257,240</u>		
Increase (decrease) in net position	<u>19,408,160</u>	<u>2,481,202</u>	<u>10,264,514</u>	<u>6,049,392</u>	<u>29,672,673</u>	<u>8,530,593</u>
Net position, beginning, restated	<u>70,295,756</u>	<u>69,268,295</u>	<u>92,633,567</u>	<u>86,584,175</u>	<u>162,929,323</u>	<u>155,852,470</u>
Net position, ending	<u>\$ 89,703,916</u>	<u>\$ 71,749,497</u>	<u>\$ 102,898,081</u>	<u>\$ 92,633,567</u>	<u>\$ 192,601,998</u>	<u>\$ 164,383,063</u>

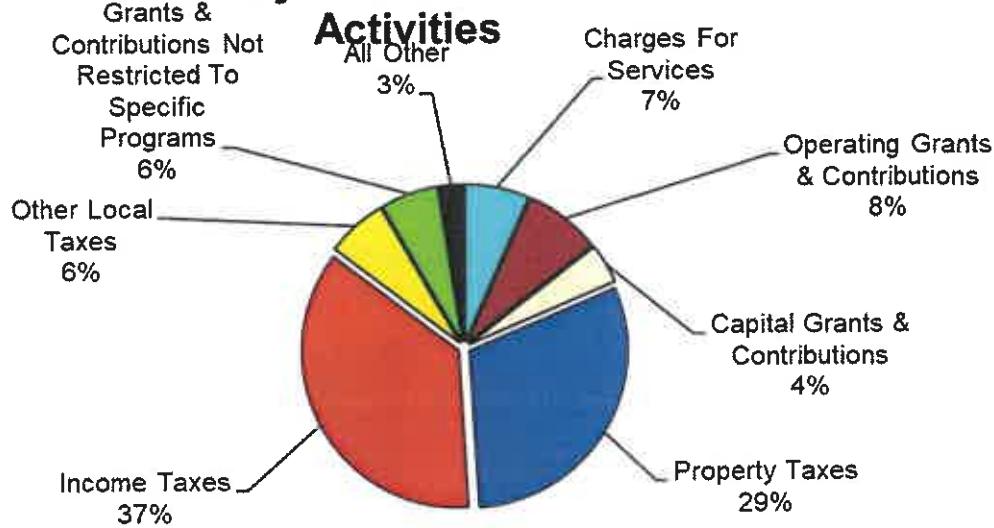
**Governmental activities.** Governmental activities increased Allegany County's net position by \$19.4 million. Total revenues increased \$ 24.7 million (or 19.6%) and expenses increased \$ 4.0 million (or 3%). Key elements of the changes in governmental net position are as follows:

- Approximately \$6.6 million dollars in American Rescue grant funds were received
- Increase of \$ 21.7 million in income tax revenue, largely due to income tax withheld on resident's large lottery winnings.
- Expenses increased due to the receipt and expenditures of American Rescue grant awards, retirement incentive awarded to over 30 long-time employees and implementation of recommendations from salary study, which increased employees' salaries.

## Expenses and Program Revenues - Governmental Activities

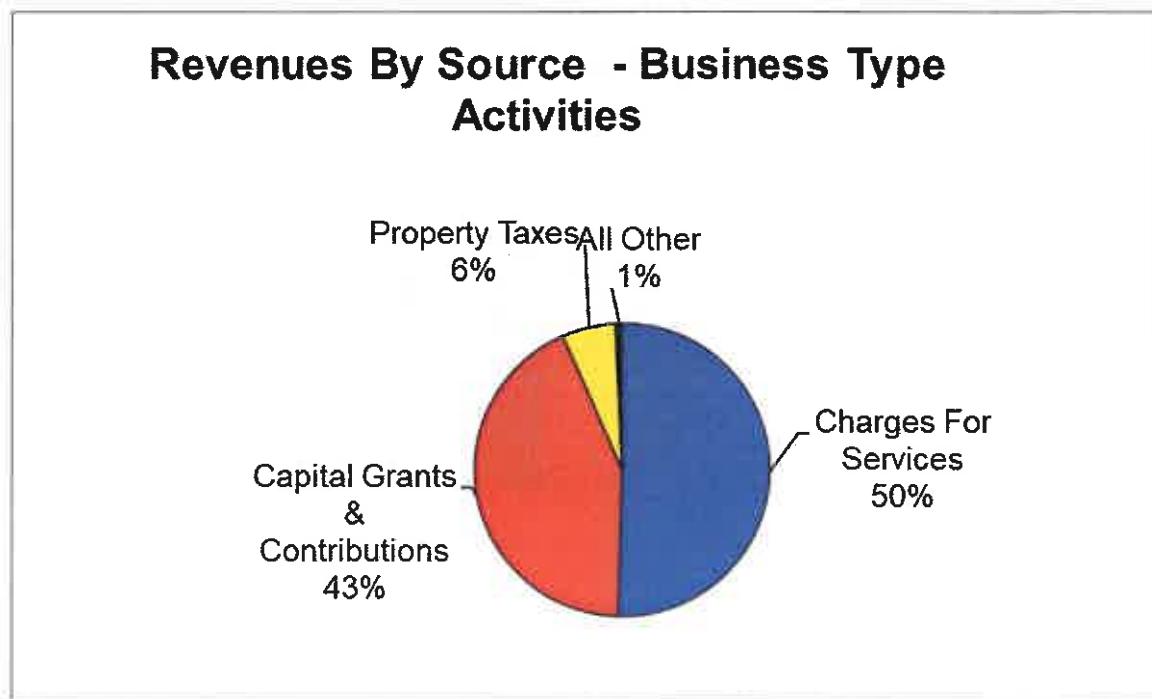
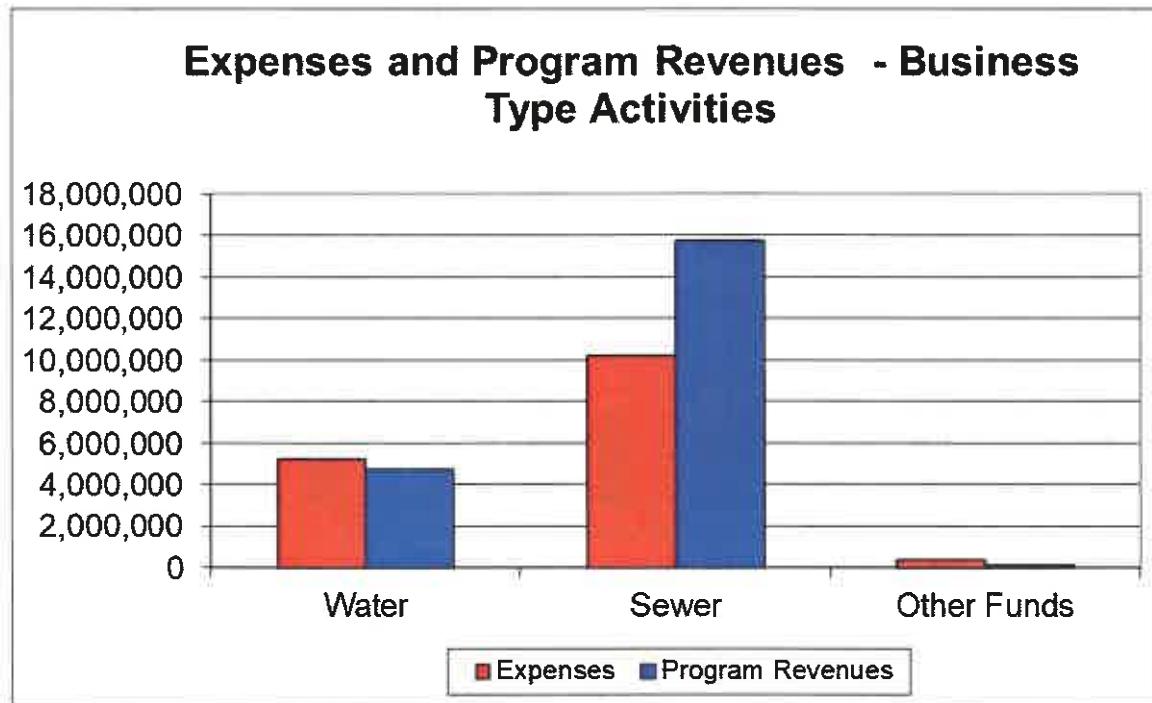


## Revenues By Source - Governmental Activities



**Business-type activities.** The net position of the County's business-type activities increased by \$10.3 million after transfers. Key elements of the increase were:

- Revenues increased slightly by \$ .8 million largely due to increase in federal/state grants for water/sewer projects.
- Water/Sewer expenses increased slightly by .3 million.



## 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 \$78.4 million, an increase of \$ 22.5 million in comparison with the prior year. Approximately 35.7 percent of this total amount (\$27.9 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Other fund balance classifications are:

- Restricted – amounts restricted to specific purposes by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation - \$11 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. - \$ 30.1 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 - \$9.3 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 \$28.4 million, out of a total fund balance of \$57 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 27 percent of total general fund expenditures, while total fund balance represents 55 percent of that same amount.

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

	Water Districts	Sanitary Districts	Other Enterprise Funds	Totals
Net position:				
Net investment in capital asset	\$ 36,033,336	\$ 73,577,708	\$ 564,318	\$ 110,175,362
Restricted for debt service	-	154,353	-	154,353
Unrestricted	4,813,762	(13,321,919)	1,076,523	(7,431,634)
Total net position	\$ 40,847,098	\$ 60,410,142	\$ 1,640,841	\$ 102,898,081
Change in net position during the year, increase (decrease)	\$ 1,550,666	\$ 8,980,340	\$ (266,491)	\$ 10,264,514

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

## General Fund Budgetary Highlights

During the year, the original budget was amended and totaled \$ 106.9 million.

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

- Actual revenue exceeded original budgeted revenue by 30.5 million. The increase was largely due to increase in income tax revenue created by income taxes withheld on a resident's large lottery winning.

### **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, 2023 was \$230.4 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 3 percent, almost all of which was attributed to business-type activities).

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

**Long-term debt.** At the end of the current fiscal year, Allegany County had total debt outstanding of \$67.7 million. Governmental activities debt consists of \$36.2 million in general obligation bonds including premium and \$5.7 million of debt incurred with creditors for which the full faith and credit of the County has also been pledged. The \$25.9 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	
	2023	2022	2023	2022	2023	2022
General obligation	\$34,271,750	\$37,805,000	\$	\$	\$ 34,271,750	\$ 37,805,000
Notes	5,713,202	688,321			5,713,202	688,321
State loans		25,406	8,470,124	8,788,355	8,470,124	8,813,761
Federal loans	-	-	17,390,661	17,866,647	17,390,661	17,866,647
Premium on Bond	1,881,405	2,029,517			1,881,405	2,029,517
Total	<u>\$41,866,353</u>	<u>\$40,548,245</u>	<u>\$25,861,090</u>	<u>\$26,655,002</u>	<u>\$ 67,726,924</u>	<u>\$ 67,203,246</u>

Allegany County governmental activities retired \$ 4.0 million in total during the current fiscal year and absorbed component unit's loans in the amount of \$ 3.8 million and added a \$ 1.5 million note from MD Dept of Commerce. The total debt outstanding increased 3.2 percent.

New debt was incurred for Business type activities in the amount of .9 million. Business type debt retired during the year was \$1.7 million.

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

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

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

- The unemployment rate for June 2023 for Allegany County was 4 percent, which decreased from 5.8 percent when compared to June 2022.

All of these factors were considered in preparing Allegany County's budget for the 2024 fiscal year.

During the current fiscal year, spendable fund balance in the general fund increased to \$28 million. The use of the unexpended and available fund balance reduced the amount of tax, service charges and fee increase necessary to have a balanced budget for the 2024 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, 2023**

	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	\$ 36,265,494	\$ 93,138	\$ 36,358,632	\$ 43,949,255	\$ 11,061,770	\$ 1,033,002	\$ 2,503,082
Investments	30,644,658		30,644,658	40,296		31,440	750,000
Property taxes receivable	5,625,326		5,625,326				
Receivables:							
Accounts	135,936	2,792,847	2,928,783	25,259,707	836,431	25,350	321,437
Lease	11,100,687		11,100,687				
Due from Component Unit	3,580,394		3,580,394		54,108		252,472
Other	9,982,662	6,281,857	16,264,519		2,160,522		115,794
Internal balances	12,236,498	(12,236,498)					
Inventory	29,612	166,871	196,483	382,645	94,656		212,008
Prepaid expenses				85,437	188,337	14,360	34,685
Miscellaneous	421,844		421,844				
Restricted Assets:							
Cash	2,354,981	249,091	2,604,072	8,095	338,553		299,898
Investments	5,705,070		5,705,070	418,942	20,105,413		
Taxes - receivable		152,968	152,968				31,515
Receivables		1,385	1,385				
Total current assets	118,083,162	(2,498,341)	115,584,821	70,144,377	34,839,790	1,104,152	4,500,891
Non-current Assets:							
Long term Investment, Market					4,539,751		
Restricted asset-Cash							267,328
Net OPEB Asset							469,078
Lease Asset	4,442,027		4,442,027				
Land	27,180,167	192,532	27,372,699	7,643,505	1,564,352		413,750
Work In Progress	584,886	24,284,854	24,869,740	9,303,176	2,232,634		1,595,072
Other non-depreciable assets					169,827		
Capital assets subject to depreciation/amortization	174,795,843	208,713,144	383,508,987	255,512,002	85,867,840	14,002,257	31,352,540
Accumulated depreciation	112,648,640	(97,154,078)	(209,802,718)	(139,975,397)	(44,689,032)	(5,450,641)	(16,535,194)
Total non-current assets	94,354,783	136,036,452	230,390,755	132,453,787	49,683,372	8,551,616	17,562,574
Total Assets	212,437,445	133,538,111	345,975,556	202,627,664	84,525,162	9,655,768	22,063,465
<b>Deferred Outflows of Resources</b>							
Deferred Outflows for Pensions-State	6,711,235	470,648	7,181,883	2,045,015	321,965	5,923	587,424
Deferred Outflows for Pensions-LOSAP	1,025,158		1,025,158				
Deferred Outflows for OPEB	397,040		397,040	3,645,240		43,28	1,364,375
<b>Total Deferred Outflows of Resources</b>	8,133,433	470,648	8,604,081	5,690,555	321,965	49,451	1,951,799
<b>LIABILITIES:</b>							
Current Liabilities:							
Accounts payable	4,778,943	3,536,459	8,315,402	7,289,609	765,322	42,395	726,660
Accrued wages payable	1,101,594	56,174	1,157,768	1,971,902	558,620	41,088	18,314
Accrued fringe benefits payable	333,466	19,946	353,412		205,262		
Accrued interest	581,552	63,558	565,110				10,415
Current portion of long-term debt:							
Bonds and loans	1,641,309	1,747,365	3,388,674				218,672
Leases	96,119		96,119	88,076	52,023		
SBITA				475,785	504,249		
Compensated absences	1,019,611	60,641	1,080,252	249,814	862,845		28,366
Due to Agency Fund	467,546		467,546				
Due to Trust Fund							
Unearned Revenue	7,267,009		7,267,009	16,645,131	1,082,497		
Accrued health claims	577,100		577,100	6,514,918	305,377		
Miscellaneous liabilities	2,361,094	165,361	2,426,455	2,015,982	1,384		
Total current liabilities	20,145,343	5,649,504	25,794,847	35,51,217	4,337,579	83,483	1,002,427
Non-current liabilities:							
Cash advance due general fund							3,361,722
Bonds and loans	40,225,044	23,521,478	63,746,522				
Capital leases				104,666	159,765		
Lease liability	5,908,835		5,908,835				
SBITA Payable				652,244	2,413,792		
Annuity payment liability					1,537		
Termination benefits					822,548		
Net pension liability-State	19,023,623	1,480,828	20,504,451	6,200,969	797,974	30,503	380,237
Net pension liability-LOSAP	4,035,109		4,035,109				
Net OPEB liability	21,990,516		21,990,516	12,628,106			
Post-employment benefits					116,493		
Compensated absences	4,305,583	363,207	4,668,790	1,890,798		68,537	30,912
Total non-current liabilities	95,488,710	25,365,513	120,854,223	21,476,783	4,195,616	215,533	3,772,871
<b>Total Liabilities</b>	115,634,053	31,015,017	146,649,069	56,728,000	8,533,195	299,016	4,775,298
<b>Deferred Inflows of Resources</b>							
Deferred Inflows for Pensions-State	1,558,858	95,661	1,654,519	500,149	120,240	2,940	104,266
Deferred Inflows for Pensions-LOSAP	1,855,009		1,855,009				
Deferred Inflows for OPEB	1,155,415		1,155,415	3,043,435		73,159	3,280,153
Deferred Inflows for Leases	10,663,627		10,663,627				
<b>Total Deferred Inflows of Resources</b>	15,232,909	95,661	15,328,570	3,543,584	120,240	76,099	3,384,419
<b>NET POSITION</b>							
Net investment in Capital Assets	78,291,000	110,175,362	188,466,362	131,162,516	39,103,489	8,551,616	13,245,774
Restricted for:							
Public safety	1,441,840		1,441,840				
Highways	97,948		97,948				
Education							
Community development & housing	12,164		12,164				
Economic development					2,478,699		
Capital projects					418,942	19,079,132	461,036
Other purposes	5,141,669	154,353	5,296,022		18,011,071	317,452	578,741
Unrestricted	4,719,795	(7,431,634)	(2,712,339)	13,986,178	76,193,692	9,330,104	2,031,032
<b>Total Net Position</b>	89,703,916	\$ 102,898,081	\$ 192,601,998	\$ 148,046,335	\$ 76,193,692	\$ 9,330,104	\$ 15,855,417

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, 2023**

Functions/Programs	Expenses		Expenses		Program Revenues		
	Before Indirect Expense Allocation		After Indirect Expense Allocation		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Indirect Expense Allocation	Indirect Expense Allocation	Indirect Expense Allocation	Indirect Expense Allocation			
<b>Primary government:</b>							
Governmental activities:							
General government:							
Payment to data processing	\$ 15,231,852	\$ (788,348)	\$ 14,443,504	\$ 955,435	\$ 888,290		
16,275	16,275	-	16,275	-	-		
Public safety	35,683,736	-	35,683,736	4,114,397	2,798,305		886,023
Public works	17,875,568	-	17,875,568	1,574,919	3,014,267		4,031,453
Health & Hospitals	2,573,986	-	2,573,986	2,469			
Social services	2,584,399	-	2,584,399	11,521	1,530,245		
Education:	595,159	-	595,159	-	343,140		
Payment to public school system	32,124,912	-	32,124,912	-	-		
Payment to community college	8,566,856	-	8,566,856	-	-		
Recreation, culture & libraries:	3,010,940	-	3,010,940	283,241			1,167,881
Payment to public library system	1,094,515	-	1,094,515	-	-		
Conservation of natural resources	393,546	-	393,546	5,761	87,160		
Community development and housing	1,009,691	-	1,009,691		1,262,228		
Economic development	6,257,209	-	6,257,209	3,063,821	2,003,330		86,108
Interest on long term debt&Amort	1,287,041	-	1,287,041				
Total governmental activities	<u>128,305,685</u>	<u>(788,348)</u>	<u>127,517,337</u>	<u>10,011,564</u>	<u>11,926,965</u>		<u>6,171,465</u>
Business-type activities:							
Water	4,940,904	261,120	5,202,024	4,734,294			
Sewer	9,701,532	527,228	10,228,760	6,302,367			9,456,084
Other funds	310,976	-	310,976	77,187			
Total business-type activities	<u>14,953,412</u>	<u>788,348</u>	<u>15,741,760</u>	<u>11,113,848</u>			<u>9,456,084</u>
Total primary government	<u>\$ 143,259,097</u>	<u>\$ -</u>	<u>\$ 143,259,097</u>	<u>\$ 21,125,412</u>	<u>\$ 11,926,965</u>		<u>\$ 15,627,549</u>
<b>Component units:</b>							
Board of Education			\$ 162,622,347	\$ 670,744	\$ 38,332,679		\$ 6,029,012
Allegany College of Md.			40,122,747	9,938,238	20,363,333		
County Library			2,533,296	37,274	446,453		598,872
LaVale Sanitary Commission			5,144,993	4,429,163			
Total component units			<u>\$ 210,423,383</u>	<u>\$ 15,075,419</u>	<u>\$ 59,142,465</u>		<u>\$ 6,627,884</u>

**General revenues:**

Property taxes

Income taxes

Other local taxes

Casino Tax

Gaming Tax

Highway Users Tax

Hotel/Motel Tax

Recordation/Transfer

Admission/Amusement

Other Tax

Appropriation from Primary Government

Franchise tax

Grants & contributions not restricted

to specific programs

Unrestricted investment earnings

Gain on sale/retirement of capital assets

Miscellaneous

Transfers

Total general revenues, transfers and special items

Change in net position

Net position - beginning , restated

Net position - ending

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

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>Net (Expense) Revenue and Changes in Net Position</b>							
<b>Primary Government</b>			<b>Component Units</b>				
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Board of Education</b>	<b>Allegany College of MD</b>	<b>County Library</b>	<b>LaVale Sanitary Commission</b>	
\$ (12,599,779)	\$ -	\$ (12,599,779)	\$ -	\$ -	\$ -	\$ -	\$ -
(16,275)	-	(16,275)	-	-	-	-	-
(27,885,011)	-	(27,885,011)	-	-	-	-	-
(9,254,929)	-	(9,254,929)	-	-	-	-	-
(2,571,517)	-	(2,571,517)	-	-	-	-	-
(1,042,633)	-	(1,042,633)	-	-	-	-	-
(252,019)	-	(252,019)	-	-	-	-	-
(32,124,912)	-	(32,124,912)	-	-	-	-	-
(8,566,856)	-	(8,566,856)	-	-	-	-	-
(1,559,818)	-	(1,559,818)	-	-	-	-	-
(1,094,515)	-	(1,094,515)	-	-	-	-	-
(300,625)	-	(300,625)	-	-	-	-	-
252,537	-	252,537	-	-	-	-	-
(1,103,950)	-	(1,103,950)	-	-	-	-	-
(1,287,041)	-	(1,287,041)	-	-	-	-	-
<b>(99,407,343)</b>	<b>-</b>	<b>(99,407,343)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
-	(467,730)	(467,730)	-	-	-	-	-
-	5,529,691	5,529,691	-	-	-	-	-
-	(233,789)	(233,789)	-	-	-	-	-
-	4,828,172	4,828,172	-	-	-	-	-
<b>(99,407,343)</b>	<b>4,828,172</b>	<b>(94,579,171)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
-	-	-	(117,589,912)	-	-	-	-
-	-	-	-	(9,821,176)	-	-	-
-	-	-	-	-	(1,450,697)	-	-
-	-	-	-	-	-	(715,830)	-
<b>45,926,969</b>	<b>1,297,497</b>	<b>47,224,466</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380,133</b>
<b>54,702,658</b>	<b>-</b>	<b>54,702,658</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>940,690</b>
2,667,993	-	2,667,993	-	-	-	-	-
481,219	-	481,219	-	-	-	-	-
1,149,769	-	1,149,769	-	-	-	-	-
1,306,705	-	1,306,705	-	-	-	-	-
3,233,193	-	3,233,193	-	-	-	-	-
134,918	-	134,918	-	-	-	-	-
117,912	-	117,912	-	-	-	-	-
376,722	-	376,722	-	-	-	-	-
8,990,216	-	8,990,216	88,629,688	1,589,930	901,029	-	-
2,549,394	157,327	2,706,721	674,876	1,316,097	30,358	-	12,359
268,155	8,600	276,755	-	97	-	-	23,465
882,597	-	882,597	697,560	-	14,625	-	-
(3,972,917)	3,972,917	-	-	-	-	-	-
118,815,503	5,436,341	124,251,844	122,127,036	11,472,980	2,040,527	-	1,356,647
19,408,160	10,264,514	29,672,673	4,537,124	1,651,804	589,830	-	640,817
70,295,756	92,633,567	162,929,323	143,509,211	74,541,888	8,740,274	-	15,214,730
<b>\$ 89,703,916</b>	<b>\$ 102,898,081</b>	<b>\$ 192,601,998</b>	<b>\$ 148,046,335</b>	<b>\$ 76,193,692</b>	<b>\$ 9,330,104</b>	<b>\$ 15,855,547</b>	

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, 2023**

<b>ASSETS:</b>	General Fund	American Rescue Plan	Revolving Building Fund	Other Governmental Funds	Total
Cash	\$ 36,255,844	\$ -	\$ -	\$ 9,650	\$ 36,265,494
Cash -restricted				2,354,981	2,354,981
Investments	30,644,658				30,644,658
Investments-restricted	3,727,691			1,977,379	5,705,070
Property tax receivable	5,732,326				5,732,326
Receivables					
Notes and loans				135,936	135,936
Lease receivables			11,100,687		11,100,687
Due from Component Unit				3,580,394	3,580,394
Other receivables	6,849,430		301,960	2,780,378	9,931,768
Due from other funds		4,871,030	9,497,904	8,703,898	23,072,832
Advances to other funds					
Inventory				29,612	29,612
Prepays	57,839				57,839
Miscellaneous assets	46,105				46,105
<b>Total Assets</b>	<b>\$ 83,313,893</b>	<b>\$ 4,871,030</b>	<b>\$ 20,900,551</b>	<b>\$ 19,572,228</b>	<b>\$ 118,657,702</b>

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

Liabilities:					
Accounts payable	\$ 1,590,096	\$ 84,700	\$ 85,558	\$ 2,792,759	\$ 4,553,113
Accrued payroll	1,035,536	5,749	17,437	42,872	1,101,594
Accrued payroll fringe	312,032	1,629	6,106	13,699	333,466
Due to other funds	16,001,841			687,245	16,689,086
Amounts held in escrow	2,173,010			185,619	2,358,629
Unearned revenue	30,710	4,778,952	1,980,214	613,073	7,402,949
Miscellaneous liabilities			2,500		2,500
<b>Total Liabilities</b>	<b>21,143,225</b>	<b>4,871,030</b>	<b>2,091,815</b>	<b>4,335,267</b>	<b>32,441,337</b>
Deferred inflows of resources:					
Leases			10,663,627		10,663,627
Unavailable revenue	5,146,717		12,704	2,033,130	7,192,551
<b>Total Deferred inflows of resources</b>	<b>5,146,717</b>		<b>10,676,331</b>	<b>2,033,130</b>	<b>17,856,178</b>
Fund Balances:					
Nonspendable	57,839			29,612	87,451
Restricted				10,963,544	10,963,544
Committed	20,861,269		8,132,405	1,114,315	30,107,989
Assigned	7,741,691			1,574,724	9,316,415
Unassigned	28,363,152			(478,364)	27,884,788
<b>Total Fund Balances</b>	<b>57,023,951</b>		<b>8,132,405</b>	<b>13,203,831</b>	<b>78,360,187</b>
Total Liabilities, deferred inflows of resources and fund balance	<b>\$ 83,313,893</b>	<b>\$ 4,871,030</b>	<b>\$ 20,900,551</b>	<b>\$ 19,572,228</b>	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				89,911,978	
Other long -term assets are not available to pay current -period expenditures and are deferred in the funds.				4,384,997	
Deferred Inflows of Resources				2,761,190	
Deferred Outflows for Pension and OPEB benefits				8,133,433	
Effect on assets/liabilities due to internal service fund allocation to Governmental activities				4,901,100	
Long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.				(45,691,547)	
Deferred Inflows for Pension and OPEB benefits				(4,569,282)	
Other long -term liabilities are not due and payable in the current period and therefore are not reported in the funds.				(48,488,137)	
Net position of governmental activities				<b>\$ 89,703,916</b>	

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

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>REVENUES:</b>	<b>General Fund</b>	<b>American Rescue Plan</b>	<b>Revolving Building Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
Taxes:					
Property taxes	\$ 46,822,767	\$ -	\$ -	\$ 46,822,767	
Income taxes	55,228,534	-	-	55,228,534	
Other local taxes	6,588,417	-	-	550,752	7,139,169
Licenses and permits	636,300	-	-	-	636,300
Intergovernmental:					
Federal	2,430,767	6,559,974	30,000	2,775,578	11,796,319
State	12,815,549	-	10,306	4,525,734	17,351,589
Other	904,841	-	27,479	-	932,320
Service charges	2,318,915	-	-	313,407	2,632,322
Fines and forfeitures	9,768	-	-	333,995	343,763
Opioid Settlement Proceeds	-	-	-	265,346	265,346
Interest	1,489,336	-	264,033	127,610	1,880,979
Lease Revenue	-	-	2,769,543	-	2,769,543
Rent	434,165	-	-	-	434,165
Miscellaneous	152,390	-	344,102	232,320	728,812
Total Revenues	<u>129,831,749</u>	<u>6,559,974</u>	<u>3,445,463</u>	<u>9,124,742</u>	<u>148,961,928</u>
<b>EXPENDITURES:</b>					
Current:					
General government	12,402,003	153,280	-	250,183	12,805,466
Public safety	30,598,491	108,989	-	1,966,064	32,673,544
Public works	11,908,943	-	-	3,028,905	14,937,848
Health and Human Services	691,581	-	-	-	691,581
Social Services	1,885,811	-	-	-	1,885,811
Education	-	-	-	-	-
Recreation, culture and libraries	1,413,681	-	-	-	1,413,681
Conservation of natural resources	389,528	-	-	-	389,528
Community Development and Housing	-	-	-	-	-
Economic development	1,429,638	873,337	2,426,885	339,050	5,068,910
Miscellaneous	116,043	-	-	-	116,043
Appropriation to other governments	2,033,741	-	-	1,195,378	3,229,119
Payments to component units	41,266,112	-	-	630,000	41,896,112
Debt Service:					
Principal	37,858	-	4,125	3,872,212	3,914,195
Interest	5,918	-	2,610	1,259,938	1,268,466
Capital Outlay:					
General government	-	-	-	254,951	254,951
Public safety	-	886,023	-	848,838	1,734,861
Public works	-	519,865	-	1,475,170	1,995,035
Education	-	-	-	320,159	320,159
Recreation, culture and libraries	-	610,931	-	631,601	1,242,532
Economic development	-	-	126,702	-	126,702
Miscellaneous	-	-	-	-	-
Total Expenditures	<u>104,179,348</u>	<u>3,152,425</u>	<u>2,560,322</u>	<u>17,082,140</u>	<u>126,974,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,652,402</u>	<u>3,407,549</u>	<u>885,141</u>	<u>(7,957,398)</u>	<u>21,987,693</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	32,702	-	111,671	3,910,994	4,055,367
Transfers out	(3,700,091)	(3,407,549)	(87,443)	(833,201)	(8,028,284)
Debt issued	-	-	-	-	-
Inception of lease	-	-	126,702	234,798	361,500
Sale of capital assets	88,520	-	-	205,605	294,125
Total Other Financing Sources and uses	<u>(3,578,869)</u>	<u>(3,407,549)</u>	<u>150,930</u>	<u>3,518,196</u>	<u>(3,317,292)</u>
Net change in fund balances	22,073,532	-	1,036,071	(4,439,202)	18,670,401
Fund balance, beginning, restated	34,950,419	-	7,096,334	17,643,033	59,689,786
Fund balance, ending	<u>\$ 57,023,951</u>	<u>\$ -</u>	<u>\$ 8,132,405</u>	<u>\$ 13,203,831</u>	<u>\$ 78,360,187</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, 2023**

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) \$ 18,670,401

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	\$ 2,034,397	
Depreciation	<u>(6,006,031)</u>	(3,971,634)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (25,951)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 151,134

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt proceeds	3,853,755	
Payment of principal	<u>3,853,755</u>	3,853,755

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. 554,802

Effect of revenues, expenditures and other changes in net position of the internal service funds allocated to governmental activities 175,653

Change in net position of governmental activities (pages C6-C7) \$ 19,408,160

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, 2023

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
<b>ASSETS</b>					
Current Assets:					
Cash:					
Cash		\$ 93,138	\$	\$ 93,138	
Cash - restricted		249,091		249,091	
Investments					
Receivables:					
Accounts (net)	1,327,307	1,441,877	23,663	2,792,847	924
Taxes - restricted		152,968		152,968	
Accounts (net) - restricted		1,385		1,385	
Other	5,946	5,973,434	302,477	6,281,857	
Due from other funds	4,142,009	34,781,617	227,864	39,151,490	5,385,207
Hospital Deposit					317,900
Bid Deposit					
Inventory		166,871		166,871	
Total current assets	5,475,262	42,860,381	554,004	48,889,647	5,704,031
Non-current Assets:					
Other receivables			592,248	592,248	
Land	125,250	67,282		192,532	
Construction in Progress	2,334,851	21,950,003		24,284,854	
Capital assets subject to depreciation	68,312,717	134,659,016	5,741,411	208,713,144	
Accumulated depreciation	(23,936,828)	(68,040,157)	(5,177,093)	(97,154,078)	
Total noncurrent assets	46,835,990	88,636,144	1,156,566	136,628,700	
Total Assets	52,311,254	131,496,526	1,710,570	185,518,349	5,704,031
<b>Deferred Outflows of Resources</b>					
Deferred Outflows Related to Pension	129,096	341,552		470,648	
Total Deferred Outflows of Resources	129,096	341,552		470,648	
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	226,157	3,292,789	17,513	3,536,459	225,830
Accrued payroll	13,545	42,629		56,174	
Accrued payroll fringe	5,077	14,869		19,946	
Accrued interest	30,852	32,706		63,558	
Current portion of long-term debt:					
Revenue debt:					
Bonds and loans	345,482	1,401,883		1,747,365	
Other loans	22,933	21,900		44,833	
Compensated absences	7,448	53,193		60,641	
Due to other funds		51,335,761	52,216	51,387,977	
Health Insurance Reserve					577,100
Miscellaneous liabilities		165,376		165,376	
Total current liabilities	651,494	56,361,106	69,729	57,082,329	802,930
Noncurrent Liabilities:					
Cash advance due to General Fund					
Long term debt:					
Net Pension Liability	349,930	1,130,898		1,480,828	
Revenue debt:					
Bonds and loans	10,332,832	13,188,646		23,521,478	
Other loans	101,407	446,007		547,414	
Compensated absences	119,186	244,020		363,206	
Total noncurrent liabilities	10,903,355	15,009,571		25,912,926	
Total Liabilities	11,554,849	71,370,678	69,729	82,995,255	802,930
<b>Deferred Inflows of Resources</b>					
Deferred Inflows Related to Pension	38,403	57,258		95,661	
Total Deferred Inflows of Resources	38,403	57,258		95,661	
<b>NET POSITION</b>					
Net investment in capital assets	36,033,336	73,577,708	564,318	110,175,362	
Restricted for debt service		154,353		154,353	
Unrestricted	4,813,762	(13,321,919)	1,076,523	(7,431,634)	4,901,101
Total Net Position	\$ 40,847,098	\$ 60,410,142	\$ 1,640,841	\$ 102,898,081	\$ 4,901,101

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, 2023**

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
<b>OPERATING REVENUES:</b>					
Service charges	\$ 4,527,276	\$ 6,247,545	\$ 77,187	\$ 10,852,008	9,308,507
Miscellaneous	207,018	54,822		261,840	
<b>Total Operating Revenues</b>	<b>4,734,294</b>	<b>6,302,367</b>	<b>77,187</b>	<b>11,113,848</b>	<b>9,308,507</b>
<b>OPERATING EXPENSES:</b>					
Salaries	498,632	1,687,939	-	2,186,571	
Employee benefits	221,186	636,924	-	858,110	9,132,891
Office expenses		74,462	22,463	96,925	
Utilities	2,283,059	598,462	12,233	2,893,754	
Repairs & maintenance	157,739	654,284	4,868	816,891	
Treatment costs		2,372,523	-	2,372,523	
Professional services	10,488	105,375	12,116	127,979	
Materials and supplies	44,653	533,944	12,785	591,382	
Insurance	-	79,095	1,364	80,459	
Indirect cost	261,118	527,228	-	788,346	
Miscellaneous	2,341	48,323		50,664	
Depreciation	1,429,530	2,609,393	245,147	4,284,070	
<b>Total operating expenses</b>	<b>4,908,746</b>	<b>9,927,953</b>	<b>310,976</b>	<b>15,147,674</b>	<b>9,132,891</b>
<b>Operating Income (Loss)</b>	<b>(174,452)</b>	<b>(3,625,585)</b>	<b>(233,789)</b>	<b>(4,033,826)</b>	<b>175,616</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>					
Real and personal property taxes	-	1,293,005	-	1,293,005	
Interest & penalties on taxes	-	41,218	-	41,218	
Discounts on taxes	-	(6,963)	-	(6,963)	
Collection fees	-	(29,763)	-	(29,763)	
Interest income	56,561	100,766		157,327	
Interest expense	(293,278)	(300,807)	-	(594,085)	
Gain (Loss) on sale of capital assets		8,600	-	8,600	
<b>Total non-operating revenue (expenses)</b>	<b>(236,717)</b>	<b>1,106,056</b>	<b>-</b>	<b>869,339</b>	<b>-</b>
<b>Income (Loss) before contributions and transfers</b>	<b>(411,169)</b>	<b>(2,519,529)</b>	<b>(233,789)</b>	<b>(3,164,487)</b>	<b>175,616</b>
Capital contributions:					
Federal grants		(15,536)		(15,536)	
State grants		9,471,620		9,471,620	
Transfers:					
Transfers in	1,961,835	2,043,784		4,005,619	
Transfers out		(32,702)		(32,702)	
<b>Change in net position</b>	<b>1,550,666</b>	<b>8,980,340</b>	<b>(266,491)</b>	<b>10,264,514</b>	<b>175,616</b>
<b>Total net position -beginning</b>	<b>39,296,434</b>	<b>51,429,802</b>	<b>1,907,332</b>	<b>92,633,568</b>	<b>4,725,485</b>
<b>Total net position - ending</b>	<b>\$ 40,847,098</b>	<b>\$ 60,410,142</b>	<b>\$ 1,640,841</b>	<b>\$ 102,898,081</b>	<b>\$ 4,901,101</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, 2023**

	Allegany County Water Districts	Allegany County Sanitary Districts	Other Enterprise Funds	Total	Governmental Activity Internal Service Fund
<b>Cash flows from operating activities:</b>					9,311,990
Cash received from customers	\$ 4,797,296	\$ 4,532,663	\$ 107,837	\$ 9,437,796	(9,089,650)
Cash payments for goods and services	(2,965,994)	(3,606,322)	(51,754)	(6,624,070)	
Cash payments to employees for services	(499,752)	(1,850,228)	-	(2,349,980)	
Net cash provided (used) by operating activities	<u>1,331,550</u>	<u>(923,887)</u>	<u>56,083</u>	<u>463,746</u>	<u>222,340</u>
<b>Cash flows from noncapital financing activities:</b>					10,628,480
Advances from other funds	6,271,330	37,126,189	37,273	43,434,792	(11,666,822)
Advances to other funds	(7,165,448)	(35,720,038)	(60,654)	(42,946,140)	
Transfers from other funds	1,961,835	2,043,784	-	4,005,619	
Transfers to other funds	-	-	(32,702)	(32,702)	
Net cash provided (used) by noncapital financing activities	<u>1,067,717</u>	<u>3,449,935</u>	<u>(56,083)</u>	<u>4,461,569</u>	<u>(1,038,342)</u>
<b>Cash flows from capital and related financing activities:</b>					
Proceeds from capital debt	-	949,635	-	949,635	
Acquisition and construction and disposal of capital assets	(2,040,764)	(12,784,178)	-	(14,824,942)	
Principal paid on capital debt	(361,255)	(1,382,269)	-	(1,743,524)	
Interest paid on capital debt	(290,862)	(305,508)	-	(596,370)	
Deferred inflows/outflows/pension lia	17,455	(25,098)	-	(7,643)	
Grant revenues	-	9,456,084	-	9,456,084	
Debt fees/Other	56,561	1,398,263	-	1,454,824	
Net cash used for capital and related financing activities	<u>(2,618,865)</u>	<u>(2,693,071)</u>	-	<u>(5,311,936)</u>	-
<b>Cash flows from investing activities:</b>					
Hospital Deposit	-	-	-	-	(18,600)
Net cash used in investing activities	<u>(219,598)</u>	<u>(167,023)</u>	-	<u>(386,621)</u>	<u>(834,602)</u>
Net increase (decrease) in cash	<u>219,598</u>	<u>509,252</u>	-	<u>728,850</u>	<u>834,602</u>
Cash at beginning of the year	\$ -	\$ -	\$ -	\$ 342,229	\$ -
Cash at end of year	\$ -	\$ 342,229	\$ -	\$ 342,229	\$ -
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					175,616
Operating income (loss)	\$ (174,452)	\$ (3,625,585)	\$ (233,789)	\$ (4,033,826)	
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,429,530	2,609,393	245,147	4,284,070	-
Change in assets & liabilities:					983
(Increase) decrease in receivables	63,002	(1,769,704)	30,650	(1,676,052)	
(Increase) decrease in inventory	-	(84,821)	-	(84,821)	
Increase (decrease) in acc'ts payable	14,590	2,109,119	14,075	2,137,784	45,741
Increase (decrease) in accrued payroll	(1,120)	(162,289)	-	(162,409)	
Total adjustments	<u>1,506,002</u>	<u>2,701,698</u>	<u>289,872</u>	<u>4,497,572</u>	<u>46,724</u>
Net cash provided (used) by operating activities	<u>\$ 1,331,550</u>	<u>\$ (923,887)</u>	<u>\$ 56,083</u>	<u>\$ 463,746</u>	<u>222,340</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, 2023**

	OPEB Trust Fund	Custodial Funds
<b>ASSETS:</b>		
Cash	\$ 761,023	\$ 1,298,686
Investments, at fair value		
Pooled Cash-MACO	3,041,971	
Accounts receivable		1,295,011
Due from other funds		467,546
Prepaid Expenses		
Total Assets	<u>3,802,994</u>	<u>3,061,243</u>
<b>LIABILITIES:</b>		
Health claim reserves		
Other Liabilities		1,762,557
Total Liabilities	<u>-</u>	<u>1,762,557</u>
<b>NET POSITION:</b>		
Restricted for individuals, organizations and other governments		1,298,686
Restricted for OPEB	<u>3,802,994</u>	
Total Net Position	<u>3,802,994</u>	<u>1,298,686</u>

**ALLEGANY COUNTY, MARYLAND**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	OPEB Trust Fund	Custodial Funds
<b>ADDITIONS:</b>		
<b>Contributions:</b>		
Employer contributions	\$ 884,388	
Plan Members	<u>88,467</u>	
Total contributions	<u>972,855</u>	
<b>Other additions:</b>		
Interest	63,353	
Investment activity	237,538	
Less: Investment expense	<u>(12,641)</u>	
Total other additions	<u>288,250</u>	
<b>Seizures</b>		965,492
<b>Real Estate collections for other governments</b>		<u>7,204,281</u>
<b>Total additions</b>	<u>1,261,105</u>	<u>8,169,773</u>
<b>DEDUCTIONS:</b>		
<b>Benefits</b>	972,855	
Seizures forfeited or returned to defendants		329,467
Payments of real estate collections to other governments		<u>7,204,281</u>
<b>Total deductions</b>	<u>972,855</u>	<u>7,533,748</u>
<b>Net change in fiduciary net position</b>	<u>288,250</u>	<u>636,025</u>
<b>Net position, beginning, as restated</b>	<u>3,514,743</u>	<u>662,661</u>
<b>Net position, ending</b>	<u>\$ 3,802,993</u>	<u>\$ 1,298,686</u>

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

**Notes  
to the  
Financial Statements**

**June 30, 2023**

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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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*A. Introduction*

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

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

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

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

*B. Reporting Entity*

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023**

Note 1. Summary of Significant Accounting Policies - continued

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C. *Government-wide and Fund Financial Statements*

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

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

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

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

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

1. General fund – the general fund is used to account for and report all financial resources not accounted for and reported in another fund.
2. Special revenue funds – are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
3. Capital projects funds – are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. They exclude those types of capital-related outflows financed by proprietary funds or assets that will be held in trust.
4. Debt service funds – are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government not accounted for and reported in another fund.

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

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

The government reports the following major proprietary funds:

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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:

Two Custodial Funds-one of which accounts for taxes billed and collected for the State of Maryland, four municipalities and seventeen special taxing districts and the other accounts for funds seized from drug seizures and are held in escrow until judgement.

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

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

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

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

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

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

**1. Deposits and investments**

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

Article 95, Section 22 of the Annotated Code of Maryland authorizes the County to invest surplus funds in bonds or in other obligations of which the full faith and credit of the United States of America are pledged, obligations of federal government agencies issued in

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies - continued

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accordance with an Act of Congress, repurchase agreements that are secured by any bond or other obligation for the payment of which the full faith and credit of the United States are pledged, any bank or banks in the State of Maryland, any savings and loan association, any building and loan association, in interest-bearing time deposit; and/or savings accounts, or in the Local Government Investment Pool.

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

**2. Receivables and payables**

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

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies - continued

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The assessment of all real and personal property for purposes of property taxation by the County is the sole responsibility of the State Department of Assessments and Taxation. Real property is valued at market value and is assessed at 100% of that value. The real estate assessment of 100% is the result of The Maryland Truth in Taxation Act, Chapter 80 of the Laws of Maryland of 2000 effective October 1, 2000. Prior to the law change, the assessment was 40% of the market value. Real property tax rates were adjusted to make the law revenue neutral. Tangible personal property is assessed at cost, less 10% depreciation for each year held, to a minimum of 25% of cost. The County granted tax differential rates to municipalities located within the County in accordance with Article 32A of the Annotated Code of Maryland which reduced the tax rates for owners of municipal property. The various tax rates for Allegany County for fiscal year 2023 are as follows:

	<u>Real</u>	<u>Personal Property</u>
Unincorporated	.9750	2.4375
Barton	.8993	2.2481
Cumberland	.8183	2.0458
Frostburg	.8461	2.1153
Lonaconing	.8609	2.1523
Luke	.8593	2.1482
Midland	.8993	2.2481
Westernport	.8993	2.2481

3. Inventories and prepaid items

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

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

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

4. Restricted assets

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies - continued

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5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 (\$50,000 for infrastructure assets) and an estimated useful life of two years or more. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is not included as part of the capitalized value of the assets constructed.

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

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

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

6. Compensated absences

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

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

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

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

At June 30, 2023, compensated absence liabilities for Allegany County are summarized as follows:

	Current Portion	Long-term Portion	Total Liability
Total Governmental Fund Types	\$ 1,019,611	\$ 4,305,583	\$ 5,325,194
Sanitary Districts	60,641	363,207	423,848
	<u>\$ 1,080,252</u>	<u>\$ 4,668,790</u>	<u>\$ 5,749,042</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies - continued

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7. Long-term obligations:

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond issuance costs incurred in connection with the issuance of debentures are expensed in the year the cost is incurred.

8. Pensions:

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

9. Government-wide and Proprietary Fund Net Position:

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

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

10. Governmental Fund Balances:

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

- Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted - Amounts that can be spent only for specific purposes because of federal or state laws, or externally imposed conditions by grantors or creditors.
- Committed – Amounts that can be used only for specific purposes determined by a formal resolution by the Board of County Commissioners. The Board of County Commissioners is the highest level of decision-making authority for Allegany County. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of County Commissioners. Funds were committed in accordance with Resolution # 87-12, #13-23, # 10-17, # 23-18 and #23-22
- Assigned – Amounts that are constrained by the Board of County Commissioners or the Director of Finance, authorized agreements via board motion, for a particular purpose.
- Unassigned – All amounts not included in other spendable classifications.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

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

12. Use of Restricted Resources:

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

13. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. See Note 12, 13 and 15 for detail of deferred outflows and deferred inflows recorded in the entity-wide financial statements.

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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The governmental funds report unavailable revenues from the following sources:

	<b>General Fund</b>	<b>RBF</b>	<b>Governmental Funds</b>	<b>Non Major</b>	<b>Total</b>
Property taxes	4,431,362				4,431,362
Public Safety Grants	188,331				188,331
Public Works Grants			2,033,130		2,033,130
Social Services Grant	85,374				85,374
General Govt Grants	56,109				56,109
EMS Fees	289,486				289,486
Other	96,055	12,704			108,759
<b>Total</b>	<b>5,146,717</b>	<b>12,704</b>	<b>2,033,130</b>		<b>7,192,551</b>

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

A. Explanation of certain differences between the governmental fund balance sheet and the Government-wide statement of net position. The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term debt, including compensated absences, is not due and payable in the current period and therefore is not reported in the funds.” The details of this \$45,691,547 are as follows:

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Bonds payable (including premiums)	\$36,153,151
Notes payable	4,213,206
Compensated absences	<u>5,325,194</u>
Net adjustments to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$45,691,547</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

The details of this (\$ 3,971,634) difference are as follows:

Capital outlay	\$2,034,397
Depreciation expense	<u>(6,006,031)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	(\$3,971,634)

Another element of that reconciliation states the “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.” The details of this (\$ 25,951) difference are as follows:

In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	(25,951)
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Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	(\$ 25,951)
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Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

The details of this \$ 3,853,755 difference are as follows:

Loan Proceeds	3,853,755
Principal repayments:	

Principal payments	3,853,755
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Net adjustments to increase fund balance - total governmental funds to arrive at net position - governmental activites	\$3,853,755
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**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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 \$ 554,802 difference are as follows:

Compensated absences	\$48,180
OPEB Expense	(569,264)
Pension Expense	670,820
Premium Amortization	148,116
GASB 87 Lease Expense	256,423
Accrued interest adjustment, net	<u>527</u>
Net adjustments to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u><u>\$554,802</u></u>

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

*A. Budgetary Information*

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

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

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

1. Prior to January 15, the County Administrator submits recommended budget guidelines to the Board of Commissioners for their approval.
2. After receiving approval of the budget guidelines, the County Administrator and the Director of Finance meet with the various departments and agencies to explain and distribute the guidelines.
3. The County Administrator and the Director of Finance compile all budget requests; after making departmental and agency review of the requests, a recommended budget is presented to the Board of County Commissioners for review and approval.
4. A public hearing is held to obtain public input and opinion of a preliminary budget.
5. Under Local Code Home Rule, the property tax rate must be set by June 30, and by that time, the budget is publicly adopted by the County Commissioners.
6. During the year supplemental appropriations shall be made by public approval of the Board of Commissioners. No supplemental appropriations were made in FY 23.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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7. During the year, budget amendments within a department are approved by the Director of Finance. Budget amendments between departments and/or funds require Commissioner public approval.
8. Legally, total expenditures for all individual governmental funds may not exceed the total budget for a particular fund except for emergencies, state-mandated programs, or by approval of a majority of the Board of Commissioners.
9. Appropriations lapse at the end of the fiscal year for all funds, except the Capital Project Funds, and certain federal grants that do not have a year-end date of June 30.
10. Budget monitoring is the responsibility of the Finance Department and the appropriate department head.

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

*B.*

*Excess of Expenditures Over Appropriations*

For the year ended June 30, 2023, expenditures exceeded appropriations for the following funds (the legal level of budgetary control):

<b>Fund</b>	<b>Excess</b>
Coal Haul Road Fund	203,584
Transit Fund	55,656
Block Grant Fund	109,208
Community Develop & Housing Fund	900,483
Fire and Rescue Funds	75,401
Sheriff Drug Task Force Fund	172,462
Narcotics Task Force Fund	181,763
Gaming Fund	144,716
Rocky Gap Gaming Fund	404,481
Debt Service Fund	2,235,525
Capital Improvement Fund	666,015
Public Improvement Bonds Fund	607,010
Pay Go Fund	631,268
American Rescue Plan Fund	61,326

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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*C. Deficit Fund Equity*

At June 30, 2023, one governmental fund, the Capital Projects Fund had a deficit fund balance in the amount of (\$ 510,171).

**Note 4. Deposits and Investments**

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*Allegany County Primary Government:*

As of June 30, 2023, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturity in Months			Greater than 12
		Less Than 1	1-6	6-12	
Statement of Net Position					
Group Annuity Fixed	\$ 3,727,691	\$ 3,727,691			
US Treasury Bills	\$ 32,622,037	\$ 10,700,210	\$ 20,406,054	\$ 31,590	\$ 1,484,183
Total Stmt of Net Position	<u>\$ 36,349,728</u>	<u>\$ 14,427,901</u>	<u>\$ 20,406,054</u>	<u>\$ 31,590</u>	<u>\$ 1,484,183</u>
OPEB MACO Trust (a)	\$ 3,041,971	\$ 3,041,971	\$ -		

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

Credit Risk - The County investment policy and State law requires collateralization of 102% of fair value of investments. ARTICLE 95, Section 22 of the Annotated Code of Maryland authorizes the County to invest surplus funds in bonds or in other obligations of which the full faith and credit of the United States of America are pledged, obligations of federal government agencies issued in accordance with an Act of Congress, repurchase agreements that are secured by any bond or other obligation for the payment of which the full faith and credit of the United States are pledged, any bank or banks in the State of Maryland, any savings and loan association, any building and loan association, in interest-bearing time deposit; and/or savings accounts, or in the Local Government Investment Pool. Allegany County was not in compliance with its investment policy and State law having all deposits and

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 4. Deposits and Investments-continued

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Investments (except for the group annuity fixed investment) collateralized at 102% of fair value with bonds or other obligations secured by the full faith and credit of the United States. At June 30, 2023, the County was collateralized at 78%, due to a large unanticipated deposit made on June 30, 2023. Collateral was adjusted on July 1 to bring the coverage back up to 102%. Also, the Group Annuity Fixed investment was uncollateralized in the amount of \$ 3,727,691 at June 30, 2023.

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

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

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

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

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

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

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

*Allegany County Discretely Presented Component Units:*

Allegany County Board of Education

Cash deposits – At year-end, the carrying amount of the Board's deposits was \$43,957,350 and the bank balances were \$44,798,798. Of the bank balances, \$686,990 was covered by depository insurance and \$3,390,406 was covered by collateral. Deposits not covered by federal depository insurance or collateral were \$ 40,721,402.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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Investments – All investment revenue is recorded in the fund that held the investment. Market values are not materially different from carrying values for these investments. Of the Board's investments, all was covered by federal depository insurance. As of June 30, 2023, the Board of Education had the following investments and maturities:

Investment Type	Investment Maturity (in months)				
	Less than				
	1	1-6	6-12	12	
Certificates of Deposit	\$ 459,238	\$ 40,492	\$ 155,010	\$ 42,000	\$ 221,736
	<u>\$ 459,238</u>	<u>\$ 40,492</u>	<u>\$ 155,010</u>	<u>\$ 42,000</u>	<u>\$ 221,736</u>

**Allegany County Library System**

**Cash – Risks and Policies**

As of June 30, 2023, the carrying amount of the Library's deposits was \$393,646 and the bank balances were \$ 387,379.

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, 2023 are fully collateralized with securities held by the Library's agent in the Library's name.

As of June 30, 2023, the Library had the following investments and maturities:

Investment Type	Investment Maturity					Credit Rating	
	Less than						
	90 Days	90 Days	Over	One Year			
U.S. Treasury Bonds	\$ 31,440	\$			\$ 31,440	N/A	
Investment in MD Local Government Fund Pool	639,356	639,356				AAA	
	<u>\$ 670,796</u>	<u>\$ 639,356</u>	<u>\$</u>	<u>\$ 31,440</u>			

***Allegany County Discretely Presented Component Units:***

**Allegany County Library System (Continued)**

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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 \$3,050,308 and the bank balance was \$ 3,109,182. Demand deposit funds are insured by FDIC and NCUA up to \$ 250,000 per institution. Government securities are pledged to secure the deposits in the repurchase investment account. These securities are part of a pool which is held in the bank's name. The commission held no investments at year end.

Custodial Credit Risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2023, \$ 2,609,177 of the government's bank balance of \$ 3,109,182 was exposed to custodial credit risk as follows:

Uninsured and collateralized by Government Securities held by the Counterparty, but not in LaVale Sanitary Commission's name	<u>\$ 2,661,361</u>
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**Allegany College**

Cash deposits – At year-end, the carrying amount of the Allegany College's, not including its component units, cash deposits was \$ 1,065,396 and the bank balance was 1,199,206.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

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

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

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

**Note 5: Fair Value Measurements**

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Fair values of the County's assets measured on a recurring basis at June 30, 2023 are as follows:

	Fair Value	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(Level 1)		
<u>June 30, 2023</u>				
Group Annuity Fixed	\$ 3,727,691	\$ 3,727,691	\$0	\$0
US Treasury Bills	32,622,037	32,622,037		
OPEB MACO Trust (a)	3,041,971	-		
Total	<u>\$39,391,699</u>	<u>\$36,349,728</u>	<u>\$0</u>	<u>\$0</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

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

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

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

**Level 2** inputs to the valuation methodology include the following:

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

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

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023:

- Fixed income securities are valued at market quotations obtained from published sources.
- US Treasury Bills are valued at market quotations obtained from public sources.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

For the year ended June 30, 2023, there were no significant transfers in or out of levels 1,2 or 3. Transfers between levels are recognized in the fair value hierarchy at the end of the reporting period.

**Note 6. Property Taxes Receivable**

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

Property tax receivable at June 30, 2023 was \$5,732,326 (before an allowance of \$ 107,000) of which 3,477,784 were current year's taxes receivable and the balance of \$2,254,542 was prior years' unpaid taxes.

**Note 7. Other Receivables**

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

Governmental Activities:	General Fund	RBF Fund	Non-major Governmental Funds	Internal Svc Fund	Total
Receivables:					
Interest	\$ 53,504	\$ -	\$ -	\$ -	\$ 53,504
Income taxes	2,765,807	-	-	-	2,765,807
Other taxes	682,311	-	25,337	-	707,648
Leases		11,100,687			11,100,687
Current:					
Accrued revenues	3,397,780	301,960	2,755,039	924	6,455,703
Long-term:					
Loans, notes			135,936		135,936
Total receivables	\$ 6,899,402	\$ 11,402,647	\$ 2,916,312	\$ 924	\$ 21,219,285

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 7. Other Receivables-continued**

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

Business-type Activities:	Water Districts	Sewer Districts	Non-Major Enterprise Funds	Total
Receivables:				
Accounts			\$ -	-
Accounts, other	5,946	5,973,434	302,477	6,281,857
Accounts, trade	1,647,944	1,811,850	23,663	3,483,457
Less allowance	(320,637)	(369,973)	-	(690,610)
Net accounts, trade	1,327,307	1,441,877	23,663	2,792,847
Accounts, restricted		154,353	-	154,353
Less allowance	-	-	-	-
Net accounts, restricted	-	154,353	-	154,353
Loans	-	-	942,248	942,248
Less allowance	-	-	(350,000)	(350,000)
Net loans	-	-	592,248	592,248
Total receivables	\$1,333,253	\$ 7,569,664	\$ 918,388	\$ 9,821,305

*Leases-County as Lessor:*

As part of the County's economic development mission, several County owned buildings are leased to various County employers and thus lease agreements are entered into by both parties. As of 7/1/22, the lease receivable balance was \$ 13,406,648. During the year, an additional lease agreement was entered into and added \$ 241,452 to both the receivable and deferred inflows. FY 23 lease payments were recorded in the amount of \$ 2,545,152 and a lease termination in the amount of \$ 2,262 was recorded, reducing the lease receivable at 6/30/23 to \$ 11,100,687. As of 7/1/22, the deferred inflows balance was \$ 13,155,228. FY 23 amortization for deferred inflows was \$ 2,731,167 and termination of \$ 1,886, both of which reduced the deferred inflows at 6/30/23 to \$ 10,663,627.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 7. Other Receivables-continued**

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**Unearned Revenue:**

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

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

Unearned revenue recorded as a receivable which are not considered available to liquidate liabilities of the current period:

Unearned grant revenue	\$ 7,236,303
Unearned ticket revenue\other	30,710
Long term housing loans receivable	<u>135,936</u>
	<u><u>\$ 7,402,949</u></u>

***Loans receivable:***

The following table summarizes the loan receivable balances in the County Loan Fund at June 30, 2023:

Entity	Source of funds	Balance June 30, 2023
County Loan Fund loans:		
Western Maryland Scenic Railroad	Gen Fund/PIB of 1988	\$ 250,000
Aeon Technologies	RBF Fund	\$ 214,092
YMCA	General Fund	100,000
Employee loan	General Fund	33,503
WebRestaurant Loan	RBF Fund	30,000
Allowance for doubtful accounts		(350,000)
Sub-total		\$ 277,597
Allconet II Fund loans:		
TWR loan	General Fund	24,880
Total		\$ 302,477
Total		\$ 302,477

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, 2023**

**Note 8. Capital Assets**

Capital asset activity for the year ended June 30, 2023 for the primary government was as follows:

<b>Primary Government:</b> Governmental activities:	Beginning Balance	Increases	Decreases	Transfers In(Out)	Ending Balance
Leased Asset:					
Buildings/Vehicles	4,262,021	363,700			4,625,721
Less: Accumulated Amortization	(41,172)	(142,522)			(183,694)
Leased Asset, net	4,220,849	221,178	-	-	4,442,027
Capital assets, not being depreciated:					
Land	\$ 27,180,167				\$ 27,180,167
Work in Progress	584,886				584,886
Total capital assets not being depreciated:	27,765,053				27,765,053
Capital assets, being depreciated:					
Buildings	69,867,849	89,777	(31,178)		69,926,448
Infrastructure	56,459,713				56,459,715
Furniture & Fixtures	1,169,586	24,882			1,194,468
Equipment	22,666,171	452,334			23,118,505
Vehicles	16,335,547	1,210,604	(768,401)		16,777,750
Heavy Equipment	5,887,979	256,800	(64,382)		6,080,397
Other Capital Assets	1,251,821		(13,261)		1,238,560
Total capital assets, being depreciated:	173,638,666	2,034,397	(877,222)		174,795,843
Less accumulated depreciation for:					
Buildings	(35,236,303)	(1,924,624)	31,178		(37,129,746)
Infrastructure	(36,581,093)	(833,989)			(37,415,082)
Furniture & Fixtures	(1,047,586)	(22,592)			(1,070,177)
Equipment	(17,911,787)	(1,653,431)		(4,653)	(19,569,871)
Vehicles	(11,331,371)	(1,244,346)	742,447		(11,833,269)
Heavy Equipment	(4,458,219)	(324,589)	64,385	4,653	(4,713,770)
Other Capital Assets	(927,524)	(2,470)	13,260		(916,734)
Total accumulated depreciation	(107,493,883)	(6,006,041)	851,270		(112,648,640)
Total capital assets, being depreciated, net:	66,144,783	(3,971,644)	(25,952)		62,147,203
Governmental activities capital assets, net	\$ 98,130,701	\$ (3,750,466)	\$ (25,952)	\$ -	\$ 94,354,283

<b>Primary Government:</b> Business-type activities:	Beginning Balance	Increases	Decreases	Transfers In(Out)	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 192,532		\$ -	\$ -	\$ 192,532
Work in Progress	9,526,174	14,758,681			24,284,854
Total capital assets not being depreciated:	9,718,706	14,758,681	-	-	24,477,386
Capital assets, being depreciated:					
Buildings	712,407		-		712,407
Infrastructure	194,194,928				194,194,928
Furniture & Fixtures	17,681		-		17,681
Equipment	7,818,309	33,950			7,852,258
Vehicles	1,584,463	40,920	(61,737)		1,563,646
Heavy Equipment	1,534,621				1,534,621
Other Capital Assets	2,837,063		-		2,837,063
Total capital assets, being depreciated:	208,700,022	74,870	(61,737)		208,713,144
Less accumulated depreciation for:					
Buildings	(220,238)	(19,841)	-		(240,079)
Infrastructure	(80,492,106)	(3,845,974)	-		(84,338,080)
Furniture & Fixtures	(17,680)		-		(17,680)
Equipment	(6,828,779)	(295,155)			(7,123,934)
Vehicles	(1,499,249)	(30,431)	61,737		(1,467,943)
Heavy Equipment	(1,464,941)	(69,672)			(1,534,613)
Other Capital Assets	(2,408,764)	(22,997)	-		(2,431,761)
Total accumulated depreciation	(92,931,739)	(4,284,070)	61,737		(97,154,078)
Total capital assets, being depreciated, net:	115,768,283	(4,209,200)	0		111,559,066
Business-type activities capital assets, net	\$ 125,486,983	\$ 10,549,481	\$ -	\$ -	\$ 136,036,452

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 8. Capital Assets - continued**

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Depreciation expense was charged to functions/programs of the primary government, as reported in the statement of activities, for the year ended June 30, 2023 as follows:

Governmental activities:

General government	\$ 115,913
Public safety	2,671,079
Public works	1,597,628
Health	218,440
Social services	68,944
Recreation, culture and libraries	158,589
Community development and housing	-
Economic development	1,175,438
Total depreciation expense - governmental activities	<u><u>\$ 6,006,041</u></u>

Business type activities:

Water districts	\$ 1,429,530
Sewer districts	2,609,393
Allconet II	245,147
Total depreciation expense - governmental activities	<u><u>\$ 4,284,070</u></u>

*Construction Commitments*

The County has active construction projects as of June 30, 2023. 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
Locust Grove Project	4,731,743	1,794,354
Sewer Pumping Station Project	5,731,578	6,685,790
Bgreen Drainage Project	233,014	12,263
Tri State Pump Station	242,124	231,611
Bgreen Water Meters Replacement	1,407,386	174,239
Mexico Farms Waterline	522,388	27,494
Allegany High School		200,000
Barton Park Shell Building	3,962,266	30,000
Totals	<u><u>16,830,499</u></u>	<u><u>9,155,751</u></u>

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 8. Capital Assets - continued**

*Discretely Presented Component Units:*

Capital asset activity for the Board of Education of Allegany County for the year ended June 30, 2023 (not including component units), was as follows:

<b>Board of Education</b> Governmental activities:	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 7,643,505	\$ 8,553,779	(3,727,790)	\$ 9,303,176
Work in process	4,477,187			
Total capital assets not being depreciated:	12,120,692	8,553,779	(3,727,790)	16,946,681
Capital assets, being depreciated:				
Land Improvements	11,370,350	2,514,636	3,041,209	16,926,194
Buildings & Improvements	206,619,141	141,719	475,929	207,236,789
Furniture, Equipment & Vehicles	24,352,249	1,872,000	(686,432)	25,537,817
Total capital assets, being depreciated:	242,341,739	4,528,355	2,830,706	249,700,800
Right to Use Amortizable assets:				
Intangible Leased Assets	942,771	51,198		993,969
Subscription Based Assets		4,920,991	(103,757)	4,817,233
Total Amortized Capital Assets	942,771	4,972,189	(103,757)	5,811,202
Less accumulated depreciation & amortization				
Land Improvements	(5,829,016)	(661,954)	61,521	(6,429,449)
Buildings & Improvements	(109,253,024)	(3,987,904)		(113,240,928)
Furniture, Equipment & Vehicles	(17,278,136)	(1,367,651)	561,409	(18,084,378)
Intangible Leased asset	(707,936)	(113,223)		(821,159)
Subscription Based Assets		(1,503,240)	103,757	(1,399,483)
Total accumulated depreciation	(133,068,112)	(7,633,972)	726,687	(139,975,397)
Total capital assets, being depreciated, net:	110,216,398	1,866,572	3,453,636	115,536,606
Governmental activities capital assets, net	\$ 122,337,090	\$ 10,420,351	\$ (274,154)	132,483,287

<b>Board of Education</b> Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Furniture, Equipment & Vehicles	422,089	-		422,089
Less accumulated depreciation	(422,089)	-		(422,089)
Total capital assets, being depreciated, net:	-	-		-

Capital asset activity for the Library of Allegany County for the year ended June 30, 2023

<b>Library</b> Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable assets:				
Construction in Progress	\$ 3,820,931		\$ (3,820,931)	\$ -
Capital assets, being depreciated:				
Buildings & Improvements	\$ 4,988,615	\$ 598,872	\$ 3,820,931	\$ 9,408,418
Furniture & Equipment	1,014,361	72,776		1,087,137
Vehicles/Bookmobile	91,036	41,348		132,384
Library Books	3,165,969	208,349		3,374,318
Total capital assets, being depreciated:	9,259,981	921,345	3,820,931	14,002,257
Less accumulated depreciation for:				
Buildings & Improvements	(1,515,336)	(106,828)	-	(1,622,164)
Furniture & Equipment	(792,802)	(54,820)		(847,622)
Vehicles/Bookmobile	(69,084)	(11,725)	-	(80,809)
Library Books	(2,717,067)	(182,979)		(2,900,046)
Total accumulated depreciation	(5,094,289)	(356,352)	-	(5,450,641)
Total capital assets, being depreciated, net:	\$ 4,165,692	\$ 564,993	\$ 3,820,931	\$ 8,551,616
Governmental activities capital assets, net	\$ 7,986,623	\$ 564,993	\$ -	\$ 8,551,616

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 8. Capital Assets - continued**

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*Discretely Presented Component Units - continued:*

Capital asset activity for Allegany College of Maryland and its component units for the year ended June 30, 2023 were as follows:

<b>Allegany College of Maryland</b> Business-type activities:	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:				
Land	\$ 1,564,352		\$ -	1,564,352
Library Collections	167,827	2,000	-	169,827
Work in Progress	1,257,875	3,165,485	(2,190,726)	2,232,634
Total capital assets not being depreciated:	2,990,054	3,167,485	(2,190,726)	3,966,813
Capital assets, being depreciated:				
Buildings	66,017,010	2,368,154	-	68,385,164
Equipment	12,602,605	810,229	(30,441)	13,382,394
Auxiliary Equipment	152,649			152,649
Library Books	529,868	11,660	(38,100)	503,428
Intangible assets-SBITA		3,444,203		3,444,203
Total capital assets, being depreciated:	79,302,132	6,634,246	(68,541)	85,867,838
Less accumulated depreciation :	(41,641,700)	(3,115,872)	68,540	(44,689,032)
Total capital assets, being depreciated, net:	37,660,432	3,518,374	(1)	41,178,806
Business-type activities capital assets, net	\$ 40,650,486	\$ 6,685,859	\$ (2,190,727)	\$ 45,145,619

Capital asset activity for the LaVale Sanitary Commission for the year ended June 30, 2023, was as follows:

<b>LaVale Sanitary Commission</b> Business-type activities:	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:				
Land	\$ 413,750		\$ -	413,750
Work in Progress	159,244	1,435,828		1,595,072
Total capital assets not being depreciated:	572,994	1,435,828	-	2,008,822
Capital assets, being depreciated:				
Buildings	811,067		-	811,067
Infrastructure	29,073,510	129,538	(57,775)	29,145,273
Machinery, Vehicles & Equipment, Office Furniture and Equipment	1,385,587	10,611		1,396,198
Total capital assets, being depreciated:	31,270,164	140,149	(57,775)	31,352,540
Less accumulated depreciation for:	(16,028,702)	(564,265)	57,775	(16,535,194)
Total capital assets, being depreciated, net:	15,241,462	(424,116)	0	14,817,346
Business-type activities capital assets, net	\$ 15,814,456	\$ 1,011,712	\$ -	\$ 16,826,168

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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The composition of interfund balances as of June 30, 2023, is as follows:

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

	Due From Other Funds	Due To Other Funds
Governmental funds:		
General Fund	\$ -	\$ 16,001,841
American Rescue Fund	4,871,030	
Revolving Building Fund	9,497,904	
Non-major Governmental Funds	8,703,898	687,245
Sub-total	23,072,832	16,689,086
Enterprise Funds:		
Water Districts	4,142,009	-
Sanitary Districts	34,781,617	51,335,761
Non-major Enterprise Funds	227,864	52,216
Sub-total	39,151,490	51,387,977
Internal Service Fund	5,385,207	
Fiduciary Funds:		
Custodial Fund	467,546	-
<b>TOTALS</b>	<b>\$ 68,077,075</b>	<b>\$ 68,077,075</b>

The interfund balances as of June 30, 2023 are the result of a centralized cash receipt and disbursement function. This results in funds having a deficiency or excess of cash depending on the timing of the receipt of revenues or other sources and/or the payment of expenditures (or expenses) or other uses of cash.

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

	Advances to Other Funds	Advances from Other Funds
Loans:		
Loan Fund	592,248	
Allegany County Sanitary Districts:		
Long-term debt-Bonds & Loans		446,007
Current portion of long-term debt		21,900
Allegany County Water Districts:		
Current portion of long-term debt		22,933
Long-term debt		101,407
	<b>\$ 592,248</b>	<b>\$ 592,248</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 9. Interfund Receivables, Payables, and Transfers (continued)**

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

**C. Transfers**

Transfers to other funds for the year ending June 30, 2023 are as follows:

Transferred From:	Transferred To:	Amount	Total By Fund
From the General Fund to:			
Non-major funds governmental funds		\$ 3,058,532	
Enterprise funds:			
Alconet		0	
Water/Sewer fund		641,559	\$ 3,700,091
From the Revolving Building Fund To:			
General Fund		0	
Water Fund		19,348	
Sanitary Fund		0	
Non-major funds governmental funds		68,095	87,444
From the Sanitary Fund To:			
Water/Sewer fund		0	0
From the ARP Fund To:			
Water/Sewer fund		3,344,710	
Non-major governmental fund		62,839	3,407,549
From the Non-major Governmental Funds to:			
Enterprise funds:			
Water/Sewer fund			
Other Non-major governmental fund		833,201	833,201
From the Non-major Enterprise Funds to:			
Water/Sewer fund		32,702	32,702
General Fund			
<b>TOTALS</b>		<b>\$ 8,060,986</b>	<b>\$ 8,060,986</b>

General Fund transfers to the non-major governmental funds were to fund the local share of grant funded programs and to pay debt service. Transfers to the enterprise funds were to assist in operating costs and debt service. Transfers from the Revolving Building Fund were to pay debt service costs of County economic development buildings and to pay for economic development's share of expenditures in other funds. Payments to component units for the year ending June 30, 2023 are as follows:

Payment From:	Payment To:	Amount	Total By Fund Type
From the General Fund (appropriations) to:			
Board of Education		\$ 31,854,912	
Board of Education, Data Processing		109,829	
Allegany College of Maryland		8,206,856	
Library		1,094,515	\$ 41,266,112
From the Gaming Fund to:			
Board of Education		270,000	270,000
From the Rocky Gap Slots Fund to:			
Allegany College of MD Foundation		360,000	360,000
<b>Total</b>		<b>\$ 41,896,112</b>	<b>\$ 41,896,112</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 10. Short-term Debt**

Allegany County did not issue short-term debt during the fiscal year ending June 30, 2023 and had no balance payable at year end.

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

Long-term liability activity of the County for the year ended June 30, 2023, was as follows:

<b>Long-term Debt</b>					
<b>Governmental Activities</b>		Beginning Balance	Amount Issued	Amount Retired	Ending Balance
		\$	\$	\$	\$
General Obligation Notes		\$ 37,805,000 4,508,300	\$ 1,500,000	\$ (3,533,250) (295,098)	\$ 34,271,750 5,713,202
State Loans		25,406		(25,406)	0
Premium on Bonds Payable		2,029,517		(148,116)	1,881,405
Total		<u>\$ 44,368,223</u>	<u>\$ 1,500,000</u>	<u>\$ (4,001,870)</u>	<u>\$ 41,866,353</u>
<b>Business-type activities</b>					
Water districts:		Beginning Balance	Amount Issued	Amount Retired	Ending Balance
Rural development loans		\$ 9,865,887		\$ (292,971)	\$ 9,572,916
Maryland water quality loans		1,148,559		(43,223)	1,105,280
County loans		149,672	-	(25,333)	124,339
Total water districts		<u>11,164,118</u>	<u>-</u>	<u>(361,527)</u>	<u>10,802,654</u>
Sewer districts:					
Maryland water quality loans		336,318		(28,623)	307,695
Maryland environmental loans		6,684,962	949,635	(1,169,975)	6,464,622
Rural development loans		8,000,760		(183,015)	7,817,745
Other loans		468,844		(656)	468,188
Total sewer districts		<u>15,490,884</u>	<u>949,635</u>	<u>(1,382,269)</u>	<u>15,058,436</u>
Total business-type activities:					
Maryland water quality loans		1,484,877	-	(71,846)	1,412,975
Maryland environmental loans		6,684,962	949,635	(1,169,975)	6,464,622
Rural development loans		17,866,647	-	(475,986)	17,390,661
Other loans		618,516	-	(25,989)	592,527
Total business-type activities		<u>\$ 26,655,002</u>	<u>\$ 949,635</u>	<u>\$ (1,743,796)</u>	<u>\$ 25,861,090</u>
<b>Other Long-term Liabilities</b>					
<b>Governmental Activities</b>		Beginning Balance	Current Year Changes	Payments	Ending Balance
		\$	\$	\$	\$
Leases		\$ 5,678,699	\$ 361,500	\$ (35,245)	\$ 6,004,954
Compensated Absences		5,373,374	1,028,591	(1,076,771)	5,325,194
Net Pension Liability-St of MD		13,850,231	5,173,392		19,023,623
Net Pension Liability-LOSAP		5,684,072	(1,648,963)		4,035,109
Net OPEB		21,691,713	298,803		21,990,516
<b>Business-type activities</b>					
Water & sewer districts					
Compensated absences		\$ 550,390	\$ 86,317	\$ (212,860)	\$ 423,847
Net Pension Liability		<u>1,158,214</u>	<u>322,614</u>		<u>1,480,828</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

*Leases-County as Lessee:*

The County, as a lessee, has entered into 2 lease agreements to rent building space, 6 lease agreements to rent vehicles and 1 lease agreement for land. The total of the leased assets is recorded at a cost of \$ 4,625,721 less accumulated amortization of \$ 183,694. The future lease payments under lease agreements are:

<b>Leases</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	96,119	28,140	124,259
2025	106,253	22,726	128,979
2026	112,477	16,806	129,283
2027	118,797	10,486	129,283
2028	97,191	4,233	101,424
2029-2033	65,983	413	66,396
<b>2076</b>	<b>5,408,134</b>	<b>15,519,176</b>	<b>20,927,310</b>
<b>Total</b>	<b>6,004,954</b>	<b>15,601,980</b>	<b>21,606,934</b>

If certain criteria are met, per an amendment to the original lease agreement for the land lease, annual lease payments are deferred each year until the end of the lease term, 2076. Management believes that none of the lease payments will be paid during fiscal year 2024 and is considered to be a long-term liability.

Annual debt service requirements to maturity for Allegany County's governmental activities long-term debt outstanding as of June 30, 2023 are as follows:

Year Ending June 30,	Notes from					
	General Obligation Bonds		Direct Borrowing		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	1,220,000	1,058,645	421,310	73,724	1,641,310	1,132,369
2025	1,385,000	1,002,620	426,762	68,399	1,811,762	1,071,019
2026	2,156,750	962,483	432,337	62,851	2,589,087	1,025,334
2027	1,500,000	885,708	437,960	57,502	1,937,960	943,210
2028	1,965,000	821,195	443,636	51,747	2,408,636	872,942
2029-2033	10,665,000	2,907,020	2,246,675	177,134	12,911,675	3,084,154
2034-2038	9,165,000	1,367,145	877,994	63,870	10,042,994	1,431,015
2039-2043	5,645,000	351,650	283,777	23,541	5,928,777	375,191
2044-2049	570,000	7,552	142,755	5,926	712,755	13,478
	<b>\$ 34,271,750</b>	<b>\$ 9,364,018</b>	<b>\$ 5,713,206</b>	<b>\$ 584,694</b>	<b>\$ 39,984,948</b>	<b>\$ 9,948,712</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

Annual debt service requirements to maturity for Allegany County's business-type activities long-term debt outstanding as of June 30, 2023 are as follows:

The annual debt service requirements to maturity for the Water Districts long-term debt outstanding at June 30, 2023 are:

Year Ending June 30,	Farmers Home Admin. Loans		Water Quality/MDE Loans		Other Loans		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	301,991	265,949	43,491	8,343	22,933	5,319	368,415	279,611
2025	311,706	256,235	43,763	11,931	4,430	4,557	359,899	272,723
2026	321,795	246,145	44,036	7,798	4,633	4,353	370,464	258,296
2027	332,275	235,666	44,312	7,525	4,846	4,140	381,433	247,331
2028	343,162	224,778	44,590	8,245	5,068	3,917	392,820	236,940
2029-2033	1,829,660	874,432	227,214	31,980	29,056	15,872	2,085,930	922,284
2034-2038	1,899,672	657,270	203,332	23,446	36,372	8,255	2,139,376	688,971
2039-2043	1,585,589	392,917	179,153	17,030	17,001	975	1,781,743	410,922
2044-2048	1,370,142	12,876	164,187	12,876	0	0	1,534,329	25,752
2049-2053	1,179,018	64,000	111,202	6,745	0	0	1,290,220	70,745
2054-2058	97,906	3,145			0	0	97,906	3,145
Totals	\$ 9,572,916	\$ 3,233,413	\$ 1,105,280	\$ 135,919	\$ 124,339	\$ 47,388	\$ 10,802,654	\$ 3,416,720

The annual debt service requirements to maturity for the Sanitary Districts long-term debt outstanding at June 30, 2023 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
2024	28,980	4,429	1,184,584	78,815	188,320	208,702	21,900	3,897	1,423,784	295,843
2025	29,299	4,089	1,152,251	64,000	193,892	203,130	29,251	3,761	1,404,693	274,980
2026	29,645	3,744	771,821	49,494	199,562	197,460	29,571	4,420	1,030,599	255,118
2027	29,994	3,395	739,252	38,280	205,455	191,567	29,895	4,097	1,004,596	237,339
2028	30,347	3,042	750,258	27,272	211,519	185,502	30,222	3,768	1,022,346	219,584
2029-2033	159,430	8,081	895,600	61,653	1,156,687	814,612	156,201	13,752	2,367,918	898,098
2034-2038	-	490,380	26,874	1,252,379	682,632	162,628	4,893	1,905,387	714,399	
2039-2043	-	195,154	17,909	1,330,577	464,172	8,520	20	1,534,251	482,101	
2044-2048	-	199,087	13,974	1,390,334	260,707			1,589,421	274,681	
2049-2053	-	86,235	5,713	924,505	126,389			1,010,740	132,102	
2054-2058	-			614,611	44,317			614,611	44,317	
2059-2063	-			149,904	6,439			149,904	6,439	
Totals	\$ 307,695	\$ 26,780	\$ 6,464,622	\$ 383,984	\$ 7,817,745	\$ 3,385,629	\$ 468,188	\$ 38,608	\$ 15,058,436	\$ 3,835,001

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

Allegany County Primary Government Schedule of Long - Term General Obligation Debt:					
	Date of Issue	Date of Maturity	Interest Rate (%)	June 30,	
				2023	2022
<b>General Obligation Bonds:</b>					
<b>Public Improvement Bonds:</b>					
Bonds of 2013-Nontax	03/11/13	03/11/27	2.11	716,750	3,460,000
Bonds of 2014	12/16/14	12/16/35	2.88	6,430,000	6,820,000
Bonds of 2018	12/14/18	12/14/38	3.5-5	9,450,000	9,850,000
Bonds of 2020-Nontax	11/24/20	07/15/41	2.44	7,170,000	7,170,000
Bonds of 2020	11/24/20	04/15/43	2.50	10,505,000	10,505,000
Premium on Bonds	03/11/13	03/11/27	n/a	112,268	149,688
Premium on Bonds	12/16/14	12/16/35	n/a	308,455	335,472
Premium on Bonds	12/14/18	12/14/38	n/a	668,147	711,253
Premium on Bonds	11/24/20	04/15/43	n/a	462,764	485,430
Premium on Bonds-Nontax	11/24/20	07/15/41	n/a	329,771	347,677
<b>Notes:</b>					
Farmers Home Admin	1992	2032	5.75	188,322	188,322
RUS Loan 91-06		2046	1.38	587,342	617,890
RUS Loan 92-07		2047	2.00	548,996	566,681
RUS Loan 92-09		2047	1.75	167,056	172,615
MD Dept of Commerce	2023	2033	n/a	1,500,000	
SM FU II-Refund Bond		2035	1.77	2,277,000	2,439,000
Other Agency Loan	2022	2032	2.50	444,486	500,000
Md Environmental Loan	2003	2023	0.89	500,000	25,406
Total Long - Term General Obligation Debt				41,866,353	44,344,431
Compensated Absences				5,325,194	5,373,374
Total long-term liabilities				\$ 47,191,547	\$ 49,717,805

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Water Districts Debt:	Date of Issue	Maturity Date	Interest Rate %	June 30, 2023	June 30, 2022
Eckhart FHA Loan 1991 Series A	02/21/91	2031	6.0	\$ 48,016	\$ 52,485
Eckhart FHA Loan 1991 Series B	02/21/91	2031	6.0	117,037	127,962
Eckhart/Clarysville RDA Loan	04/17/11	2051	2.5	174,758	179,086
Borden/Zhilman FHA Loan 1998	10/22/97	2037	4.5	194,112	203,461
Carlos/Shafft FHA Loan 2000	12/28/99	12/28/2039	3.25	289,160	302,286
Oldtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	136,460	142,651
Oldtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	139,303	145,622
Grahmton FHA Loan 2001 R-2	2001	2042	4.5	405,010	418,819
Consol FHA loan	2004	2044	4.5	75,731	77,910
McCook FHA Loan	1999	2039	4.5	659,199	688,160
Barton Industrial Park	2005	2045	4.5	265,245	272,453
Klondike FHA	2005	2045	4.5	347,030	356,284
Morantown FHA Loan	2005	2046	4.25	127,730	131,076
Mexico Farms	1992	2032	5.5	190,379	205,427
Bowmans Addition RDA Loan	10/01/10	2051	3.75	496,270	506,460
Bowmans Addition Phase 2 RDA	12/16/11	2052	2.00	497,434	509,780
Bedford Rd/Shades Lane MDE	06/28/12	2052	1.00	30,006	31,525
Cresaptown RDA Loan	06/28/12	2052	2.00	1,199,025	1,229,242
Cresaptown RDA Loan 2	06/28/12	2052	2.00	371,580	380,946
Mt Savage-FHA Loan	06/30/13	2053	2.00	2,856,430	2,927,594
Mt Savage-MDE Loan	10/31/12	2042	1.00	62,186	65,108
Rawlings	03/31/14	2054	2.00	157,791	161,553
Rawlings-MDE Loan	2015	2020	2.00	116,505	125,660
Rawlings-RDA Loan	2016	2057	2.00	399,958	408,634
Oldtown Road -FHA Loan	2017	2057	2.00	89,111	90,945
Route 36 District -FHA	2017	2057	2.00	67,306	72,044
Route 36 District -MDE	2017	2036	2.00	87,273	89,247
Route 36 District -FHA	2018	2058	2.00	91,798	93,727
Route 36 District -MDE	2018	2037	2.00	127,128	131,766
Pond Circle, FHA	2018	2058	2.00	89,763	91,693
Bedford Rd-MDE loan	2022	2052	0.40	297,526	307,194
Cresaptown -MDE Loan	2022	2052	0.40	471,983	487,304
Sub-total				10,678,319	11,014,240
Carlos/Shafft Loan	2006	2040	4.5	33,733	35,026
Missick Road Loan	2006	2040	4.5	53,151	55,188
Route 51 Loan	2006	2040	4.5	18,757	19,477
PSC Rate case	2007	2024	4.5	18,698	39,982
Sub-total				124,339	149,673
Total debt				10,802,654	11,163,909
Less: Current maturities of long - term debt				(368,415)	(361,190)
Total Water Districts long - term debt				\$ 10,434,239	\$ 10,802,719
Sanitary Districts Debt:					
Bedford Road	2013	2032	1.4	126,432	139,539
Jennings Run	2014/2015	2036	1.0	181,262	196,777
Braddock Run	2016	2034	1.0	597,009	643,762
Bedford Road	2017	2031	1.2	65,323	73,772
Celanese WWTP Upgrade	06/03	2025	0.40	826,166	1,256,949
Celanese	2006	2026	0.40	129,043	171,291
Inflow and Infiltration Study II	2008	2028	1.00	329,382	392,260
George Creek WWTP Upgrade	2009	2029	0.40	2,487,341	2,948,134
Inflow and Infiltration Study II	2010	2030	1.00	102,316	119,368
Georges Creek	2007	2047	4.125	393,137	402,564
Cash Valley Road	1996	2036	4.50	76,461	80,840
Oldtown Road	1996	2036	4.50	289,966	306,576
Bowling Green/Cresaptown	2007	2047	4.125	1,775,348	1,817,916
Bedford Road	2012	2052	2.000	377,963	387,492
Bedford Road	2013	2052	2.000	412,727	422,894
Jennings Run	2013	2052	2.000	717,205	734,996
Wrights Crossing-Brad Run	2018	2057	2.000	2,700,982	2,755,479
Oldtown	2006	2036	4.5	11,846	12,502
Braddock Run	2022	2052	0.4	433,442	449,214
Bedford Road	2022	2052	0.4	533,961	551,949
Bedford Road	2022	2052	0.4	76,100	78,665
Mexico Farms	2022	2062	2.0	1,073,953	1,092,000
Utility Building	2022	2032		456,342	456,342
Locust Grove	2023	2063	2.0	884,940	
Total				15,058,436	15,491,286
Less: Current maturities of long - term debt				(1,423,783)	(1,317,574)
Total Sanitary Districts Long - term Debt				\$ 13,634,653	\$ 14,173,712

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

<b>Long-term Liabilities - Component Units</b>			
Long-term debt activity for the year ended June 30, 2023:			
Allegany College of Maryland			
Payable at July 1, 2022		\$ 272,061	
Amount issued			
Amount retired		(60,273)	
Payable at June 30, 2023		<u>\$ 211,788</u>	
Annual debt service requirements to maturity:			
Allegany College of Maryland (Capital Leases)			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	52,023	1,465	53,488
2025	48,729	1,071	49,800
2026	49,109	691	49,800
2027	49,493	307	49,800
2028	12,434	16	12,450
2029-2033			
2034-2038	-		
2039-2043	-		
2043-thereafter			
	<u>\$ 211,788</u>	<u>\$ 3,550</u>	<u>\$ 215,338</u>

**Note 12. Pension and Retirement Systems**

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*Allegany County Primary Government*

**General Information about the Pension Plan**

**Plan Descriptions**

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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Note 12. Pension and Retirement Systems-continued

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**Contributions**

Employees covered under the retirement system are required to contribute between five and seven percent of their base salary. The County is required to contribute at an actuarially determined rate and the current rate is 10.93% 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 10.93% 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, 2023, 2022 and 2021, were \$ 2,791,864, \$ 2,338,861, and \$ 2,216,381, 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, 2023**

**Note 12. 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, 2023, the County reported total net pension liability of \$ 20,504,451 for its proportionate share of the MD State Retirement System's net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long term share of contributions to the MD State Retirement System relative to the projected contributions made by all participants to the MD State Retirement System actuarially determined. At June 30, 2022, the County's proportion remains the same at .10 percent.

Pension expense for the pension plan for the year ended June 30, 2023 was \$ 2,119,722.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ (1,532,284)
Change of assumptions	2,266,892	(103,037)
Net difference between projected and actual earnings on pension plan investments		(19,186)
Changes in proportion and differences between county contributions and proportionate share of contributions	2,123,128	
County contributions subsequent to the measurement date	2,791,864	
<b>Total</b>	<b>\$ 7,181,884</b>	<b>\$ (1,654,507)</b>

The amount \$ 2,791,864 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<b>Deferred Outflows (Inflows) of Resources</b>
Year ended June 30:	
2024	\$ (1,470,588)
2025	\$ (709,691)
2026	\$ (701,911)
2027	\$ (1,017,372)
2028 and thereafter	\$ 617,794
<b>Total</b>	<b>(3,281,768)</b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 12. Pension and Retirement Systems-continued

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**Actuarial Assumptions**

The total pension liability in the June 30, 2022 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	2.25 general, 2.75% wage
Salary increases	2.75% to 11.25 including inflation
Discount rate	6.80%
Investment rate of return	6.80%
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improv for males and females

The actuarial assumptions used in both the June 30, 2022 and the June 30, 2021 valuations were based on the results of an actuarial experience study for the five year period of 2014-2018. Based on the 2021 experience study, the actuary recommended changes in the actuarial assumptions. The changes include both the discount rate and investment rate of return decreased from 7.4% to 6.80%

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 12. Pension and Retirement Systems-continued

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	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	34%	6.00%
Private Equity	16%	8.40%
Rate Sensitive	21%	1.20%
Credit Opportunity	8%	4.90%
Real Assets	15%	5.20%
Absolute Return	<u>6%</u>	3.50%
Total	100%	

**Discount Rate**

The discount rate used to measure the total pension liability was 6.80%. This single discount rate was based on the expected rate of return on pension plan investments of 6.80%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, contributions from the employer will be made at contractually required rates (actuarially determined), and contributions from the State will be made at current statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.8%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (5.8%) or 1% higher (7.8%) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.8%	1% Increase 7.80%
County's proportionate share of the net pension liability	31,460,222	20,504,451	11,413,545

**Pension Plan Fiduciary Net Position**

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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*Defined Contribution Plan*

Allegany County has also established one defined contribution plan for the Management Contractual Employees Retirement Plan, to provide retirement benefits to certain contractual employees of the County. The ICMA Retirement Corporation administers the plan. At June 30, 2023, there were 4 members enrolled in the plan.

The defined contribution plan requires the County to contribute 10.93% to the Management Contractual Employees Retirement Plan of annual covered payroll. The required contribution was \$ 26,928, 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, 2023.

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

*Allegany County Component Units*

*Board of Education-Component Unit*

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

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

Members of the contributory pensions are required to make contributions of 7% of earnable compensation. The Board is responsible for paying 100% of the normal cost for the TPS and TRS plans. The State of Maryland is responsible for paying 100% of the School System's past costs related to TPS and TRS plans. The State's contributions on behalf of the Board for the year ended June 30, 2023 were \$ 6,264,040, which were equal to the State's required contributions for that year. The Board's contributions for the year ended June 30, 2023 were \$ 3,224,588 and \$ 801,250 to the TRS, TPS and ERS, respectively. The Board recorded pension expense for the FY 23 in the amount of \$ 563,973 and the net pension liability recorded was \$ 6,200,969. Deferred outflows of resources were recorded in the amount of \$ 2,045,015, of which, \$ 666,147 was for change in assumptions, \$ 532,722 for change in share, \$ 44,896 for net difference between projected and actual earnings and \$ 801,250 was for contributions made subsequent to the measurement date. Deferred inflows of resources were recorded in the amount of \$ 500,149, of which \$ 438,568 for the net difference between projected and actual experience and \$ 61,581 for change in assumptions.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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**Allegany County Library System-Component Unit**

The employees of the Library are provided retirement benefits through the Maryland State Retirement and Pension Systems; the same cost sharing multiple-employer defined benefit retirement system in which the County participates. All employees of the Library System except custodial personnel are covered by the Maryland State Teacher's Retirement Systems. The Maryland State Department of Education is directly responsible for all financial and administrative requirements of the employees' participation in the Teachers Retirement System. The Library System itself is only financially and administratively responsible for custodial employees' participation in the Maryland State Retirement Systems. As of year-end, all custodial employees participated in the pension system. Detailed information on the Library's retirement plan provisions, funding status, required contributions and trends may be obtained in their financial reports for the period ending June 30, 2023. The Library's pension expense for the year was \$ 157,466. Net pension liability was \$ 30,503 at June 30, 2023. Deferred outflows of resources were \$ 5,923 of which \$ 2,656 was due to changes in assumptions, \$ 213 change in share and \$ 3,054 was the net difference between projected and actual earnings. Deferred inflows of resources were recorded in the amount of \$ 2,940, of which \$ 2,270 was for the net difference between expected and actual experience and \$ 670 was the change in assumptions.

**Allegany College-Component Unit**

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

Detailed information on the College's retirement plan provisions, funding status, required contributions and trends may be obtained in their financial reports for the period ending June 30, 2022. Allegany College's pension expense for FY 23 was \$ 100,666 and net pension liability was \$ 822,548. Deferred outflows of resources were recorded at \$ 321,965, of which \$ 94,034 was due to change in pension assumptions, \$ 56,121 was for the net difference employee contributions and share of contributions, \$ 77,738 for the change in proportionate share, and \$ 94,072 was attributed to contributions made subsequent to the measurement date. Deferred inflows of resources were recorded at (\$120,240) for the net difference between projected and actual experience (\$58,545), change in proportionate share of (\$29,075) and change in assumptions of (\$ 7,308) and (\$12,050) net difference between projected and actual earnings on pension investments and change in share of difference between employee contributions and share of contributions (\$ 13,262).

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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**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, 2023. LaVale Sanitary's pension expense for the fiscal year ended was \$ 190,947. Net pension liability was \$ 380,237.

At June 30, 2023, the Commission reported deferred outflows of resources in the amount of \$ 587,424 of which, \$ 147,951 was the difference between expected and actual experience, \$256,127 was the change in assumption amount and \$ 183,346 was the net difference between projected and actual earnings on pension plan investments. The deferred inflows of resources were \$ (104,266), all of which was attributed to change in assumptions.

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

*Allegany County Primary Government*

*General Information about the LOSAP Pension Plan*

**Plan Descriptions**

On January 1, 2009, the County adopted the Allegany County Emergency Services Length of Service Awards Program for the Allegany County Emergency Service Organizations members which provide fire, rescue, and ambulance services to the residents of Allegany County. The plan is a single employer, defined benefit pension plan which is open to any volunteer over the age of eighteen, who has completed one year of service. Participants vest after ten years of service and earn a fixed dollar benefit based on years of service. The plan is administered by Allegany County and any and all changes made to the benefit terms of the plan are under the authority of Allegany County. There are no assets accumulated in a trust that meet the criteria in GASB No. 73, paragraph 4. No trust is established, contributions are not irrevocable, and assets are not legally protected from creditors. No separate financial report is issued for the plan.

**Participants Covered by Benefit Terms**

At year end, the program membership consisted of 458 eligible active members and 102 retirees and 8 vested terminated members. There are no inactive members that currently receive benefits nor are there any inactive members that are entitled to but not receiving benefits.

**Funding Policy and Benefits Provided**

The plan is available to vested volunteer members with no covered payroll. Benefits amortize on a level dollar basis and are recognized when due and payable in accordance with the terms of the plan. Benefits accrue per month at the rate of \$7 multiplied by the years of service, with a maximum benefit of \$ 105 per month. Since the County fully funds the plan, refunds are not paid. The plan does not provide for post-retirement increases. Benefits have been paid.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

At June 30, 2023, the County reported total net pension liability of \$ 4,035,109. The net pension liability was measured as of December 31, 2022 and the total pension liability was determined by an actuarial valuation as of January 1, 2022, the results of which were rolled forward to the December 31, 2022 measurement date, in accordance with actuarial standards of practice.

Pension expense for the plan for FY 23 was \$ 423,958

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,602	\$ (283,992)
Change of assumptions	1,023,556	(1,571,017)
<b>Total</b>	<b>\$ 1,025,158</b>	<b>\$ (1,855,009)</b>

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

	<b>Deferred Outflows (Inflows) of Resources</b>
Year ended June 30:	
2023	\$ (46,648)
2024	\$ (46,648)
2025	\$ (46,646)
2026	\$ (74,554)
2027 and thereafter	<u>\$ (615,355)</u>
<b>Total</b>	<b><u>(829,851)</u></b>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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**Actuarial Assumptions**

The total pension liability in the January 1, 2022 actuarial valuation was determined using the following key actuarial assumptions, (no experience studies) applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, closed
Inflation	0%
Salary increases	Not Applicable
Discount Rate	4.05%
Investment rate of return	4.05%, net of pension plan investment expense, including inflation
Post Retirement Mortality	RP2000 projected to 2030
Retirement	First Eligible
Turnover	T5
Disability	None

**Discount Rate**

The discount rate used to measure the total pension liability was 4.05%. This single discount rate was based on the expected rate of return on pension plan investments of 4.05%. The discount rate of 4.05% is based on the 20-year AA general obligation bond rate as of December 31, 2022.

The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates (actuarially determined). Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate increased to 4.05% from the previous year's rate of 1.84%.

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

The following presents the County's net pension liability calculated using the discount rate of 4.05%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (3.05%) or 1% higher (5.05%) than the current rate:

	1% Decrease	Current Discount	1% Increase
	3.05%	4.05%	5.05%
County's proportionate share of the net pension liability	4,740,350	4,035,109	3,472,484

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

Note 13. Pension and Retirement Systems-LOSAP-continued

Changes in Net Pension Liability

Total Net Pension Liability	
Service Cost	245,986
Interest	224,620
Changes in Benefit Terms	
Difference between expected and actual experience	(59,936)
Changes in assumptions, including discount rate	(1,776,237)
Benefit payments and expenses	(283,396)
Net Change in total pension liability	<u>(1,648,963)</u>
Total Net Pension Liability-beginning	<u>5,684,072</u>
Total Net Pension Liability-ending	<u>4,035,109</u>

Note 14. Governmental Fund Balance Classifications

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

Fiscal Year 2023 Fund Balance Classifications					
Fund Balances:	General Fund		Major Special Revenue Fund		Total
	Revolving	Building	Other Funds		
Nonspendable					
Long term receivables	\$ 57,839	\$ -	\$ 29,612	\$ 57,839	\$ 29,612
Inventory					
Restricted for:					
Housing programs	- - -	- - -	9,739	9,739	9,739
Coal Haul Roads	- - -	- - -	97,948	97,948	97,948
Drug task Force	- - -	- - -	202,175	202,175	202,175
Inmate activities/fire companies	- - -	- - -	917,368	917,368	917,368
PIB Bond Projects	- - -	- - -	4,269,923	4,269,923	4,269,923
CARES Fund			2,425	2,425	2,425
Debt Service			5,141,669	5,141,669	5,141,669
Opiod Settlement Fund			265,346	265,346	265,346
Sheriff Task Force			56,951	56,951	56,951
Committed to:					
Economic development		8,132,405		- - -	8,132,405
Amount to balance FY 2024 budget	10,861,269				10,861,269
Future Projects	10,000,000				10,000,000
School capital\Fire Co	- - -	- - -	1,114,315	1,114,315	1,114,315
Assigned to:					
Election machine replacements		- - -		- - -	- - -
Future Disparity Grant Funding	3,264,000				3,264,000
Potential State of MD Budget Cuts	750,000		- - -		750,000
LOSAP	3,727,691				3,727,691
Technology Enhancements	- - -	- - -	229,372	229,372	229,372
Public Works projects			543,423	543,423	543,423
Public Safety			98,567	98,567	98,567
School projects			300,597	300,597	300,597
County building improvements		- - -	402,765	402,765	402,765
Unassigned:	28,363,152	- - -	(478,364)	27,884,788	
	<u>\$ 57,023,951</u>	<u>\$ 8,132,405</u>	<u>\$ 13,203,831</u>	<u>\$ 78,360,187</u>	

**Note 15. Postemployment Healthcare Plan**

**Plan Description & Administration.** The County's single-employer defined benefit postemployment healthcare plan, the Allegany County Non-Pension Post Employment Benefits Plan (ACBP), provides medical benefits to eligible retired County employees and their beneficiaries. ACBP is affiliated with the Allegany County, Maryland Non-Pension Post Employment Benefit Trust (ACMBT), an agent multiple-employer postemployment healthcare plan. The Allegany County Code assigns the authority to establish and amend the benefit provisions of the plans that participate in ACMBT to the respective employer entities, for ACBP, that authority rests with Allegany County. Management of the ACMBT is vested in the ACMBT Board of Trustees which consists of four trustees. One trustee is appointed by the LaVale Sanitary Commission (the other employer in the trust) and the other three are appointed by virtue of the position they hold in the Allegany County government. The authority to establish and amend the benefit provisions in the ACMBT rests with the respective employer entities. For Allegany County, the authority rests with the Board of Commissioners. The plan does not issue financial reports separately.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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Note 15. Postemployment Healthcare Plan-continued

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

**Contributions.** The contribution requirements of plan members and the County are established and may be amended by ACMBT board of trustees. ACBP members under age 65 receiving benefits who were hired prior to July 1, 1997 contribute 8% of the premium and members under the age 65 receiving benefits who were hired after June 30, 1997 contribute 25% of the premium. The County pays \$ 150 per month for retirees over 65.

The current ARC rate is 3.8 percent of annual covered payroll, and is an actuarially determined amount.

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

**Employees Covered by Benefit Terms.** Plan membership consists of 430 active members and 267 inactive plan members or beneficiaries currently receiving benefit payments and there are no inactive plan members that are entitled to but not receiving benefits.

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

Allegany  
 County  
 Non-Pension  
 Postemployment  
 Benefits Plan

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Valuation Date	6/30/2021
Measurement Date	06/30/23
Actuarial cost method	Entry Age
Amortization method	Level percentage of pay (3% annual payroll increase assumed)
Remaining amortization period	30 Years
Actuarial assumptions:	
Discount Rate	The expected trust return of 7.0% is blended with the 20 year Aaa municipal bond rate of 3.87%. The blended rate is 5.92%
Investment rate of return	7%, net of investment expense and including inflation
Healthcare cost trend rate	6.5% for 2023, reduced linearly to an ultimate rate of 4.0% in 2029
Mortality	Pre/Post Retirement: Pub 2010G Headcount (M/F) with generational improvements using Scale SSA18 Post Disablement: Pub 2010 G Disability Headcount (M/F) with generational improvements using Scale SSA18

**Changes in Actuarial assumptions.** There were no changes in actuarial assumptions during fiscal year 2023, except for the change in discount rate. Discount rate increased from 5.71% in FY 2022 to 5.92% in FY 23.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

Best estimates of real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2023, and the final investment return assumption, are summarized in the following table:

	<u>Long-Term Expected Real Rate of Return</u>	<u>Weight</u>
Domestic Equity	6.25%	36.00%
International funds	6.50%	24.00%
Fixed Income-US	2.05%	35.00%
Real Estate	4.85%	5.00%
Total Weighted Average Real Return	4.77%	100.00%
Plus Inflation	2.50%	
Total Return w/o Adjustment	7.27%	
Risk Adjustment	-0.27%	
Total Expected Return	7.00%	

The money-weighted rate of return for FY 23 was 9.24%

**Net OPEB Obligation:**

The County's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021, the results of which were rolled forward to the June 30, 2023 measurement date, in accordance with actuarial standards of practice.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

	<b>FY 23</b>
Total OPEB Liability	
Service Cost	535,654
Interest	1,424,409
Change in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions, including discount rate	(399,478)
Benefit payments	(973,531)
Net Change in total OPEB Liability	<u>587,054</u>
 Total OPEB liability-beginning	 <u>24,890,223</u>
Total OPEB liability-ending	<u>25,477,277</u>
 Plan fiduciary net position	
Contributions-employer	973,532
Contributions-member	88,468
Net investment income	295,358
Benefit payments	(1,061,999)
Administrative expenses	(7,108)
Net change in plan fiduciary net position	<u>288,251</u>
 Plan fiduciary net position-beginning	 <u>3,198,510</u>
Plan fiduciary net position-ending	<u>3,486,761</u>
 Net OPEB liability beginning	 <u>21,691,713</u>
Net OPEB liability ending	<u>21,990,516</u>
 Fiduciary net position as a percentage of total OPEB liability	 13.70%
 Covered employee payroll	 25,888,081
 Net OPEB Liability as a percentage of covered payroll	 85%

**Discount Rate:** The discount rate used to measure the total OPEB liability was 5.92%. The County's funding expectations/policy is to contribute the Actuarially Determined Contribution to their OPEB trust (if greater than annual benefits), in addition to paying benefits for retirees. It is expected that benefits will be paid from the trust when a 40% funding level is reached. Based on this information, we project that benefits will be financed on a pay as you go basis through 2033, then from the trust there forward (from 2034 on).

Therefore, the expected trust return of 7% is blended with the 20 year Aaa bond rate (Source: Fidelity general obligation municipal bond index) of 3.87%. The blended rate is 5.92%.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**Sensitivity of the net OPEB liability to changes in discount rates:** The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (4.92%) or 1% higher (6.92%) than the current discount rate:

	<u>Discount Rate at 4.92%</u>	<u>Discount Rate at 5.92%</u>	<u>Discount Rate at 6.92%</u>
Net OPEB Liability	24,064,093	21,990,516	20,166,889

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

	<u>1% Decrease (5.5% decreasing to 3.0%)</u>	<u>(6.5% decreasing to 4.0%)</u>	<u>1% Increase (7.5% decreasing to 5.0%)</u>
Net OPEB Liability	20,063,535	21,990,516	24,208,065

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** As of June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,340	\$ (402,103)
Changes in assumptions	178,425	(753,312)
Net difference between projected and actual earnings on plan investments	208,275	
<b>Total</b>	<b>\$ 397,040</b>	<b>\$ (1,155,415)</b>

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

	<u>Deferred Outflows (Inflows) of Resources</u>
Year ended June 30:	
2024	\$ (191,076)
2025	(222,652)
2026	(16,879)
2027	(142,519)
2028 and thereafter	(185,249)
<b>Total</b>	<b>(758,375)</b>

OPEB expense for fiscal year ending June 30, 2023 was \$1,542,796.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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**Payable to OPEB Plan:**

There were no contributions payable to the OPEB plan as of June 30, 2023.

*Allegany County Component Units*

**Board of Education-Component Unit**

The Board of Education sponsors a single-employer post-retirement plan which provided a supplement to retiree health care benefits as well as providing medical benefits including prescription drug to eligible retired employees. Retirees are eligible for continued membership in the medical plans provided they have at least 15 years of service. Net OPEB Liability as of June 30, 2023 was \$ 12,628,106. For the year ended June 30, 2023, the Board recognized OPEB expense of \$ 1,561,690. Deferred outflows of resources at year end were \$ 3,645,240 of which \$ 1,492,957 was for changes in assumptions and \$ 2,152,283 which represented the difference between projected and actual earnings. Deferred inflows of resources were \$ 3,043,435 of which \$ 1,139,889 was for the difference between projected and actual earnings, \$ 56,606 were for the change in assumptions and \$ 1,846,940, were for the difference between expected and actual experiences.

**Allegany County Library System-Component Unit**

Allegany County Library System sponsors a single-employer post-retirement plan which provides medical and prescription benefits to eligible retirees and their spouses. Eligible persons include employees with a minimum of thirty years of service or have reached age 60. These benefits are available until the employee reaches age 65. The retired employee must pay the full amount of the monthly insurance coverage. The Library's OPEB expense for the year was \$ 8,347. Net OPEB liability was \$ 116,493 at June 30, 2023. Deferred outflows for FY 23 were \$ 43,528, of which, \$35,413 were for the difference between expected and actual experience and \$ 8,115 were for changes in assumptions and deferred inflows in the amount of \$ 73,159 for changes in assumptions.

**LaVale Sanitary Commission-Component Unit**

The LaVale Sanitary Commission sponsors a single-employer defined benefit post-retirement plan which provides medical and prescription benefits to eligible retirees and their spouses. Employees and their spouses are eligible for benefits after the employee has twenty years of service and has attained age 60. Health insurance benefits are paid 100% by the Commission until the employee and spouse are eligible for Medicare. When the retired employee becomes eligible for Medicare, the retiree can elect to be covered under a Medicare supplemental plan and would be responsible for paying 50% of the spouses' premium. When the spouse becomes eligible for Medicare, the spouse can then elect to be covered under the Medicare supplemental plan and health insurance benefits are covered 100%. The Commission's OPEB expense (income) for the year was \$ (166,628). Net OPEB liability was \$ (469,078) at June 30, 2023, of which was recorded as an asset. Deferred outflows of resources were recorded at June 30, 2023 in the amount of \$ 1,364,375, of which \$ 1,332,343 were for the change in assumptions and \$ 32,032 were the net difference between projected and actual earnings on OPEB plan investments. Deferred inflows were recorded at \$ 3,280,153, of which \$ 949,993 was due to the difference between expected and actual experience and \$2,330,160 due to change in assumptions.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 16. Tax Abatements**

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

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

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

The State subsequently reimburses the County for 50% of the annual tax credit. The fiscal year 2023 enterprise zone credits amounted to \$ 53,386 and the State of Maryland reimbursed the County \$ 26,693.

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

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

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

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 16. Tax Abatements-continued**

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

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

The amount of historic tax credit issued by Allegany County for FY 23 was \$ 30,504. The County does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement. Also, Allegany County grants tax credits to several nonprofit organizations that were named in Section 9-302 of the Tax Property Article of the Annotated Code of Maryland.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 17. Risk Management**

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

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

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

Third party administrators estimated the non-discounted claims liability reported in the funds at June 30, 2023. It is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Because actual claims liabilities depend on such complex factors as inflation, change in legal doctrines and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balance of claims payable relating to the funds for fiscal year 2023 are as follows:

Balance at July 1, 2021	\$ 555,200
Claims and changes in estimates	7,413,895
Claim payments	<u>(7,394,495)</u>
Balance at June 30, 2022	\$ 574,600
Claims and changes in estimates	7,725,682
Claim payments	<u>(7,723,182)</u>
Balance at June 30, 2023	\$ <u>577,100</u>

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 18. 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 19. 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, 2023 may not have been concluded.

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

**Note 20. Related Party**

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The Willowbrook Health Center Condominium (the Association) is a statutory condominium association organized for the purposes of operating and maintaining the common property of the Willowbrook Health Center Condominium. The Willowbrook Health Center Condominium consists of four units occupying a site of approximately 4.6 acres located in Cumberland, MD. The Condominium is jointly owned by the Allegany County Commissioners at 46.7 percent and the Western Maryland Health System at 53.3 percent. During FY 23, Allegany County paid \$ 292,210 in fees to the Willowbrook Health Center Condominium. Of this amount, \$ 30,938 is included in accounts payable at year-end.

**Note 21. Due from Component Unit**

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LaVale Sanitary Commission is a component unit of Allegany County. The Commission is dependent on Allegany County for the issuance of all debt obligations. The County annotated code specifies the Allegany County Board of Commissioners are authorized and empowered to issue bonds based on the full faith and credit of Allegany County, as it may deem necessary for the Commission to carry out its work. Allegany County has borrowed funds on behalf of the LaVale Sanitary District for the purpose of improvements to sewer and water lines and construction of a water treatment plant and water reservoir. The LaVale Sanitary District is responsible for the debt service payments. As of June 30, 2023, the Commission owed Allegany County \$ 3,580,394 for outstanding long-term debt of Allegany County in that amount.

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 22. Prior Period Adjustment-Change in Accounting Principle and Correction of Error**

Effective July 1, 2022, the County implemented GASB No. 91, Conduit Debt Obligations. LaVale Sanitary Commission is a component unit of Allegany County. The Commission is dependent on Allegany County for the issuance of all debt obligations as stated in Note 21. Prior period adjustment was recorded in order to recognize the debt obligation on the County's financial statements and the corresponding asset Due from Component Unit.

In addition, a lease agreement was discovered that needed to be added to the financial statements in accordance with GASB No. 87, Leases, which was implemented in FY 2022. Prior period adjustment was recorded to recognize the lease liability and the intangible right-to-use lease asset for this lease.

And, effective July 1, 2022, the County determined that drug seizure activity should be reported in accordance with GASB No. 84, Fiduciary Activities. This statement established criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Adoption of GASB 84 resulted in the County's Seized Assets Fund (previously reported as part of the Drug Task Force Fund) meeting the criteria to be reported as a fiduciary activity and being presented in the County's statement of fiduciary net position and statement of changes in fiduciary net position. The following reflects all aforementioned changes:

<b>Government-wide Statement of Net Position Governmental Activities</b>		
Net Position at June 30, 2022, as previously stated	\$	71,749,497
Adjustment for GASB No. 91 Implementation		-
Due from Component Unit		3,819,979
Debt-Bonds and loans		(3,819,979)
Adjustment for GASB No. 87 Implementation		
Net Book Value of Leased Asset		3,929,198
Lease Liability		(5,382,939)
Net Position at July 1, 2022, as restated	<hr/>	<hr/>
	\$	70,295,756
 <b>NonMajor Governmental Funds</b>		
Fund Balance as of June 30, 2022, as previously stated	\$	13,823,054
Adjustment for GASB No. 91 Implementation		
Due from Component Unit		3,819,979
Adjustment for GASB No. 84 Implementation		
Cash-Due from other funds		662,661
Other Liabilities		(662,661)
Fund Balance as of July 1, 2022, as restated	<hr/>	<hr/>
	\$	17,643,033

**ALLEGANY COUNTY, MARYLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

<b>Fiduciary Activities</b>		
<b>Custodial Funds</b>		
Net Position Restricted for Individuals, Organizations and Other Governments at June 30, 2022, as previously stated	\$	-
Adjustment to beginning net position for GASB 84 activity		662,661
Net Position Restricted for Individuals, Organizations and Other Governments at July 1, 2022, as restated	<hr/> <hr/> \$	<hr/> <hr/> 662,661
 <b>Revolving Bldg</b>		
<b>Fund</b>		
Fund Balance as of June 30, 2022, as previously stated	\$	7,096,334
Adjustment for GASB No. 87 Implementation		
Expenditure-Capital Outlay		(5,382,939)
Other Financing Source - Lease Inception	\$	5,382,939
Fund Balance as of July 1, 2022, as restated	<hr/> <hr/> \$	<hr/> <hr/> 7,096,334

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**Note 23. New Pronouncements**

As of June 30, 2023, the Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which will require adoption in the future, if applicable: GASB Statement No. 99, *“Omnibus 2022*, GASB Statement No. 100, *Accounting Changes and Error Corrections*”, and GASB No. 101, *“Compensated Absences”*. These statements may have a material effect on the County’s financial statements once implemented. The County has not yet completed the process of evaluating the impact of these pronouncements on its financial statements, and plans to adopt them, as applicable by their effective date.

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**Note 24. Evaluation of Subsequent Events**

The County has evaluated, for possible financial statement disclosures, subsequent events through July 8, 2024, the date which the financial statements were available to be issued, and has determined there were no such events.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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**ALLEGANY COUNTY, MARYLAND**  
**REQUIRED SUPPLEMENTARY INFORMATION**

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

	Last Ten Fiscal Years *						
	2023	2022	2021	2020	2019	2018	2017
Total Net Pension Liability							
Service Cost	245,986	405,115	396,312	341,969	352,003	308,176	260,811
Interest	224,620	95,079	85,452	94,779	104,059	72,176	71,864
Changes in Benefit terms							
Differences between expected and actual experience	(59,936)	(80,770)	(97,103)	(127,045)	(105,205)	4,799	1
Changes in assumptions, including discount rate	(1,776,237)	153,331	604,872	599,378	334,551	246,393	(31,517)
Benefit payments and expenses	(283,396)	(105,541)	(84,129)	(81,231)	(6,620)	(7,270)	(6,820)
Net Change in total pension liability	(1,648,963)	467,214	905,404	827,850	678,788	624,274	294,339
Total Net Pension Liability-beginning	5,684,072	5,216,858	4,311,454	3,483,604	2,804,816	2,180,542	1,886,203
Total Net Pension Liability-ending	4,035,109	5,684,072	5,216,858	4,311,454	3,483,604	2,804,816	2,180,542

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

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

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

Year Ended 30-Jun	County's Proportion of the net pension liability	County's Proportion of the net pension liability (asset)	County's Covered Payroll	County's share of net pension Liability (asset) 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%
2016	6.98%	14,514,898	13,959,828	103.98%	68.78%
2017	6.85%	16,160,225	15,109,085	106.96%	65.79%
2018	6.37%	13,774,921	15,410,092	89.39%	69.38%
2019	8.35%	17,523,277	14,693,609	119.26%	71.18%
2020	8.67%	17,895,857	16,834,720	106.30%	72.34%
2021	9.19%	20,778,533	16,542,967	125.60%	70.72%
2022	0.10%	15,008,358	15,556,786	96.47%	81.84%
2023	0.10%	20,504,451	19,246,934	106.53%	81.84%

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

**MARYLAND STATE RETIREMENT SCHEDULE OF COUNTY'S CONTRIBUTIONS**

Year Ended 30-Jun	Contractually required contribution	Contributions relative to Contractually Req contribution	County's Covered Contribution Deficiency	Contributions as a % of covered payroll
2015	1,472,135	\$1,472,135	-	13,959,828
2016	1,334,298	1,334,298	-	15,109,085
2017	1,338,202	1,338,202	-	15,410,092
2018	1,665,400	1,665,400	-	14,693,609
2019	1,781,734	1,781,734	-	16,834,720
2020	1,961,655	1,961,655	-	16,542,967
2021	2,216,381	2,216,381	-	15,556,786
2022	2,338,861	#	2,338,861	19,246,934
2023	2,791,864	2,791,864	-	21,450,408

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

**Allegany County**  
**Required Supplementary Information**

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

	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17
<b>Total OPEB Liability</b>							
Service Cost	535,634	479,548	465,581	394,767	383,269	372,106	361,268
Interest	1,424,409	1,340,210	1,310,884	1,387,465	1,345,895	1,275,326	1,250,947
Change in benefit terms							
Differences between expected and actual experience							
Changes in assumptions, including discount rate							
Benefit payments	(399,478) (973,531)	14,476 (512,259) (1,251,044)	(90,006) (1,515,078)	(1,206,307) (1,062,954)	(103,054) (1,167,028)	(599,679) (1,090,895)	(1,235,135)
Net Change in total OPEB Liability	587,054	70,931	171,381	48,252	459,082	(43,142)	377,080
Total OPEB liability-beginning	24,890,223	24,819,292	24,647,911	24,589,659	24,140,577	24,183,719	23,806,639
Total OPEB liability-ending	<b>25,477,277</b>	<b>24,890,223</b>	<b>24,819,292</b>	<b>24,647,911</b>	<b>24,599,659</b>	<b>24,140,577</b>	<b>24,183,719</b>
Plan fiduciary net position							
Contributions-employer	973,532	1,251,043	1,515,078	1,062,954	1,167,028	1,099,055	1,162,096
Contributions-member	88,468	82,707	82,400	95,902	102,866	86,712	90,491
Net investment income	295,358	(447,751)	678,033	47,605	141,286	147,820	195,770
Benefit payments	(1,061,999)	(1,333,750)	(1,597,478)	(1,158,856)	(1,269,894)	(1,177,607)	(1,235,135)
Administrative expenses	(7,108)	(5,444)	(5,482)	(6,552)	(10,803)	(10,635)	(17,453)
Net change in plan fiduciary net position	288,251	(453,195)	672,551	41,053	130,483	145,345	195,769
Plan fiduciary net position-beginning	<b>3,128,510</b>	<b>3,651,705</b>	<b>2,979,154</b>	<b>2,938,101</b>	<b>2,807,618</b>	<b>2,662,273</b>	<b>2,466,304</b>
Plan fiduciary net position-ending	<b>3,486,761</b>	<b>3,198,510</b>	<b>3,631,705</b>	<b>2,979,154</b>	<b>2,938,101</b>	<b>2,807,618</b>	<b>2,662,273</b>
Net OPEB liability beginning	<b>21,691,713</b>	<b>21,167,587</b>	<b>21,668,757</b>	<b>21,661,558</b>	<b>21,392,959</b>	<b>21,521,446</b>	<b>21,340,135</b>
Net OPEB liability ending	<b>21,990,516</b>	<b>21,691,713</b>	<b>21,167,587</b>	<b>21,668,757</b>	<b>21,661,558</b>	<b>21,332,959</b>	<b>21,521,446</b>
Fiduciary net position as a percentage of total OPEB liability							
Covered employee payroll	13.70%	12.85%	14.70%	12.10%	11.90%	11.60%	11.01%
Net OPEB Liability as a percentage of covered payroll	25,888,981 85%	22,932,715 95%	20,274,395 104%	23,562,640 92%	20,354,264 106%	14,593,609 145%	16,680,326 129%
<b>Schedule of the County's Other Post Retirement Benefits Contributions-Last Ten Fiscal Years*</b>							
Actuarially determined contribution	1,610,614	1,597,549	1,499,358	1,455,687	1,351,412	1,312,050	1,273,835
Contributions in relation to the actuarially determined contributions	973,532	1,251,044	1,515,078	1,062,954	1,167,028	1,099,055	981,229
Contribution deficiency (excess)	(637,082)	346,505	(15,720)	392,733	184,384	212,995	292,606
County's covered-employee payroll	25,888,081	22,932,715	20,274,395	23,562,640	20,354,264	14,593,609	16,680,326
Contributions as percentage of covered-employee payroll	3.80%	5.50%	7.50%	4.50%	5.70%	7.50%	5.90%
<b>Schedule of the County's Other Post Employment Benefits Investment Returns-Last 10 Fiscal Yrs</b>							
Annual money-weighted rate of return, net of investment expense	9.24%	(12.27%)	22.78%	1.62%	5.04%	5.56%	7.64%

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

**Allegany County**  
**Notes to Required Supplementary Information**  
**June 30, 2023**

**Note 1: LOSAP Pension Information**

Actuarial Assumptions

The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Fiscal Year End	June 30, 2023
Measurement Date	December 31, 2022
Annual Discount Rate	4.05%-based on 20 year AA general bond rate at 12/31/22. The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates (actuarially determined)
Annual salary increases	Does not apply
Assumed retirement Age	First Eligible
Mortality	Mortality rates are based on RP 2000 projected to 2030.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Form of Benefit	Monthly benefits at a rate of \$7 multiplied by the years of service, max \$ 105 No changes in benefits during FY 23
Changes in assumptions	Discount rate increased from 1.84% in FY 22 to 4.05.% in FY 23
Assets accumulated in trust	None

**Note 2: Other Post Employment Benefits Information**

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Fiscal Year End	June 30, 2023
Measurement Date	June 30, 2023
Annual Discount Rate	5.92%-the expected trust return of 7% is blended with the 20 year Aaa bond rate (Source: Fidelity general obligation municipal bond index) of 3.87% 3%
Annual salary increases	Pre/Post Retirement: Pub 2010G Headcount (M/F) with generational improvements using Scale SSA18
Mortality	Entry Age
Actuarial Cost Method	Level percentage of pay
Amortization Method	7% net of investment expense and including inflation
Investment Rate of Return	6.5% for 2023, reduced linearly to an ultimate rate of 4.0% in 2029
Health Care trend rate	Discount rate increased from 5.71% in FY 22 to 5.92% in FY 23
Changes in assumptions	

**Note 3: State of Maryland Pension Information**

Changes in assumptions:

Inflation assumption	Changed from 2.60% to 2.25%
Wage inflation assumption	Changed from 3.10% to 2.75%
Salary increases	Changed from 3.10%-11.6% to 2.75%-11.25%
Discount Rate/Investment Rate	No change during the fiscal year
Change in Benefit Terms	No change during the fiscal year
Change in Size/Composition	
of Population	No significant change during the fiscal year
Mortality Table	Public Sector 2010 Mortality Table

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<b>Taxes:</b>				
Property Taxes:				
Real and personal property	\$ 43,027,381	44,127,381	44,878,753	\$ 751,372
Payments in lieu of taxes:				
Coal companies	150,000	150,000	154,517	4,517
Housing Authorities	50,000	50,000	27,501	(22,499)
Rocky Gap	295,000	295,000	326,643	31,643
DNR	1,000,000	1,000,000	1,164,491	164,491
Interest on Delinquent taxes	975,000	975,000	930,037	(44,963)
Sub-total	<u>45,497,381</u>	<u>46,597,381</u>	<u>47,481,942</u>	<u>884,561</u>
Less:				
Prompt payment discounts	200,000	200,000	190,501	9,499
Deferred revenues	250,000	250,000	280,619	(30,619)
Industrial exemptions	100,000	100,000	104,813	(4,813)
Enterprise zone exemptions	25,000	25,000	23,277	1,723
Residential development tax credit	15,000	15,000	12,688	2,312
Historic tax credit	30,000	30,000	30,505	(505)
PILOT abatement	20,000	20,000	16,772	3,228
Sub-total	<u>640,000</u>	<u>640,000</u>	<u>659,175</u>	<u>(19,175)</u>
Total Net Property Taxes	<u>44,857,381</u>	<u>45,957,381</u>	<u>46,822,767</u>	<u>865,386</u>
Income Taxes	31,500,000	51,500,000	55,228,534	3,728,534
Other Local Taxes:				
Hotel/motel tax	1,100,000	1,100,000	1,306,705	206,705
Admissions	195,000	195,000	134,918	(60,082)
Recordation	1,700,000	1,700,000	2,152,843	452,843
Ag Transfer Tax	5,000	5,000	1,497	(3,503)
911 Fees	400,000	400,000	715,455	315,455
Trailer court	55,000	55,000	46,880	(8,120)
Transfer tax	600,000	600,000	1,080,350	480,350
Highway users taxes	1,123,370	1,123,370	1,149,769	26,399
Total Local Taxes	<u>5,178,370</u>	<u>5,178,370</u>	<u>6,588,417</u>	<u>1,410,047</u>
Total Taxes	<u>81,535,751</u>	<u>102,635,751</u>	<u>108,639,718</u>	<u>6,003,967</u>
Licenses and Permits				
Alcoholic beverage licenses	100,000	100,000	103,513	3,513
Amusement licenses	2,500	2,500	1,284	(1,216)
Traders licenses	89,000	89,000	73,507	(15,493)
Junkyard licenses	800	800	800	
Building permits	35,000	35,000	26,821	(8,179)
Marriage licenses	4,000	4,000	3,857	(143)
Cable franchise fees	420,000	420,000	376,722	(43,278)
Sediment control permits	30,000	30,000	49,796	19,796
Total Licenses and Permits	<u>681,300</u>	<u>681,300</u>	<u>636,300</u>	<u>(45,000)</u>

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)		
	Original	Final				
<b>REVENUES (Continued):</b>						
<b>Intergovernmental:</b>						
Federal Funds:						
Homeland security grant	110,000	227,456	115,469	(111,987)		
Civil defense	-	-	83,869	83,869		
Federal DOJ Grant	-	-	20,705	20,705		
Federal OMPP Grant			400	400		
American Rescue Grant			50,000	50,000		
HIDTA Federal Grant			215	215		
MTA Transportation planning	148,211	148,211	34,979	(113,232)		
CDBG Grant	-	-	67,224	67,224		
ARC Grant	-	-	18,891	18,891		
Emergency solutions program	500,000	500,000	624,405	124,405		
Health & Human Services Grant	-	-	117,308	117,308		
Masters program	46,902	46,902	74,860	27,958		
Medicare-Ambulance Fees	450,000	450,000	566,101	116,101		
Medicaid-Ambulance Fees	75,000	75,000	646,736	571,736		
Payments in lieu of property taxes	8,700	8,700	9,605	905		
Sub-total Federal funds	<u>1,338,813</u>	<u>1,456,269</u>	<u>2,430,767</u>	<u>974,498</u>		
State Funds:						
Public Health	14,000	14,000	20,171	6,171		
Police protection	280,000	384,374	384,374			
State transportation	18,527	18,527	18,372	(155)		
Conservation aid salary	34,201	34,201	37,364	3,163		
Program Open Space grant	542,000	542,000	545,267	3,267		
Disparity grant	8,930,611	8,930,611	8,930,611			
State Jury Reimbursement	50,000	50,000	76,495	26,495		
Tourism grant	30,000	386,561	356,561	(30,000)		
Drug Court Coordinator	298,331	298,331	318,922	20,591		
Miscellaneous	1,106,740	1,162,089	2,127,412	965,323		
Sub-total State Funds	<u>11,304,410</u>	<u>11,820,694</u>	<u>12,815,549</u>	<u>994,855</u>		
Other Intergovernmental:						
Other agencies	712,982	712,982	904,841	191,859		
Sub-total Other Intergovernmental:	<u>712,982</u>	<u>712,982</u>	<u>904,841</u>	<u>191,859</u>		
Total Intergovernmental	<u>13,356,205</u>	<u>13,989,945</u>	<u>16,151,157</u>	<u>2,161,212</u>		

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amount</b>	<b>Variance with Final Budget - Positive (Negative)</b>		
	<b>Original</b>	<b>Final</b>				
<b>REVENUES (Continued)</b>						
<b>Service Charges:</b>						
General government charges:						
State civil process	45,000	45,000	56,594	11,594		
Plans & specifications	4,000	4,000	1,940	(2,060)		
Regulation & Maps			1,747	1,747		
Tax sale fees	30,000	30,000	26,881	(3,119)		
Election filing fees	-	-	(745)	(745)		
Security interest filing fee			65	65		
License application fees	8,500	8,500	8,650	150		
Liquor License transfer fee	3,000	3,000	3,845	845		
Health Ins Admin fee	400	400	80	(320)		
Tourism promotion charges	25,000	25,000	27,479	2,479		
Collection fees-special areas	60,000	60,000	71,628	11,628		
Liquor License Collection fee	3,600	3,600	3,765	165		
Hotel/Motel collection fee	20,000	20,000	31,327	11,327		
Partial payment fee	2,000	2,000	883	(1,117)		
Engineering fees	5,000	5,000	-	(5,000)		
Indirect cost allocation	<u>685,415</u>	<u>685,415</u>	<u>9,732</u>	<u>(675,683)</u>		
Sub-total general government charges	<u>891,915</u>	<u>891,915</u>	<u>243,871</u>	<u>(648,044)</u>		
Public safety charges:						
Police protection charges	70,000	70,000	70,895	895		
ATV Registration Fees	2,000	2,000	7,385	5,385		
Zoning Admin Fee	400	400	329	(71)		
Boarding state prisoners	25,000	25,000	87,165	62,165		
Boarding federal prisoners	240,000	240,000	407,288	167,288		
Community service fee	22,000	22,000	7,285	(14,715)		
Home detention fee	35,000	35,000	24,280	(10,720)		
Work Release Fees	1,000	1,000	3,232	2,232		
Inmate Medical Copay	6,000	6,000	11,306	5,306		
Building Inspection fees	15,000	15,000	9,033	(5,967)		
CPR Training Fees	15,000	15,000	19,931	4,931		
Ambulance Subscription Fees	37,500	37,500	-	(37,500)		
Ambulance fees	<u>900,000</u>	<u>900,000</u>	<u>494,829</u>	<u>(405,171)</u>		
Sub-total public safety charges	<u>1,368,900</u>	<u>1,368,900</u>	<u>1,142,958</u>	<u>(225,942)</u>		
Sanitation and Waste Removal:						
Landfill fees	215,000	215,000	280,736	65,736		
Recycling fees	125,000	125,000	147,107	22,107		
Recycled material sales	-	-	5,777	5,777		
Sub-total Sanitation and Waste	<u>340,000</u>	<u>340,000</u>	<u>433,620</u>	<u>93,620</u>		

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	Variance with Final Budget - Positive (Negative)		
	<u>Original</u>	<u>Final</u>				
<b>REVENUES (Continued):</b>						
<u>Service Charges (continued):</u>						
Public service enterprises:						
Upper Potomac River Commission	498,466	498,466	498,466	-		
Road closing fees	-	-	-	-		
Sub-total public service charges	<u>498,466</u>	<u>498,466</u>	<u>498,466</u>	<u>-</u>		
Total Service Charges	<u>3,099,281</u>	<u>3,099,281</u>	<u>2,318,915</u>	<u>(780,366)</u>		
<u>Fines and Forfeitures:</u>						
Circuit court fines	7,000	7,000	2,068	(4,932)		
Liquor violation fines	5,000	5,000	7,700	2,700		
Fines and forfeitures	<u>12,000</u>	<u>12,000</u>	<u>9,768</u>	<u>(2,232)</u>		
Total Fines and Forfeitures	<u>680,850</u>	<u>680,850</u>	<u>2,075,891</u>	<u>1,395,041</u>		
<u>Miscellaneous:</u>						
Interest	248,550	248,550	1,489,336	1,240,786		
Rents and concessions	423,000	423,000	434,165	11,165		
Miscellaneous	<u>9,300</u>	<u>9,300</u>	<u>152,390</u>	<u>143,090</u>		
Total Miscellaneous	<u>680,850</u>	<u>680,850</u>	<u>2,075,891</u>	<u>1,395,041</u>		
Total Revenues	<u>99,365,387</u>	<u>121,099,127</u>	<u>129,831,749</u>	<u>8,732,622</u>		

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>EXPENDITURES:</b>	<b>Budgeted Amounts</b>		<b>Actual Amount</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>General Government:</b>				
Legislative:				
County Commissioners	190,663	190,663	207,157	(16,494)
County Commissioners Office	-	-	-	-
Total legislative	190,663	190,663	207,157	(16,494)
Judicial:				
Family Support Services	227,456	227,456	216,296	11,160
Alternative dispute resolution	5,388	5,388	3,291	2,097
Circuit court masters program	72,492	74,357	73,023	1,334
Circuit court	509,998	557,725	609,040	(51,315)
Orphans court	47,789	47,789	70,467	(22,678)
Family Law Master	69,557	69,557	73,834	(4,277)
State's attorney	1,875,991	1,956,646	2,037,307	(80,661)
Opioid Drug Center		55,349	38,359	16,990
Drug Coordinator	298,331	314,724	227,025	87,699
Law library	21,340	21,340	21,340	-
Grand and petit juries	88,823	88,823	124,644	(35,821)
Total Judicial	3,217,165	3,419,154	3,494,626	(75,472)
Executive:				
Administrator	482,433	588,456	352,013	236,443
Elections:				
Registration and elections	786,041	1,370,281	1,022,291	347,990
Financial Administration:				
Finance Office	728,790	743,157	737,439	5,718
Tax Office	873,132	884,983	529,357	355,626
State Assessment Fee	365,000	365,000	351,904	13,096
Accounting Software	420,000	420,000	426,927	(6,927)
Professional services	115,000	115,000	109,905	5,095
Total Financial Administration	2,501,922	2,528,140	2,155,532	372,608
Legal:				
Legal counsel	279,701	346,731	345,494	1,237
Other legal/professional	175,000	175,000	148,538	26,462
Total legal	454,701	521,731	494,032	27,699
Personnel Administration:				
Human Resources department	448,344	450,921	524,404	(73,483)
Human resources board of appeals	3,502	3,502	-	3,502
Wellness/Employee recognition	9,335	9,335	10,496	(1,161)
Total personnel administration	461,181	463,758	534,900	(71,142)
Planning and Zoning:				
Planning and zoning department	415,906	415,906	348,694	67,212
Land use planning	-	-	-	-
Total Planning and Zoning	415,906	415,906	348,694	67,212
General Services:				
County Building Maintenance	1,413,978	1,485,516	1,488,313	(2,797)
Data Processing	491,661	498,154	484,411	13,743
Total general services	1,905,639	1,983,670	1,972,724	10,946
Other general government:				
Liquor control board	121,988	152,130	169,679	(17,549)
Insurance	597,500	597,500	622,372	(24,872)
Employee benefits	543,647	156,500	109,955	46,545
Post retirement benefits	1,064,500	1,064,500	918,028	146,472
Total Other General Government	2,327,635	1,970,630	1,820,034	150,596
Total General Government	12,743,286	13,452,389	12,402,003	1,050,386

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>EXPENDITURES:</b> <b>EXPENDITURES (Continued):</b>	<b>Budgeted Amounts</b>		<b>Actual Amount</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Public Safety:</b>				
Police:				
Police Department	3,049,159	3,185,984	3,594,388	(408,404)
Sheriffs department	1,882,673	2,055,055	2,499,115	(444,060)
Police Accountability Board			7,738	(7,738)
C3I Unit	13,000	13,000	17,016	(4,016)
Total Police	4,944,832	5,254,039	6,118,257	(864,218)
Fire and rescue:				
Emergency medical services	5,691,110	6,706,617	6,721,104	(14,487)
Length of service award	85,000	85,000	175,180	(90,180)
Volunteer fire companies	1,249,430	1,249,430	1,248,291	1,139
Total Fire	7,025,540	8,041,047	8,144,575	(103,528)
Correction:				
County detention center maintenance	209,998	211,564	221,398	(9,834)
County detention center	9,307,040	9,581,581	9,665,315	(83,734)
Alternative sentencing	375,713	378,788	358,660	20,128
Home detention grant	337,079	343,026	379,926	(36,900)
Total Correction	10,229,830	10,514,959	10,625,299	(110,340)
Other Protection:				
Permits & enforcement	278,256	279,245	292,259	(13,014)
Emergency Management Agency	279,074	372,169	381,887	(9,718)
Animal control	514,000	514,000	514,000	
911	3,111,901	3,559,381	3,908,650	(349,269)
Hazardous materials operations	103,915	103,915	117,461	(13,546)
Emergency Services	158,385	158,385	168,420	(10,035)
Domestic preparedness grant	140,000	140,000	57,684	82,316
Building Codes	62,683	62,683	40,779	21,904
Code Enforcement	143,570	143,570	182,696	(39,126)
Transportation planning	222,252	222,252	46,524	175,728
Total Other Protection	5,014,036	5,555,600	5,710,360	(154,760)
Total Public Safety	27,214,238	29,365,645	30,598,491	(1,232,846)
<b>Public Works:</b>				
Public Services:				
Highway department	8,834,253	9,501,717	9,259,396	242,321
Airport	230,000	230,000	230,000	-
Waste collection:				
Solid waste disposal	466,349	466,349	556,272	(89,923)
Solid waste recycling	205,532	205,532	159,414	46,118
UPRC	623,083	623,083	623,083	-
County engineer	1,111,970	1,114,821	1,080,778	34,043
Total Public Works	11,471,187	12,141,502	11,908,943	232,559

Continued

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<u>EXPENDITURES:</u>	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>EXPENDITURES (Continued):</u>				
<u>Health and Hospitals:</u>				
Brook Building	177,300	177,300	170,362	6,938
Willowbrook Office	349,000	349,000	292,210	56,790
Health Department supplemental	30,276	30,276	229,009	(198,733)
Western Maryland Health Planning	12,000	12,000		12,000
Total Health and Hospitals	568,576	568,576	691,581	(123,005)
<u>Social Services:</u>				
Nursing Home costs	35,000	35,000	27,799	7,201
Pauper's burials	1,300	1,300		1,300
Human Resources Devel. Comm.	850,604	850,604	850,604	
Emergency solution program	500,000	500,000	750,755	(250,755)
Child abuse coordinator	154,223	154,223	156,653	(2,430)
Family Crisis Center	100,000	100,000	100,000	
Promoting Safe/Stable Families				
Total Social Services	1,641,127	1,641,127	1,885,811	(244,684)
<u>Recreation and Culture:</u>				
Agriculture Expo	13,000	13,000	12,533	467
Allegany County Arts Council	45,000	45,000	45,000	
Allegany County fair	629,874	629,874	616,348	13,526
Highland trail operations	133,058	133,058	114,514	18,544
Cumberland Summer Theatre	12,000	12,000	12,000	
Program Open Space	542,000	542,000	613,286	(71,286)
Total Recreation and Culture	1,374,932	1,374,932	1,413,681	(38,749)
<u>Conservation of Natural Resources:</u>				
Agricultural Extension Service	187,603	187,603	187,142	461
Soil conservation services	191,719	191,719	195,518	(3,799)
Gypsy moth control	10,000	10,000	6,868	3,132
Total Conservation of Natural Resources	389,322	389,322	389,528	(206)
<u>Community Development &amp; Housing</u>				
Allegany Co. Public Housing Authority	-	-	-	-
Total Community Development & Housing	-	-	-	-
<u>Economic Development:</u>				
Scenic railroad development	140,000	140,000	140,000	
Tri-County Council	40,000	40,000	40,000	
Tourism department	695,410	1,051,971	1,202,512	(150,541)
Thrasher Museum	15,000	15,000	29,826	(14,826)
Community promotion	23,500	23,500	17,300	6,200
Total Economic Development	913,910	1,270,471	1,429,638	(159,167)

(continued)

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
<b>EXPENDITURES (Continued):</b>				
<b>Appropriations to Other Governmental Units:</b>				
Grants in Lieu of Taxes	28,704	28,704	28,704	-
Health Department	1,626,073	1,626,073	1,626,073	-
Department of Social Services	449,493	449,493	378,964	70,529
Total Appropriations to Other Gov't Units:	2,104,270	2,104,270	2,033,741	70,529
<b>Miscellaneous:</b>				
Miscellaneous	136,929	136,929	116,043	20,886
Total Miscellaneous	136,929	136,929	116,043	20,886
<b>Payments to Component Units</b>				
Allegany Co. Board of Education	31,854,912	31,854,912	31,854,912	-
Allegany College	8,206,856	8,206,856	8,206,856	-
Allegany County Library	1,094,515	1,094,515	1,094,515	-
Information Technology	109,829	109,829	109,829	-
Total payments to component units	41,266,112	41,266,112	41,266,112	-
Debt Service-Lease-Principal			37,858	37,858
Debt Service-Lease-Interest			5,918	5,918
Capital Outlay-Lease				
Total Expenditures	99,823,889	103,711,275	104,179,348	(380,521)
Excess (deficiency) of revenues over (under) expenditures	(458,502)	17,387,852	25,652,401	9,113,143
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Unexpended balance - prior years</b>	2,561,190	(14,208,589)	-	14,208,589
<b>Transfers In from other funds:</b>				
Transfers from enterprise funds			32,702	32,702
Total Transfers In			32,702	32,702
<b>Operating Transfers to Other Funds:</b>				
Special revenue funds:				
Transit Fund	(545,916)	(885,955)	(1,179,981)	(294,026)
Coronavirus Fund	-	-	-	-
Narcotics Task Force	-	(51,527)	(50,081)	1,446
Gaming fund	-	(117,741)	(111,671)	6,070
RBF	-	-	-	-
Debt service Fund:				
From General government	(1,474,988)	(1,474,988)	(1,416,799)	58,189
From Bureau of Police	-	-	-	-
Capital Projects Fund			(50,000)	(50,000)
Pay-Go Fund			(250,000)	(250,000)
Capital Projects Fund			(250,000)	(250,000)
Enterprise funds:				
Allconet	(91,784)	(659,052)	(641,559)	17,493
Sanitary fund/Water fund	(2,112,688)	(3,189,263)	(3,700,091)	(510,828)
Total operating transfers to other funds	10,000	10,000	88,520	78,520
<b>Sale of capital assets</b>				
Total Other Financing Sources and Uses	458,502	(17,387,852)	(3,578,869)	13,808,983
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ 22,073,532	\$ 22,922,128
Fund balance, beginning			34,950,419	
Prior Period Adjustment				
Fund balance, ending			\$ 57,023,951	

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**REVOLVING BUILDING FUND SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	Amount	Positive (Negative)
<b>REVENUES:</b>				
Interest Income	\$ 2,210	\$ 2,210	\$ 264,033	\$ 261,823
Lease Income	2,866,355	\$ 2,866,355	\$ 2,769,543	(96,812)
Federal/State Grants			67,785	67,785
Miscellaneous Revenue			344,102	344,102
Total Revenues	<u>2,868,565</u>	<u>2,868,565</u>	<u>3,445,463</u>	<u>576,898</u>
<b>EXPENDITURES</b>				
Economic development	11,899,777	12,011,448	\$ 2,560,322	9,451,126
Total Expenditures	<u>11,899,777</u>	<u>12,011,448</u>	<u>2,560,322</u>	<u>9,451,126</u>
Excess (deficiency) of revenues over (under) expenditures	(9,031,212)	(9,142,883)	\$ 885,141	10,028,024
<b>OTHER FINANCING SOURCES AND USES:</b>				
Unexpended balance - prior years	9,050,560	9,050,560	-	(9,050,560)
Transfers to other funds	(19,348)	(19,348)	(87,443)	(68,095)
Inception of Lease			126,702	
Transfer from other funds		111,671	111,671	
Total Other Financing Sources and Uses	<u>9,031,212</u>	<u>9,142,883</u>	<u>150,930</u>	<u>(9,118,655)</u>
Net change in fund balances	\$ -	\$ -	\$ 1,036,071	\$ 909,369
Fund balance, beginning			7,096,334	
Fund balance, ending			\$ 8,132,405	

**ALLEGANY COUNTY, MARYLAND**  
**BUDGETARY COMPARISON SCHEDULE**  
**AMERICAN RESCUE PLAN FUND SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	Amount	Positive (Negative)
<b>REVENUES:</b>				
Federal Grants	\$ -	\$ 6,561,349	\$ 6,559,974	\$ (1,375)
Total Revenues	<u>\$ -</u>	<u>\$ 6,561,349</u>	<u>\$ 6,559,974</u>	<u>\$ (1,375)</u>
<b>EXPENDITURES</b>				
General Government		150,000	153,280	(3,280)
Public Safety		1,075,462	995,012	80,450
Public Works		565,637	519,865	45,772
Economic Development		750,000	873,337	(123,337)
Other		550,000	610,931	(60,931)
Total Expenditures		<u>3,091,099</u>	<u>3,152,425</u>	<u>(61,326)</u>
Excess (deficiency) of revenues over (under) expenditures		3,470,250	3,407,549	(62,701)
<b>OTHER FINANCING SOURCES AND USES:</b>				
Transfers to other funds		(3,470,250)	(3,407,549)	62,701
Total Other Financing Sources and Uses		<u>(3,470,250)</u>	<u>(3,407,549)</u>	<u>62,701</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

**Notes to Required Supplementary Information June 30, 2023**

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

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

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# **NONMAJOR GOVERNMENTAL FUNDS**

## **Special Revenue Funds**

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

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

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

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

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

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

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

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

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

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

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

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

## **Debt Service Fund**

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

## **Capital Projects Funds**

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

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

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

<b>Special Revenue Funds</b>										
	Coal Haul Roads Fund	Community Develop Block Grant Fund	Block Grt Program Income Fund	Community & Housing Fund	Drug Task Force Fund	Sheriff Narcotics Task Force	Opiod Settlement Fund	Coronavirus CARES Fund		
<b>ASSETS:</b>										
Cash		\$ 150	\$ -	\$ -	\$ 1,000	\$ 8,500				\$ -
Cash - restricted				20,568	233,371					
Investments										
Investments-restricted										
Receivables										
Notes and loans			135,936							
Due from Component Unit										
Other	97,948	2,007,846	9,739	61,419	63,713	5,164	150,109	265,346	38,554	
Due from other funds		29,612								
Inventory	97,948	2,037,608	9,739	197,355	84,281	239,535	158,609	265,346	38,554	
<b>Total Assets</b>										
<b>LIABILITIES:</b>										
Accounts payable		36,044	-			35,472	320			
Accrued payroll		37,522	-			1,730				
Accrued payroll fringe		12,594	-			158				
Due to other funds		93,541	-							
Amounts held in escrow				84,281			101,338			
Unavailable revenue			135,936							36,129
<b>Total Liabilities</b>		179,701	-	135,936	84,281	37,360	101,658	-	-	36,129
<b>DEFERRED INFLOWS of RESOURCES:</b>										
Grant Reimbursement not Available		1,857,907								
<b>Total Deferred Inflows of Resources</b>		1,857,907								
<b>FUND BALANCES</b>										
Nonspendable		29,612	-							
Restricted	97,948		9,739			202,175	56,951	265,346	2,425	
Committed			-							
Assigned			-							
Unassigned		(29,612)		61,419						
<b>Total Fund Balances</b>		97,948	9,739	61,419		202,175	56,951	265,346	2,425	
<b>Total Liabilities, deferred inflows of resources and fund balances</b>	\$ 97,948	\$ 2,037,608	\$ 9,739	\$ 197,355	\$ 84,281	\$ 239,535	\$ 158,609	\$ 265,346	\$ 38,554	

ALLEGANY COUNTY, MARYLAND  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2023

Gaming Fund	Special Revenue Funds			Debt Service		Capital Project Funds			Total Nonmajor Governmental Funds
	State Fire, Rescue & P Safety Fund	Rocky Gap Slots Revenue Fund	Total	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	
\$			\$ 9,650	\$ -	\$ -	\$ 2,101,042	\$ 2,101,042	\$ 9,650	\$ 2,354,981
			253,939						
				1,977,379					1,977,379
					135,936				135,936
					3,580,394				3,580,394
25,337	18,831	401,185	2,453,199		153,762		173,417	327,179	2,780,378
1,050,135	967,632	1,829,656	4,539,415			1,583,355	2,581,128	4,164,483	8,703,898
			29,612						29,612
1,075,472	986,463	2,230,841	7,421,751	\$ 5,557,773	\$ 153,762	\$ 1,583,355	\$ 4,855,587	\$ 6,592,704	\$ 19,572,228
239,932	68,848	1,947,746	2,328,362		10,108		8,631	445,658	464,397
3,394	226		42,872						42,872
926	21		13,699						13,699
			93,541	\$ 416,104	177,600				687,245
			185,619						185,619
			172,065		441,008				441,008
244,252	69,095	1,947,746	2,836,158	\$ 416,104	\$ 628,716	\$ 8,631	\$ 445,658	\$ 1,083,005	\$ 4,335,267
			1,857,907		35,217		140,006	175,223	2,033,130
			1,857,907		35,217		140,006	175,223	2,033,130
			29,612						29,612
917,368		1,551,952	5,141,669				4,269,923	4,269,923	10,963,544
831,220	283,095	1,114,315							1,114,315
					1,574,724		1,574,724	1,574,724	
			31,807	(510,171)			(510,171)	(510,171)	(478,364)
831,220	917,368	283,095	2,727,686	\$ 5,141,669	\$ (510,171)	\$ 1,574,724	\$ 4,269,923	\$ 5,334,476	\$ 13,203,831
\$ 1,075,472	\$ 986,463	\$ 2,230,841	\$ 7,421,751	\$ 5,557,773	\$ 153,762	\$ 1,583,355	\$ 4,855,587	\$ 6,592,704	\$ 19,572,228

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>Special Revenue Funds</b>									
	Coal Haul Roads Fund	Transit Fund	Community Development Block Grant Fund	Block Grant Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund	Sheriff Narcotics Task Force	Opioid Settlement Fund	Coronavirus CARES Fund
<b>REVENUES:</b>									
Other local taxes	\$ 69,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:									
Federal	-	1,407,754	-	198	900,483	2,984	-	-	-
State/Other	-	156,826	-	-	-	72,499	-	-	-
Service charges	-	282,807	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	238,406	95,589	-	-
Opioid Settlement Proceeds	-	-	-	-	-	-	-	265,346	-
Interest	-	-	-	-	-	20,371	-	-	-
Miscellaneous	-	1,537	-	5,552	-	-	24,210	-	-
<b>Total Revenues</b>	<b>69,533</b>	<b>1,848,924</b>		<b>5,750</b>	<b>900,483</b>	<b>334,260</b>	<b>119,799</b>	<b>265,346</b>	<b>-</b>
<b>EXPENDITURES:</b>									
<b>Current:</b>									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	214,011	59,867	-	-
Public works	-	3,028,905	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	109,208	900,483	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Payments to Other Orgs	-	-	-	-	-	-	-	-	-
Payments to component units	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal	18,457	-	-	-	-	-	-	-	-
Interest	9,403	-	-	-	-	-	-	-	-
Capital Outlay:									
General government	-	-	-	-	-	90,693	112,595	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public works	235,724	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Recreation & Culture	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>263,584</b>	<b>3,028,905</b>		<b>109,208</b>	<b>900,483</b>	<b>304,704</b>	<b>172,462</b>		
Excess (deficiency) of revenues over (under) expenditures	(194,051)	(1,179,981)		(103,458)		29,556	(52,663)	265,346	
<b>OTHER FINANCING SOURCES (USES):</b>									
Transfers in	-	1,179,981	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-	-
Capital leases	234,798	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	103,932	-	12,050	89,623	-	-
Total Other Financing Sources and uses	<b>234,798</b>	<b>1,179,981</b>		<b>103,932</b>		<b>12,050</b>	<b>89,623</b>		
Net change in fund balances	40,747	-	-	474	-	41,606	36,960	265,346	
Fund balance, beginning	57,201	-	9,739	60,945	-	160,569	19,991	-	2,425
Fund balance, ending	<b>\$ 97,948</b>		<b>\$ 9,739</b>	<b>\$ 61,419</b>		<b>\$ 202,175</b>	<b>\$ 56,951</b>	<b>\$ 265,346</b>	<b>\$ 2,425</b>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Gaming Fund	Special Revenue Funds		Debt Service			Capital Project Funds			Total Nonmajor Governmental Funds
	State Fire, Rescue & Public Safety Fund	Rocky Gap Slots Revenue Fund	Total Special Revenue Funds	Debt Service Fund	Capital Project Fund	PAYGO Capital Project Fund	Public Improvement Bond Fund	Total Capital Projects Funds	
\$ 481,219	\$ -	\$ 550,752	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 550,752
			2,311,419		464,158			464,158	2,775,577
	361,016	2,667,993	3,258,334	517,402	117,716	632,282	1,267,400	4,525,734	
30,600	-	-	313,407	-	-	-	-	-	313,407
			333,995						333,995
			265,346						265,346
			20,371	64,353			42,886	42,886	127,610
	155,391		186,690		34,640	10,990		45,630	232,320
511,819	516,407	2,667,993	7,240,314	64,353	1,016,200	128,706	675,168	1,820,074	9,124,741
250,183			250,183						250,183
98,108	545,351	1,048,727	1,966,064						1,966,064
			3,028,905						3,028,905
			1,009,691						1,009,691
	339,050		339,050						339,050
			1,195,378						1,195,378
270,000		360,000	630,000						630,000
			18,457	3,853,755					3,872,212
			9,403	1,250,535					1,259,938
			203,288		153		51,510	51,663	254,951
					336,906	23,567	488,365	848,838	848,838
			235,724		156,154	742,701	340,591	1,239,446	1,475,170
					275,216		44,943	320,159	320,159
							631,601	631,601	631,601
618,291	545,351	2,943,155	8,886,143	5,104,290	768,429	766,268	1,557,010	3,091,707	17,082,140
(106,472)	(28,944)	(275,162)	(1,645,829)	(5,039,937)	247,771	(637,562)	(881,842)	(1,271,633)	(7,957,399)
50,081			1,230,062	1,472,310	910,783	297,839		1,208,622	3,910,994
		(160,000)	(160,000)		(103,057)	(25,000)	(545,144)	(673,201)	(833,201)
			234,798						234,798
			205,605						205,605
50,081		(160,000)	1,510,465	1,472,310	807,726	272,839	(545,144)	535,421	3,518,196
(56,391)	(28,944)	(435,162)	(135,364)	(3,567,627)	1,055,497	(364,723)	(1,426,986)	(736,212)	(4,439,203)
887,611	946,312	718,257	2,863,050	8,709,296	(1,565,668)	1,939,446	5,696,909	6,070,687	17,643,033
\$ 831,220	\$ 917,368	\$ 283,095	\$ 2,727,686	\$ 5,141,669	\$ (510,171)	\$ 1,574,724	\$ 4,269,923	\$ 5,334,475	\$ 13,203,831

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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, 2023**

<b>ASSETS</b>	<b>Allconet II</b>	<b>Allegany County Loan Fund</b>	<b>Total</b>
<b>Current Assets:</b>			
Cash:			
Cash	\$ -	\$ -	\$ -
Receivables:			
Accounts (net)	20,457	3,206	23,663
Other	24,880	277,597	302,477
Due from other funds			227,864
Miscellaneous assets		-	-
Total current assets	<u>45,337</u>	<u>508,667</u>	<u>554,004</u>
<b>Non-current Assets:</b>			
Advances to other funds	-	592,248	592,248
Capital assets subject			
to depreciation	5,741,411	-	5,741,411
Accumulated depreciation	<u>(5,177,093)</u>	-	<u>(5,177,093)</u>
Total noncurrent assets	<u>564,318</u>	<u>592,248</u>	<u>1,156,566</u>
<b>Total Assets</b>	<u>609,655</u>	<u>1,100,915</u>	<u>1,710,570</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	17,513	-	17,513
Due to other funds	52,216	-	52,216
Miscellaneous liabilities	-	-	-
Total current liabilities	<u>69,729</u>	-	<u>69,729</u>
<b>Noncurrent Liabilities:</b>			
Long term debt:			
Compensated absences	-	-	-
Total noncurrent liabilities	-	-	-
<b>Total Liabilities</b>	<u>69,729</u>	-	<u>69,729</u>
<b>NET POSITION</b>			
Net investment in capital assets	564,318	-	564,318
Unrestricted	<u>(24,392)</u>	<u>1,100,915</u>	<u>1,076,523</u>
<b>Total Net Position</b>	<u>\$ 539,926</u>	<u>\$ 1,100,915</u>	<u>\$ 1,640,841</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, 2023**

	Allconet II	Allegany County Loan Fund	Total
<b>OPERATING REVENUES:</b>			
Service charges	77,187	-	77,187
Total operating Revenues	<u>77,187</u>	<u>-</u>	<u>77,187</u>
<b>OPERATING EXPENSES:</b>			
Rent Expense	22,463	-	22,463
Utilities	12,233	-	12,233
Repairs & maintenance	4,868	-	4,868
Professional services	12,116	-	12,116
Materials and supplies	12,785	-	12,785
Insurance	1,364	-	1,364
Miscellaneous	245,147	-	245,147
Depreciation	310,976	-	310,976
Total operating expenses	<u>310,976</u>	<u>-</u>	<u>310,976</u>
Operating Income (Loss)	<u>(233,789)</u>	<u>-</u>	<u>(233,789)</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>			
Interest income	-	-	-
Other income (expense)	-	-	-
Total non-operating revenue (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) before contributions and transfers	(233,789)	-	(233,789)
Federal grants	\	-	-
State grants	-	-	-
Transfer in	-	-	-
Transfer out	-	(32,702)	(32,702)
Change in net position	<u>(233,789)</u>	<u>(32,702)</u>	<u>(266,491)</u>
Total net position - beginning	773,715	1,133,617	1,907,332
Total net position - ending	<u>\$ 539,926</u>	<u>\$ 1,100,915</u>	<u>\$ 1,640,841</u>

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Allconet II	Allegany County Loan Fund	Total
<b><u>Cash flows from operating activities:</u></b>			
Cash received from customers	\$ 67,413	\$ 40,424	\$ 107,837
Cash payments for goods and services	(51,754)	-	(51,754)
Other operating revenues	-	-	-
Net cash provided by operating activities	<u>15,659</u>	<u>40,424</u>	<u>56,083</u>
<b><u>Cash flows from noncapital financing activities:</u></b>			
Advances from other funds	51,755	(14,482)	37,273
Advances to other funds	(67,414)	6,760	(60,654)
Transfers from other funds	-	(32,702)	(32,702)
Transfers to other funds	-	-	-
Net cash provided by noncapital financing activities	<u>(15,659)</u>	<u>(40,424)</u>	<u>(56,083)</u>
<b><u>Cash flows from capital and related financing activities:</u></b>			
Acquisition and construction of capital assets	-	-	-
Grant Revenue	-	-	-
Contract Bid deposit	-	-	-
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Cash flows from investing activities:</u></b>			
Purchase of investments	-	-	-
Sale of investments	-	-	-
Interest on investments	-	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	-	-	-
Cash at beginning of the year	-	-	-
Cash at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Reconciliation of operating income to net cash provided by operating activities:</u></b>			
Operating income (loss)	\$ (233,789)	\$ -	\$ (233,789)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	245,147	-	245,147
Provision for uncollectible accounts	-	-	-
Change in assets & liabilities:			
(Increase) decrease in receivables	(9,774)	40,424	30,650
(Increase) decrease in prepaids	-	-	-
Increase (decrease) in acc'ts payable	14,075	-	14,075
Increase (decrease) in accrued payroll	-	-	-
Total adjustments	<u>249,448</u>	<u>40,424</u>	<u>289,872</u>
Net cash provided by operating activities	<u>\$ 15,659</u>	<u>\$ 40,424</u>	<u>\$ 56,083</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, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenue:</b>				
Interest Revenue	-	-	64,353	64,353
<b>Expenditures:</b>				
<b>Current:</b>				
Miscellaneous:				
Paying agent fees	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
<b>Debt Service:</b>				
Principal payments on :				
General obligation debt	1,450,000	1,450,000	2,363,635	(913,635)
State loans	33,829	33,829	1,490,120	(1,456,291)
Total principal payments	<u>1,483,829</u>	<u>1,483,829</u>	<u>3,853,755</u>	<u>(2,369,926)</u>
Interest payments on:				
General obligation debt	1,194,195	1,350,040	1,185,946	164,094
State loans	1,476	9,896	64,589	(54,693)
Total interest payments	<u>1,195,671</u>	<u>1,359,936</u>	<u>1,250,535</u>	<u>109,401</u>
Total Expenditures	<u>2,704,500</u>	<u>2,868,765</u>	<u>5,104,290</u>	<u>(2,235,525)</u>
Deficiency of revenues under expenditures	<u>(2,704,500)</u>	<u>(2,868,765)</u>	<u>(5,039,937)</u>	<u>2,299,878</u>
<b>Other Financing Sources and (Uses):</b>				
Unexpended Fund Balance	1,229,512	1,608,588	-	(1,608,588)
Transfers from other funds:				
From the General Fund	1,474,988	1,187,508	1,472,310	284,802
From the Capital Projects Fund	-	-	-	-
From the Revolving Building Fund	-	-	-	-
Transfer to General Fund	-	-	-	-
Total Other Financing Sources and Uses	<u>2,704,500</u>	<u>2,796,096</u>	<u>1,472,310</u>	<u>(1,323,786)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (72,669)</u>	<u>(3,567,627)</u>	<u>\$ (3,623,664)</u>
Fund balance, restated			<u>8,709,296</u>	
Fund balance, ending			<u>\$ 5,141,669</u>	

## ALLEGANY COUNTY, MARYLAND

## SPECIAL REVENUE FUNDS

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

## BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUN 30, 2023

	Coal Haul Roads Fund			Transit Fund			Community Development Block Grant Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
<b>REVENUES:</b>									
Taxes - State Shared	\$ 60,000	\$ 60,000	\$ 69,533	\$ 9,533	\$ -	\$ -	\$ 1,411,511	\$ 1,407,754	\$ -
Other local taxes									
Intergovernmental:									
Federal									
State									
Service charges									
Fines and forfeitures									
Interest									
Lease Revenue									
Miscellaneous									
<b>Total Revenues</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 69,533</b>	<b>\$ 9,533</b>	<b>\$ 2,090,912</b>	<b>\$ 1,848,224</b>	<b>\$ 1,537</b>	<b>\$ (241,988)</b>	<b>\$ -</b>
<b>EXPENDITURES:</b>									
General government									
Public safety									
Public works									
Health & Human Svcs									
Community Development									
and Housing									
Economic development									
Education									
Miscellaneous									
Payments to Component Units									
<b>Total Expenditures</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 263,584</b>	<b>\$ (203,584)</b>	<b>\$ 2,636,828</b>	<b>\$ 2,973,249</b>	<b>\$ 3,028,905</b>	<b>\$ (55,656)</b>	<b>\$ -</b>
Excess (deficiency) of revenues over (under) expenditures									
<b>OTHER FINANCING SOURCES AND USES:</b>									
Unexpended balance - prior									
Transfer from other funds									
Transfers to other funds									
Inception of lease									
Sale of capital assets									
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 234,798</b>	<b>\$ 234,798</b>	<b>\$ 545,916</b>	<b>\$ 882,337</b>	<b>\$ 1,179,981</b>	<b>\$ 297,644</b>	<b>\$ -</b>
Net change in fund balances									
<b>Fund balance, beginning</b>	<b>\$ 57,201</b>	<b>\$ 97,948</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,739</b>
<b>Fund balance, ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,739</b>

**ALLEGANY COUNTY, MARYLAND**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

		Block Grant Program Income Fund			Community & Development Fund			Sheriff Task Force		
		Original Budget	Final Budget	Actual	Original Budget	Final Budget	Original Budget	Final Budget	Actual	\$
<b>REVENUES:</b>										
Taxes - State Shared		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes										
Intergovernmental:										
Federal										
State										
Service charges										
Fines and forfeitures										
Interest										
Lease Revenue										
Miscellaneous										
Total Revenues		\$ 5,750	\$ 5,750	\$ -	\$ 900,483	\$ 900,483	\$ -	\$ -	\$ 119,799	\$ 119,799
<b>EXPENDITURES:</b>										
General government										
Public safety										
Public works										
Health & Human Svcs										
Community Development and Housing										
Economic development										
Education										
Miscellaneous										
Payments to Component Units										
Total Expenditures		\$ 109,208	\$ (109,208)	\$ -	\$ 900,483	\$ (900,483)	\$ -	\$ -	\$ 172,462	\$ (172,462)
Excess (deficiency) of revenues over (under) expenditures		\$ (103,458)	\$ (103,458)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (52,663)	\$ (52,663)
<b>OTHER FINANCING SOURCES AND (USES):</b>										
Unexpended balance - prior										
Transfer from other funds										
Transfers to other funds										
Debt issued										
Sale of capital assets		\$ 103,932	\$ 103,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,623	\$ 89,623
Total Other Financing Sources and Uses		\$ 103,932	\$ 103,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,623	\$ 89,623
Net change in fund balances		\$ 474	\$ 474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,960	\$ 36,960
Fund balance, beginning		\$ 60,945	\$ -						\$ 19,991	
Fund balance, ending		\$ 61,419	\$ -						\$ 56,951	

## ALLEGANY COUNTY, MARYLAND

## SPECIAL REVENUE FUNDS

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

## BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2023

REVENUES:	Narcotics Drug Task Force			CARES ACT\MD RelieOpioid Strl			Gamini Fund		
	Original Budget	Final Budget	Actual	Variance With Final Budget			Original Budget	Final Budget	Actual
				Positive	Negative	Original Budget	Final Budget	Positive	Negative
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes									
Intergovernmental:									
Federal	33,741	33,741	2,984	2,984					
State			72,499	38,758					
Service charges	89,200	89,200	238,406	149,206					
Fines and forfeitures			20,371	20,371					
Interest									
Lease Revenue									
Miscellaneous	122,941	122,941	334,260	211,319					
Total Revenues									
EXPENDITURES:									
General government	122,941	122,941	304,704	(181,763)			185,602	235,683	(14,500)
Public safety							59,473	59,473	(38,635)
Public works									
Health & Human Svcs									
Community Development									
and Housing									
Economic development									
Education									
Miscellaneous									
Payments to Component Units	122,941	122,941	304,704	(181,763)			178,419	178,419	(91,581)
Total Expenditures							423,494	473,575	618,291
Excess (deficiency) of revenues over (under) expenditures			29,556	29,556					
OTHER FINANCING SOURCES AND USES:									
Unexpended balance - prior									
Transfer from other funds									
Transfers to other funds									
Debt issued									
Sale of capital assets									
Total Other Financing Sources and Uses			12,050	12,050					
Net change in fund balances	\$ -	\$ -	41,606	\$ 41,606	\$ -	\$ -	\$ 265,346	\$ 265,346	\$ -
Fund balance, beginning	160,569						2,425		887,611
Fund balance, ending	\$ 202,175						\$ 267,771		\$ 831,220

## ALLEGANY COUNTY, MARYLAND

## SPECIAL REVENUE FUNDS

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

## BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2023

REVENUES:	Revolving Fund			Building Fund			Fire, Rescue & Public Safety Fund			Rocky Gap Slots Revenue Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Variance With Final Budget Positive (Negative)
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes												
Intergovernmental:												
Federal	30,000	30,000		349,950	349,950		11,066	2,698,674	2,698,674			
State	37,785	37,785		70,000	70,000		(70,000)					
Service charges												
Fines and forfeitures	264,033	261,823										
Interest	2,210	2,210										
Lease Revenue	2,866,355	2,866,355										
Miscellaneous												
Total Revenues	2,868,565	2,868,565	3,445,463	576,898	469,950	50,000	155,391	105,391	46,457	2,698,674	2,698,674	7,567,593 (30,681)
EXPENDITURES:												
General government												
Public safety												
Public works												
Health & Human Svcs												
Community Development and Housing												
Economic development	11,899,777	12,011,448	2,560,322	9,451,126								
Education												
Misc												
Payments to Component Units												
Total Expenditures	11,899,777	12,011,448	2,560,322	9,451,126	469,950	469,950	545,351	(75,401)	2,538,674	2,538,674	2,943,155 (404,481)	
Excess (deficiency) of revenues over (under) expenditures	(9,031,212)	(9,142,883)	885,141	10,028,024			(28,944)	(28,944)	160,000	160,000	(275,162) (275,162)	
OTHER FINANCING SOURCES AND USES:												
Unexpended balance - prior year	9,050,560	9,050,560										
Transfer from other funds		111,671	111,671									
Transfers to other funds	(19,348)	(19,348)	(8,443)	(8,443)								
Inception of lease			126,702	126,702								
Sale of capital assets												
Total Other Financing Sources and Uses	9,031,212	9,142,883	150,330	(8,991,953)								
Net change in fund balances	\$ -	\$ -	1,036,071	\$ 1,036,071	\$ -	\$ -	(28,944)	\$ (28,944)	\$ -	\$ -		
Fund balance, beginning,												
Fund balance, ending												

## ALLEGANY COUNTY, MARYLAND

## SPECIAL REVENUE FUNDS

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

## BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

REVENUES:	American Rescue Plan Fund					Total Special Revenue Funds		
	Original Budget	Final Budget	Variance With Final Budget		Final Budget	Actual	\$	Variance With Final Budget
			Positive	Negative				Positive
Taxes - State Shared					\$ 452,494	\$ 452,494	\$ 550,752	98,258
Other local taxes								
Intergovernmental:								
Federal	6,561,349	6,559,974	(1,375)	1,414,495	7,972,860	8,901,393		928,533
State				3,538,174	3,499,416	3,296,119		(203,297)
Service charges				363,350	363,350	313,407		(49,943)
Fines and forfeitures				238,406	89,200	333,995		244,795
Interest				22,581	2,210	284,404		282,194
Lease Revenue				2,866,355	2,866,355	2,769,543		(96,812)
Miscellaneous				50,000	50,000	796,138		746,138
Total Revenues	- 6,561,349	- 6,559,974	(1,375)	8,945,855	15,295,885	17,245,751		1,949,866
EXPENDITURES:								
General government	150,000	153,280	(3,280)	685,337	885,418	1,452,190		566,772
Public safety	1,075,462	995,012	80,450	1,949,540	3,206,765	2,115,637		(1,091,128)
Public works	565,637	519,865	45,772	2,696,828	3,598,886	3,812,354		213,468
Health & Human Svcs								
Community Development								
and Housing								
Economic development	750,000	873,337	(122,337)	11,899,777	12,761,448	3,772,709		1,009,691
Education								(8,988,739)
Misc	550,000	610,931	(60,931)	200,000	750,000	810,931		995,378
Payments to Component Units								60,931
Total Expenditures	- 3,091,099	- 3,152,425	(61,326)	17,969,901	21,740,936	14,598,890		91,581
Excess (deficiency) of revenues over (under) expenditures	- 3,470,250	3,407,549	(62,701)	(9,024,046)	(6,445,051)	2,646,861		9,091,912
OTHER FINANCING SOURCES AND (USES):								
Unexpended balance - prior y								(9,050,560)
Transfer from other funds								297,644
Transfers to other funds								(5,394)
Inception of lease								361,500
Sale of capital assets								205,605
Total Other Financing Sources and Uses	- (3,470,250)	(3,407,549)	-	9,429,178	6,445,051	(1,746,154)		(8,191,205)
Net change in fund balances	\$ -	\$ -	\$ (62,701)	\$ 405,132	\$ -	\$ 900,707		\$ 900,707
Fund balance, beginning								9,959,384
Fund balance, ending								10,860,091

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	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			\$ 361,745	\$ 361,745	\$ -	\$ -		\$ -
Federal grants			517,402	517,402				
State\other grants								
Other							117,716	117,716
Miscellaneous:								
Interest								
Miscellaneous			34,640	34,640			10,990	10,990
Total Revenues			913,787	913,787			128,706	128,706
<b>EXPENDITURES:</b>								
General Government			153	(153)				
Public Safety			336,906	(336,906)			23,567	(23,567)
Public Works			53,740	(53,740)	135,000	135,000	742,701	(607,701)
Health								
Social Services								
Education			275,216	(275,216)				
Recreation, Culture & Libraries								
Conservation of Natural Resources								
Economic Development								
Miscellaneous								
Payments to component units								
Total Expenditures			666,015	(666,015)	135,000	135,000	766,268	(631,268)
Excess (deficiency) of revenues over (under) expenditures			247,772	247,772	(135,000)	(135,000)	(637,562)	(502,562)
<b>OTHER FINANCING SOURCES AND USES:</b>								
Unexpended fund balance					135,000	135,000		(135,000)
Transfers In:								
From other funds			910,783	910,783			297,839	297,839
Transfers Out:								
To other funds			(103,057)	(103,057)			(25,000)	(25,000)
Debt issued/Premium								
Capital leases								
Sale of capital assets								
Total Other Financing Uses			807,726	807,726	135,000	135,000	272,839	137,839
Net change in fund balances	\$ -	\$ -	1,055,498	\$ 1,055,498	\$ -	\$ -	(364,723)	\$ (364,723)
Fund balance, beginning				(1,565,668)			1,939,446	
Fund balance, ending				\$ (510,171)			\$ 1,574,724	

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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)
		632,282	\$ 632,282	\$ -	\$ -	\$ 361,745	\$ 361,745
		-	-	-	-	1,149,684	1,149,684
		-	-	-	-	117,716	117,716
		42,886	42,886	-	-	42,886	42,886
		-	-	-	-	45,630	45,630
		675,168	675,168	-	-	1,717,661	1,717,661
		51,510	(51,510)	-	-	51,663	(51,663)
		488,365	(488,365)	-	-	848,838	(848,838)
950,000	950,000	340,591	609,409	1,085,000	1,085,000	1,137,032	(52,032)
		-	-	-	-	-	-
		44,943	(44,943)	-	-	320,159	(320,159)
		631,601	(631,601)	-	-	631,601	(631,601)
		-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
950,000	950,000	1,557,010	(607,010)	1,085,000	1,085,000	2,989,293	(1,904,293)
(950,000)	(950,000)	(881,842)	68,158	(1,085,000)	(1,085,000)	(1,271,632)	(186,632)
950,000	950,000	-	(950,000)	1,085,000	1,085,000	-	(1,085,000)
			-	-	-	-	-
		(545,144)	(545,144)	-	-	(673,201)	(673,201)
		-	-	-	-	-	-
		-	-	-	-	-	-
950,000	950,000	(545,144)	(1,495,144)	1,085,000	1,085,000	535,421	(549,579)
\$ -	\$ -	(1,426,986)	\$ (1,426,986)	\$ -	\$ -	(736,211)	\$ (736,211)
		5,696,909				6,077,440	
		\$ 4,269,923				\$ 5,334,477	

**CAPITAL PROJECT FUNDS**

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

**FROM INCEPTION TO JUNE 30, 2023**

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023**

	Proj. No.	Length Budget	Revenues and other Sources				
			Federal Grants	State Grants	Other Intergov'l	Service Charges	Miscellaneous Revenues
Capital Improvement Projects Fund							
Bureau of Mines	4082	683,000		697,637			
New Hope Bridge	4083	130,000	121,853				
Cash Valley Road	4084	675,100	674,237				
Disaster Recovery	4085	250,000	304,773				
Flood buyouts	4087	10,797					
Detention Center HVAC	408A	435,000	433,692				
Orleans Road Bridge	408B	6,939,000	2,008,458	3,709			69,893
Bridge Industrial Park	408C	700,000					
Fairgrounds	408F	300,000					
Allegany High School	408H	2,000					
Potomac Hollow Road Bridge	408P	795,000	733,778				
Evitts Creek	408Q	86,350		164,268			
Takoma Drainage	408T	375,000		384,864			
Tree Planting Grant	408U	175,000		270,486			
Emergency Watershed	408V	50,000		127,591			
Rural Legacy	408W	327,526		2,081,543			26,375
Shaft	408X	300,000		336,382			
Frostburg Pond	408Y	800,000		795,439			
Dry Run Phase II	409L	520,000	292,086				
Flood Gate, Savage Dam	409S	3,715,000	3,265,061	401,372			328,590
Potomac River Water	409T	70,000	15,000				
Allegany Community College	4140	93,000					
Allegany Museum	4141	300,000	120,964	119,036	60,000		
Iron Rail Project	4142	450,000		13,338			1,725
BS Bridge	4143	750,000	491,639		123,322		
Old Miller	4144	300,000		262,040			
Borden Tunnel	4145	183,000	140,587		18,300		
LWC	4146	180,000		30,000			71,000
Cumb St Bridge	4147	300,000	304,636		76,159		
Alleg High School Demo	4148	1,800,000		1,352,613			
Brodie Road	4149	500,000		145,548			
Georges Creek SS	4150	225,000		206,717			
FEMA Trailer Park	4151	1,000,000	1,270,634		26,455		
Miners Park	4153	500,000					
MTA Hub	421C	30,000		43,258			
Highland Trail	410X	10,606,000	3,224,644	6,032,859	6,772		220,916
			<u>13,402,042</u>	<u>13,425,442</u>	<u>327,811</u>	<u>355,045</u>	<u>604,137</u>
Pay-As-You-Go Capital Project Fund							
Computer Network	418I	350,000					
Roads Paving Program	418R	6,000,000			40,000		10,000
LaVale Blvd Storm Drain	420O	1,500,000		110,435	10,000		154,500
Software upgrade	420S	805,309	230,856				
Disaster Emergency Capital	420V	200,000					
Caretaker House	420Y	100,000					
OP Roads Improvements	4203	733,123					
Washington St Columns	4204	200,000					
Bridge Street bridge	4207	416,000					
Drainage improvements	4208	87,500					3,997
Mt Savage Roof	4210	125,000					
Fiber infrastructure	421A	270,000					
Dans Mt Tower	421B	75,000		30,000			
Library Repairs	421F	430,000			1,826,288		5,500
Sheriff Building	421H	800,000					4,000
Allconst	421J	100,000					
Rocky Gap Slots-Bd of ED	421M	407,775					
Rocky Gap Slots-County	421N	407,775					
Sheriff K-9	421S	6,000		7,500			10,990
County bldg improvements	4181	651,681	18,981	95,000	115,216		226,259
			<u>249,837</u>	<u>235,435</u>	<u>1,959,004</u>	<u>56,392</u>	<u>415,246</u>
Public Improvement Bonds Capital Project Fund							
2014 PIB Educational Bond Closing	4341	150,000					26,532
2014 PIB Educational Bond Costs	4342	13,593,905		500,000			105,831
EMS Radio system	4351	6,000,000	505,500				
ACC Building	4352	1,100,000					
Woodcock	4353	1,000,000		530,511			
Bridge Rehab	4354	680,000					
Bowling Green Stormwater	4355	300,000		33,411			
Bond Costs	4357	250,000					
BelAir Roof	4358	235,000					
Parkside Roof	4359	185,000					
CAD System	4381	3,000,000					
AC Tech Bldg	4382	2,700,000					
County Bridges	4383	2,500,000					
County Building	4384	250,000					
AC Roof	4385	450,000					
Roads Equipment	4386	525,000					
Roads Garage	4387	850,000					
LaVale Library	4388	4,500,000		4,313,248			
Bond Costs	4389	1,023,968					519,899
Bond Interest	438Z						9,744
2020 Bond Proceeds/Costs	4391-4399	18,572,348					
			<u>505,500</u>	<u>1,063,922</u>	<u>4,313,248</u>	<u>-</u>	<u>662,006</u>
Total Capital Project Funds			<u>\$ 14,157,379</u>	<u>\$ 14,724,799</u>	<u>\$ 6,600,063</u>	<u>\$ 411,437</u>	<u>\$ 1,681,389</u>

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL PROJECT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCES**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023**

Revenues and other Sources			Expenditures and other Uses			Remaining Project Budget	
Debt Proceeds	Transfers In	Total Sources	Expenditures	Transfers Out	Total Uses	Project Balance	Project Budget
		697,637	697,637		697,637		(14,637)
46,613		168,466	168,466		168,466		(38,466)
863		675,100	675,100		675,100		
200		304,973	304,973		304,973		(54,973)
11,591		11,591	378	11,213	11,591		(794)
395,654		829,346	829,346		829,346		(394,346)
682,246		2,764,306	3,033,353		3,033,353	(269,047)	3,905,647
799,469		799,469	799,469		799,469		(99,469)
18,521		232,749	299,767		299,767	(67,018)	233
133,780		133,780	132,419	2,267	134,686	(906)	(132,686)
251,693		985,471			985,471		(190,471)
		164,268	162,526	1,742	164,268		(77,918)
		384,864	374,653	10,211	384,864		(9,864)
1,742		272,228	270,977		270,977	1,251	(95,977)
72,462		200,053	200,053		200,053		(150,053)
		2,107,918	2,006,140	103,057	2,109,197	(1,279)	(1,781,671)
		336,382	329,962	10,783	340,745	(4,363)	(40,745)
715		796,154	797,180		797,180	(1,026)	2,820
94,527		386,613	387,328		387,328	(715)	132,672
220,000		4,215,023	4,079,612	135,411	4,215,023		(500,023)
123,360		138,360	118,773	19,587	138,360		(68,360)
74,866		74,866	74,817		74,817	49	18,183
495		300,495	300,495		300,495		(495)
		15,063	5,000	10,063	15,063		434,937
		614,961	614,961		614,961		135,039
52		262,092	262,092		262,092		37,908
16,951		175,838	175,838		175,838		7,162
		101,000	229,383		229,383	(128,383)	(49,383)
		380,795	416,012		416,012	(35,217)	(116,012)
547,411		1,900,024	1,900,022		1,900,022	2	(100,022)
		145,548	145,548		145,548		354,452
		206,717	206,717		206,717		18,283
		1,297,089	1,297,704		1,297,704	(615)	(297,704)
		153			153	(153)	499,847
		43,258	46,007		46,007	(2,749)	(16,007)
423,221		9,908,412	9,908,412		9,908,412		697,588
3,916,432		32,030,909	32,236,744	304,334	32,541,078	(510,171)	2,014,695
		365,039	159,314	5,725	165,039	200,000	184,961
6,684,224		6,734,224	5,867,115	95,336	5,962,451	771,773	37,549
1,007,612		1,282,547	1,084,972		1,084,972	197,575	415,028
825,672		1,056,528	1,056,713		1,056,713	(185)	(251,404)
425,000		425,000	137,087	200,200	337,287	87,713	(137,287)
155,300		155,300	147,163	18,522	165,685	(10,385)	(65,685)
1,006,770		1,023,162	1,083,574		1,083,574	(60,412)	(350,451)
276,949		276,949	276,951		276,951	(2)	(76,951)
416,000		416,000	445,672		445,672	(29,672)	(29,672)
261,402		265,399	273,588	25,000	298,588	(33,189)	(211,088)
125,000		125,000		125,000	125,000		-
200,000		200,000	124,837	75,163	200,000		70,000
123,500		153,500	153,500		153,500		(78,500)
196,842		2,028,630	2,028,630		2,028,630		(1,598,630)
880,000		884,000	825,470	58,530	884,000		(84,000)
50,000		50,000	80	20,363	20,443	29,557	79,557
706,279		786,279	485,682		485,682	300,597	(77,907)
786,279		786,279	246,476	137,038	383,514	402,765	24,261
6,000		24,490	13,637		13,637	10,853	(7,637)
532,693		988,149	1,280,415		1,280,415	(292,266)	(628,734)
15,030,561		18,026,475	15,690,876	760,877	16,451,753	1,574,724	(2,786,590)
146,446		172,978	156,302		156,302	16,676	(6,302)
9,593,905	4,000,000	14,199,736	13,215,463	133,780	13,452,243	746,493	140,662
5,000,000	1,000,000	6,505,500	8,066,629		8,066,629	(1,561,129)	(2,066,629)
1,100,000		1,100,000	44,706		44,706	1,055,294	1,055,294
1,000,000		1,530,511	2,565,391		2,565,391	(1,034,880)	(1,565,391)
680,000		680,000	412,645	300,318	712,963	(32,963)	(32,963)
300,000		333,411	245,902		245,902	87,509	54,098
250,000		250,000	99,484		99,484	150,516	150,516
235,000		235,000	58,198		58,198	176,802	176,802
185,000		185,000	91,500		91,500	93,500	93,500
3,000,000		3,000,000	1,498,736		1,498,736	1,501,264	1,501,264
2,700,000		2,700,000	2,824,554		2,824,554	(124,554)	(124,554)
2,500,000		2,500,000	1,095,703		1,095,703	1,404,297	1,404,297
250,000		250,000	549,899		549,899	(299,899)	(299,899)
450,000		450,000	450,349		450,349	(349)	(349)
525,000		525,000	1,352,564		1,352,564	(827,564)	(827,564)
850,000		850,000	1,261,183		1,261,183	(411,183)	(411,183)
400,000		4,713,248	4,929,885		4,929,885	(216,637)	(429,885)
1,023,968		1,023,968	229,204		229,204	794,764	794,764
		519,899	223,926		223,926	295,973	(223,926)
18,572,348		18,582,092	287,902		15,838,370	16,126,272	2,446,076
43,761,667	5,000,000	60,306,343	39,764,125	16,272,468	56,036,593	4,269,923	1,828,628
\$ 48,761,667	\$ 23,946,993	\$ 110,363,727	\$ 87,691,743	\$ 17,337,679	\$ 105,029,424	\$ 5,334,475	\$ 1,056,733

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## **CAPITAL PROJECT FUNDS**

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

**FOR THE YEAR ENDED JUNE 30, 2023**

## 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, 2023

	Diaster Recovery (4085)	Geroses Creek SS (4150)	Miners Park (4153)	Orleans Rd Bridge (408B)	Fema Trailer Park (4151)	Eviits Creek (408Q)	Dry Run (409L)	ACM (4140)	MTA Hub (421C)
<b>REVENUES:</b>									
Intergovernmental:									
Federal:									
FEMA						\$			
CDBG							\$ 361,745		
Highway									
State:									
Dept of Natural Resources									
State Highway									
MDE/Other State		133,698							18,523
Other Agencies									
Service charges									
Miscellaneous:									
Interest									
Miscellaneous									
<b>Total Revenues</b>		<b>133,698</b>				<b>361,745</b>			<b>18,523</b>
<b>EXPENDITURES:</b>									
Public Safety						336,906			
Public Works		17,647							
General Govt			153						
Rec & Culture									
Education									
<b>Total Expenditures</b>		<b>17,647</b>	<b>153</b>			<b>336,906</b>			
<b>OTHER FINANCING SOURCES and (USES):</b>									
Transfers-in from:									
General Fund						250,000			
Other funds						103,057			
Transfer Out									
<b>Total Other Financing Sources and Uses</b>						<b>353,057</b>		<b>12,582</b>	
Net change in fund balances		116,051	(153)	353,057	24,839			12,582	18,523
Fund Balance, beginning	200	(116,051)		(622,104)	(25,454)	(200)	(715)	(12,533)	(21,272)
Fund Balance, Ending	<b>\$ 200</b>	<b>\$ -</b>	<b>\$ (153)</b>	<b>\$ (269,047)</b>	<b>\$ (615)</b>	<b>\$ (200)</b>	<b>\$ (715)</b>	<b>\$ 49</b>	<b>\$ (2,749)</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, 2023

Allegany High School (408H)	Shaft (4,082)	BS Bridge (4143)	Cumberland St Bridge (4147)	Fairgrounds (408F)	Tree Planting (408U)	Frostburg Pond (408Y)	Rural Legacy (408W)	LWC (4146)	Alleg HS Demo (4148)	Fund Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 361,745
										102,414
	\$ 71,497	\$ 30,917				3,291				3,291
										495,361
	18,287	463								18,750
				34,640						34,640
	89,784	31,380	34,640	3,291					343,140	1,016,201
	71,910	66,597								336,906
										156,154
										153
	71,910	66,597							275,216	275,216
									275,216	768,429
										250,000
									545,144	660,783
										(103,057)
	17,874	(35,217)	34,640	3,291		(103,057)			545,144	807,726
										613,068
										1,055,498
	(906)	(4,363)	(17,874)	-	(101,658)	(2,040)	(1,026)	101,778	128,383	(613,066)
	\$ 906	\$ 4,363	\$ 0		\$ 67,018	\$ 1,251	\$ (1,026)	\$ (1,279)	\$ (128,383)	\$ 2
										\$ (510,171)

**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, 2023**

SC

	Computer Network (418I)	Roads Paving Program (418R)	LaVale Storm Drains (420O)	Gen Ledger Software Upgrades (420S)	Public Safety Emergency Capital (420V)	Caretaker House (420Y)	Road Improv (4203)
<b>REVENUES:</b>							
Intergovernmental:							
Federal grants:							
RDA grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Homeland Security							
State grants:							
Maryland highway grant	-	-	-	-	-	-	-
Misc State Grant	-	-	-	-	-	-	-
State Highway Users Tax							
Other Agency	-	-	-	-	-	-	-
Miscellaneous:							
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues							
<b>EXPENDITURES:</b>							
General Government	-	-	-	-	10,900	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	28,847	-	-	52,917	-
Recreation & culture	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Total Expenditures			28,847		10,900		52,917
<b>OTHER FINANCING SOURCES and (USES):</b>							
Transfers-in from:							
General fund	-	-	-	-	-	50,000	-
Other funds	-	-	25,000	-	-	-	-
Transfers-out to:							
Other funds	-	-	-	-	-	-	-
Debt proceeds, capital lease	-	-	-	-	-	-	-
Total Other Financing			25,000		-	-	50,000
Sources and Uses							
Net change in fund balances	-	-	(3,847)	-	(10,900)	-	(2,917)
Fund Balance, beginning	200,000	771,773	201,422	(185)	98,613	(10,385)	(57,495)
Adjustment							
Fund Balance, Ending	<u>\$ 200,000</u>	<u>\$ 771,773</u>	<u>\$ 197,575</u>	<u>\$ (185)</u>	<u>\$ 87,713</u>	<u>\$ (10,385)</u>	<u>\$ (60,412)</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, 2023**

Sheriff K-9 (421S)	Bridge St Bridge (4207)	Drainage Improvements (4208)	Allconet (421J)	County Building Improv (4181)	Rocky Gap Slots Bd of Ed (421M)	Rocky Gap Slots County (421N)	Total PAYGO Capital Projects Fund
	\$ -	\$ -		\$ -		\$ -	\$ -
				95,000		95,000	
7,500				15,216		22,716	
<u>10,990</u>				<u>110,216</u>		<u>10,990</u>	
<u>18,490</u>							<u>128,706</u>
12,667				544,584			23,567
	116,353						742,701
<u>12,667</u>				<u>544,584</u>			<u>766,268</u>
	62,839			80,000	80,000	50,000	247,839
	(25,000)					(25,000)	
	<u>37,839</u>			<u>80,000</u>	<u>80,000</u>	<u>272,839</u>	
5,823		(78,514)		(434,368)	80,000	80,000	(364,723)
5,030	(29,672)	45,325	29,557	142,102	220,597	322,765	1,939,446
<u>\$ 10,853</u>	<u>\$ (29,672)</u>	<u>\$ (33,189)</u>	<u>\$ 29,557</u>	<u>\$ (292,266)</u>	<u>\$ 300,597</u>	<u>\$ 402,765</u>	<u>\$ 1,574,724</u>

ALLEGANY COUNTY, MARYLAND  
CAPITAL PROJECTS FUND  
CAPITAL PROJECTS FUND  
PUBLIC IMPROVEMENT FUND  
SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES - BY PROJECT  
FOR THE YEAR ENDED JUNE 30, 2023

2015 PIB		2017 PIB		2019 PIB	
Revenue:	Expenditure:	Revenue:	Expenditure:	Revenue:	Expenditure:
Board Chairs (6,411)	Allegany High School (6,422)	FMS (43,573)	ACC Building (45,511)	Bridge Woodcock (6,533)	Bridge Radio (4,555)
REVENUE:	REVENUE:	REVENUE:	REVENUE:	REVENUE:	REVENUE:
Homestead Fund Grant State Grants State Highway Crew Other Agencies Miscellaneous Total Revenues	Homestead Fund Grant State Grants State Highway Crew Other Agencies Miscellaneous Total Revenues	33,411	33,411	598,572	42,587
EXPENDITURES:	EXPENDITURES:				
General government Public Safety Public Works Res and Culture Education Total Expenditure	General government Public Safety Public Works Res and Culture Education Total Expenditure	245,502	488,165	78,189	3,510
OTHER FINANCING SOURCES AND USES	OTHER FINANCING SOURCES AND USES				
Trade Out Total Other Financing Source and Uses Net change in fund bal	Trade Out Total Other Financing Source and Uses Net change in fund bal	(67)	(212,491)	(78,189)	(4,500)
Fund Balances, Beginning Fund Balances, Ending	Fund Balances, Beginning Fund Balances, Ending	16,676 16,76	746,451 746,354	1,451,129 3,1,151,129	1,055,294 5,1,055,294
Total	Total				

**ENTERPRISE FUNDS**  
**COMBINING SCHEDULES**

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

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

**ALLEGANY COUNTY, MARYLAND**  
**ALLEGANY COUNTY WATER DISTRICTS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND TYPE - (ENTERPRISE FUNDS)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	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	\$ 30,355	162,592	41,792	13,032	84,125	44,769	498,455	155,332	899,810
Miscellaneous	207,018								
<b>Total Operating Revenues</b>	<b>237,373</b>	<b>162,592</b>	<b>41,792</b>	<b>13,032</b>	<b>84,125</b>	<b>44,769</b>	<b>498,455</b>	<b>155,332</b>	<b>899,810</b>
<b>OPERATING EXPENSES:</b>									
Salaries	21,949	5,939		14,719		69,547	21,604	67,655	
Fringe benefits	9,735	2,634		6,529		30,851	9,584	30,012	
Utilities	72,056	17,788		70,280	24,162	178,240	67,389	490,727	
Repairs and maintenance	6,943	1,880		4,656		22,002	6,835	21,402	
Professional fees	337	91		226		1,068	332	1,040	
Materials and supplies	1,966	532		1,318		6,228	1,935	6,058	
Indirect cost	11,494	3,110		7,708		36,421	11,314	35,429	
Miscellaneous	103	28		69		327	101	318	
Depreciation	39,775	18,264	44,422	43,380		114,600	67,790	105,998	
<b>Total Operating Expenses</b>	<b>164,358</b>	<b>50,266</b>	<b>44,422</b>	<b>148,885</b>	<b>24,162</b>	<b>459,284</b>	<b>186,884</b>	<b>758,639</b>	
<b>Operating Income (Loss)</b>	<b>237,373</b>	<b>(1,766)</b>	<b>(8,474)</b>	<b>(31,390)</b>	<b>(64,760)</b>	<b>20,607</b>	<b>39,171</b>	<b>(31,552)</b>	<b>141,171</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>									
Interest income	5,507	1,849	229		889		5,579	2,922	6,512
Interest expense		(18,650)	(3,471)	(12,094)	(10,965)		(170)	(30,255)	(37,232)
<b>Total Non-operating Revenue (Expenses)</b>	<b>5,507</b>	<b>(16,801)</b>	<b>(3,242)</b>	<b>(12,094)</b>	<b>(10,076)</b>		<b>5,409</b>	<b>(27,333)</b>	<b>(30,720)</b>
<b>Income Before Contributions and Transfers</b>	<b>242,880</b>	<b>(18,567)</b>	<b>(11,716)</b>	<b>(43,484)</b>	<b>(74,836)</b>	<b>20,607</b>	<b>44,580</b>	<b>(58,885)</b>	<b>110,451</b>
<b>Capital Contributions:</b>									
Federal grants	-	-	-	-	-	-	-	-	-
State grants	-	-	-	-	-	-	-	-	-
Other governments	-	-	-	-	-	-	-	-	-
<b>Transfers in:</b>									
General fund	-	-	-	-	-	-	-	-	-
Special Revenue Fund					575,142		1,367,345		
Revolving Building Fund				19,348					
Transfers Out									
<b>Change in Net Position</b>	<b>\$ 242,880</b>	<b>\$ (18,567)</b>	<b>\$ (11,716)</b>	<b>\$ (24,136)</b>	<b>\$ 500,306</b>	<b>\$ 20,607</b>	<b>\$ 1,411,925</b>	<b>\$ (58,885)</b>	<b>\$ 110,451</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, 2023**

Mt. Savage 501J 285,699	Bedford Road 501K 44,504	MF Industrial 501P 400,520	Rawlings Water 501R 225,058	Oldtown Road 5012 222,610	McCoole 5013 183,537	Ellerslie 5014 416,978	Eckhart 5015 357,170	Hoffman 5016 10,430	Route 36 Vale Summit 5017 91,958	Borden/ Zhilman/ Morantown 5018 139,565	Carlos/Shaf/ Klondike 5019 218,985	Total \$ 4,527,276 207,018
<u>285,699</u>	<u>44,504</u>	<u>400,520</u>	<u>225,058</u>	<u>222,610</u>	<u>183,537</u>	<u>416,978</u>	<u>357,170</u>	<u>10,430</u>	<u>91,958</u>	<u>139,565</u>	<u>218,985</u>	<u>4,734,294</u>
36,841	5,079		30,041	32,709	27,975	60,080	43,038	1,377	8,865	20,486	30,728	498,632
16,342	2,254		13,325	14,508	12,409	26,651	19,091	611	3,932	9,087	13,631	221,186
3,124	27,829	315,417	2,558	88,422	90,481	168,208	158,449	4,100	192,717	200,608	110,504	2,283,059
11,654	1,608		9,503	10,347	8,849	19,007	13,613	437	2,803	6,480	9,720	157,739
566	78		461	503	430	3,752	661	21	136	314	472	10,488
3,299	455		2,691	2,929	2,505	5,380	3,854	123	794	1,834	2,752	44,653
19,292	2,659		15,731	17,128	14,649	31,462	22,537	721	4,643	10,728	16,092	261,118
173	24		141	154	131	282	202	6	42	96	144	2,341
87,655	23,992		276,595	96,556	96,866	157,318	74,580	3,933	49,083	34,806	93,917	1,429,530
<u>178,946</u>	<u>63,978</u>	<u>315,417</u>	<u>351,046</u>	<u>263,256</u>	<u>254,295</u>	<u>472,140</u>	<u>336,025</u>	<u>11,329</u>	<u>263,015</u>	<u>284,439</u>	<u>277,960</u>	<u>4,908,746</u>
<u>106,753</u>	<u>(19,474)</u>	<u>85,103</u>	<u>(125,988)</u>	<u>(40,646)</u>	<u>(70,758)</u>	<u>(55,162)</u>	<u>21,145</u>	<u>(899)</u>	<u>(171,057)</u>	<u>(144,874)</u>	<u>(58,975)</u>	<u>(174,452)</u>
<u>6,591</u>	<u>877</u>	<u>35</u>	<u>2,639</u>	<u>3,414</u>	<u>3,195</u>	<u>5,444</u>	<u>4,626</u>	<u>204</u>	<u>922</u>	<u>1,837</u>	<u>3,290</u>	<u>56,561</u>
<u>(60,198)</u>	<u>(3,805)</u>		<u>(13,383)</u>	<u>(14,417)</u>	<u>(30,394)</u>	<u>(146)</u>	<u>(14,996)</u>	<u>(3)</u>	<u>(22)</u>	<u>(14,513)</u>	<u>(28,564)</u>	<u>(293,278)</u>
<u>(53,607)</u>	<u>(2,928)</u>	<u>35</u>	<u>(10,744)</u>	<u>(11,003)</u>	<u>(27,199)</u>	<u>5,298</u>	<u>(10,370)</u>	<u>201</u>	<u>900</u>	<u>(12,676)</u>	<u>(25,274)</u>	<u>(236,717)</u>
<u>53,146</u>	<u>(22,402)</u>	<u>85,138</u>	<u>(136,732)</u>	<u>(51,649)</u>	<u>(97,957)</u>	<u>(49,864)</u>	<u>10,775</u>	<u>(698)</u>	<u>(170,157)</u>	<u>(157,550)</u>	<u>(84,249)</u>	<u>(411,169)</u>
												0
												0
												0
												0
												1,942,487
												19,348
												0
<u>\$ 53,146</u>	<u>\$ (22,402)</u>	<u>\$ 85,138</u>	<u>\$ (136,732)</u>	<u>\$ (51,649)</u>	<u>\$ (97,957)</u>	<u>\$ (49,864)</u>	<u>\$ 10,775</u>	<u>\$ (698)</u>	<u>\$ (170,157)</u>	<u>\$ (157,550)</u>	<u>\$ (84,249)</u>	<u>1,550,664</u>
Total net position - beginning												39,296,434
Move Asset												
Total net position - ending												\$ 40,847,098

**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, 2023**

	General Fund	Bowling Green	Cresaptown	Braddock Run	Bedford Road	Locust Grove Jennings Run/Wills Creek	Locust Grove McCoole
<b>OPERATING REVENUES:</b>							
Service charges	\$ 46,519	500,288	424,799	1,510,659	645,931	571,751	82,717
Miscellaneous	49,822						
Total Operating Revenues	96,341	500,288	424,799	1,510,659	645,931	571,751	82,717
<b>OPERATING EXPENSES:</b>							
Wages and salaries	7,036	184,446	165,761	194,119	257,654	232,811	43,309
Employee benefits	2,655	69,599	62,547	73,250	97,223	87,849	16,341
Office expenses	311	8,137	7,312	8,564	11,363	10,279	1,910
Utilities	2,473	64,851	58,281	68,253	90,589	81,855	15,228
Repairs and maintenance	2,021	53,009	47,636	55,791	74,049	66,910	12,447
Water/Sewage treatment costs	9,888	259,253	232,988	272,849	362,151	327,234	60,874
Professional fees	438	11,516	10,348	12,122	16,085	14,534	2,704
Materials and supplies	2,224	58,346	52,434	61,406	81,504	73,645	13,699
Insurance	330	8,643	7,768	9,096	12,073	10,909	2,029
Indirect cost	2,197	57,612	51,775	60,633	80,478	72,719	13,527
Miscellaneous	203	5,281	4,745	5,557	7,376	6,664	1,240
Depreciation	3,175	86,013	78,291	240,503	219,593	217,344	50,422
Total Operating Expenses	32,951	866,706	779,886	1,062,143	1,310,138	1,202,753	233,730
Operating Income (Loss)	63,390	(366,418)	(355,087)	448,516	(664,207)	(631,002)	(151,013)
<b>NON-OPERATING REVENUE (EXPENSES):</b>							
Real and personal property taxes		210,567	189,807	248,720	143,033	69,387	4,754
Interest & Penalties, taxes		5,173	9,399	4,666	3,154	4,398	121
Discounts, taxes		(1,204)	(996)	(1,421)	(813)	(382)	(24)
Collection fees		(4,858)	(4,693)	(5,539)	(3,238)	(1,603)	(102)
Front footage assessments							
Interest income	100	4,638	4,618	6,479	12,246	11,531	1,376
Interest income, debt service							
Interest expense	(5,816)	(38,513)	(35,550)	(66,560)	(23,410)	(15,449)	
Gain (Loss) on disposal of assets	8,600						
Total Nonoperating revenue (expenses)	2,884	175,803	162,585	186,345	130,972	67,882	6,125
Income Before Contributions and Transfers	66,274	(190,615)	(192,502)	634,861	(533,235)	(563,120)	(144,888)
Capital Contributions:							
Federal				(15,536)			
State				9,304,542			
Other							
Transfers in	549,775	605,143	259,436				
Transfers out							
Change in Net Position	616,049	414,528	66,934	9,923,867	(533,235)	(563,120)	(144,888)
Net position - beginning	3,079,336	1,165,970	2,285,519	8,443,947	(1,963,166)	(3,466,585)	(1,313,556)
Net position - ending	\$ 3,695,385	\$ 1,580,498	\$ 2,352,453	\$ 18,367,814	\$ (2,496,401)	\$ 4,029,705	\$ (1,458,444)

**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, 2023**

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
23,945	45,816	1,090,470	65,618	630,480 5,000	428,476	33,063	138,684	8,329	\$ 6,247,545 54,822
23,945	45,816	1,090,470	65,618	635,480	428,476	33,063	138,684	8,329	6,302,367
9,673	16,049	433,307	17,587		41,769	17,588	66,830		1,687,939
3,650	6,056	163,504	6,636		15,760	6,637	25,217		636,924
427	707	19,111	774		1,843	776	2,949		74,462
3,401	5,643	152,348	6,184	4,993	14,684	6,183	23,496		598,462
2,784	4,614	274,174	5,053	19,530	12,005	5,053	19,208		654,284
13,596	22,557	609,046	24,720		58,710	24,720	93,937		2,372,523
603	1,001	27,051	1,097		2,608	1,097	4,171		105,375
3,062	5,075	137,070	5,564		13,213	5,563	21,139		533,944
452	752	20,304	824		1,958	823	3,134		79,095
3,021	5,013	135,346	5,493		13,046	5,493	20,875		527,228
277	459	12,406	503		1,196	503	1,913		48,323
18,144	25,217	1,031,667	12,596	436,179	45,894	21,710	74,087	48,558	2,609,393
59,090	93,143	3,015,334	87,031	460,702	222,686	96,146	356,956	48,558	9,927,952
(35,145)	(47,327)	(1,924,864)	(21,413)	174,778	205,790	(63,083)	(218,272)	(40,229)	(3,625,585)
987	1,343	336,244	1,986		10,619	14,853	60,705		1,293,005
20	64	12,324	33		320	516	1,030		41,218
(6)	(8)	(1,784)	(3)		(58)	(62)	(202)		(6,963)
(249)	(31)	(7,657)	(45)		(243)	(354)	(1,151)		(29,763)
									0
1,216	1,125	33,845	2,262	15,945	658	1,723	3,004		100,766
		(65,236)		(10,993)	(21,705)	(3,550)	(14,025)		0
									(300,807)
									8,600
1,968	2,493	307,736	4,233	4,952	(10,409)	13,126	49,361	-	1,106,056
(33,177)	(44,834)	(1,617,128)	(17,180)	179,730	195,381	(49,957)	(168,911)	(40,229)	(2,519,529)
									(15,536)
									9,471,620
									0
218,146	319,500			43,784				48,000	2,043,784
									0
184,969	274,666	(1,617,128)	(17,180)	390,592	195,381	(49,957)	(168,911)	7,771	8,980,340
(799,116)	(599,470)	23,804,346	714,160	12,637,595	4,451,818	(49,853)	820,780	910,204	51,429,802
(614,147)	\$ (324,804)	\$ 22,187,218	\$ 696,980	\$ 13,028,187	\$ 4,647,199	\$ (99,810)	\$ 651,869	\$ 917,975	\$ 60,410,142

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**FIDUCIARY FUNDS  
CUSTODIAL FUNDS**

**COMBINING STATEMENT OF  
FIDUCIARY NET POSITION**

**COMBINING STATEMENT OF  
CHANGES IN FIDUCIARY NET POSITION**

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS-CUSTODIAL FUNDS**  
**JUNE 30,2023**

	<b>Custodial Funds</b>		
	<b>Tax Collection</b>	<b>Seized Assets</b>	<b>Total</b>
<b>ASSETS:</b>			
Cash		1,298,686	1,298,686
Accounts Receivable	1,295,011		1,295,011
Due from other funds	467,546		467,546
 Total Assets	 1,762,557	 1,298,686	 3,061,243
<b>LIABILITIES:</b>			
Other Liabilities	1,762,557		1,762,557
 Total Liabilities	 1,762,557		 1,762,557
<b>NET POSITION:</b>			
Restricted for individuals, organizations and other governments		1,298,686	1,298,686
 Total Net Position	 -	 1,298,686	 1,298,686

**ALLEGANY COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS-CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30,2023**

	<b>Custodial Funds</b>		
	<b>Tax Collection</b>	<b>Seized Assets</b>	<b>Total</b>
<b>ADDITIONS:</b>			
Seizures		965,492	965,492
Real Estate collections for other governments	7,204,281		7,204,281
 Total additions	 7,204,281	 965,492	 8,169,773
<b>DEDUCTIONS:</b>			
Seizures forfeited or returned to defendants		329,467	329,467
Payments of real estate collections to other governments	7,204,281		7,204,281
 Total deductions	 7,204,281	 329,467	 7,533,748
Net change in fiduciary net position		636,025	636,025
Net position, beginning, as restated		662,661	662,661
Net position, ending	-	1,298,686	1,298,686

**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, 2023 and 2022**

ASSETS	Primary Government			
	At June 30, 2023		Net Book Value	June 30, 2022
	Cost	Accumulated Depreciation		
Land	\$ 27,180,167	\$ -	\$ 27,180,167	\$ 27,180,167
Construction in progress	584,886	-	584,886	584,886
Buildings	69,926,448	37,129,746	32,796,702	34,631,546
Infrastructure	56,459,715	37,415,082	19,044,633	19,878,620
Furniture & fixtures	1,194,468	1,070,177	124,291	122,000
Machinery & equipment	23,118,505	19,569,871	3,548,634	4,754,384
Vehicles	16,777,750	11,833,269	4,944,481	5,004,176
Heavy equipment	6,080,397	4,713,770	1,366,627	1,429,760
Other capital assets	1,238,560	916,734	321,826	324,297
Total Assets	\$ 202,560,896	\$ 112,648,640	\$ 89,912,256	\$ 93,909,837
<b>FUND EQUITY</b>				
Investment in general capital assets acquired before July 1, 1993 - source unidentified			\$ 6,895,023	\$ 6,895,023
Investment in construction in progress			1,892,137	1,892,137
Investment in general capital assets by source:				
General Fund:				
General revenues		17,666,267	17,592,691	
Federal grants		4,359,539	4,311,989	
State grants		3,022,346	2,965,305	
Miscellaneous revenues		761,252	761,252	
Debt proceeds		1,575,512	1,575,512	
Special Revenue Funds:				
General revenues		57,131,851	56,833,415	
Federal grants		9,112,137	8,182,809	
State grants		8,497,374	8,497,374	
Miscellaneous revenues		360,866	271,090	
Debt proceeds		8,926,043	8,926,043	
Other		1,477,222	1,477,222	
Capital Project Funds:				
General revenues		22,201,844	22,160,562	
Federal grants		12,002,414	12,002,414	
State grants		28,043,567	28,043,567	
Miscellaneous revenues		1,127,822	1,127,822	
Debt proceeds		21,086,918	20,615,456	
Other		1,545,451	1,545,451	
Less:				
Accumulated depreciation		(117,773,350)	(111,767,307)	
Total Fund Equity		\$ 89,912,256	\$ 93,909,837	

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF ASSETS BY FUNCTION**  
**June 30, 2023**

Function	Land	Buildings	Infrastructure	Furniture & Fixtures	Equipment	Vehicles	Capital Assets	Other	Construction In Progress	Total Cost	Less Depreciation	Total
General Government	3,678,214	4,999,223	39,776	1,779,863	398,542	\$ 646,550	\$ 250,665	\$ 11,961,370	\$ (7,411,150)	\$ 4,550,220	\$ (31,596,607)	19,075,209
Public Safety	2,359,864	20,132,077	2,647,360	330,345	19,461,602	5,489,902	5,887,035	50,671,816	69,632,253	48,772,716	30,359,537	3,615,077
Public Works	2,915,382	2,944,003	46,266,468	305,788	9,34,397	9,982,506	4,121	7,132,442	39,200	1,016,847	(3,517,365)	135,759
Health	575,119	6,553,202	-	24,331	199,288	89,080	661,582	-	-	5,397,185	(881,088)	2,935,224
Social Services	116	3,250	2,774,928	328,939	21,911	295,413	36,162	405,050	-	1,637,033	(1,145,379)	491,654
Recreation & Culture	1,534,781	-	-	-	-	-	-	-	46,006	46,006	-	46,006
Libraries	6,000	1,631,033	-	-	-	-	-	-	460,655	(31,838)	428,817	
Education	428,817	-	-	-	-	15,839	15,999	-	-	218,136	(161,499)	56,637
Natural Resources	-	-	-	-	-	-	-	-	-	54,387,154	(16,665,878)	37,721,276
Urban Development & Housing	45,293	123,535	-	4,160	35,846	9,302	-	-	-	-	-	-
Economic Development	15,636,579	30,815,196	7,152,831	5,995	506,465	183,759	86,329	-	-	-	-	-
Total General Capital Assets	27,180,166	69,926,447	56,459,704	1,194,469	23,118,505	16,777,754	\$ 7,318,951	\$ 584,903	\$ 202,560,899	\$ 112,648,659	\$ 89,912,256	\$ 89,912,256

**ALLEGANY COUNTY, MARYLAND**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Function	General Capital Assets June 30, 2022	Transfers to Other Funds	Asset Reclass	\$ Additions	Deductions	Cost	Accumulated Depreciation June 30, 2022	Less Depreciation Current Year	Add Deprec Diposal Asset Transfer	General Capital Assets June 30, 2023
General Government	\$ 11,916,634	-	-	\$ 66,273	(21,539)	\$ 11,961,370	\$ (7,316,776)	\$ (115,913)	21,539	\$ 4,550,218
Public Safety	49,268,176	-	-	\$ 1,521,136	(117,498)	50,671,816	\$ (2,671,026)	\$ (2,671,079)	88,298	19,072,010
Public Works	70,085,773	-	-	\$ 256,691	(710,207)	69,632,253	\$ (47,385,295)	\$ (1,597,628)	710,207	20,859,535
Health	7,132,442	-	-	-	-	7,132,442	\$ (2,18,440)	\$ (2,18,440)	-	3,615,077
Social Services	1,016,847	-	-	-	-	1,016,847	\$ (68,944)	\$ (68,944)	-	135,759
Recreation & Culture	5,296,665	-	-	100,520	-	5,397,185	\$ (2,345,380)	\$ (116,581)	-	2,935,225
Libraries	1,637,033	-	-	-	-	1,637,033	\$ (1,103,371)	\$ (42,008)	-	491,654
Education	46,006	-	-	-	-	46,006	-	-	-	46,015
Natural Resources	460,655	-	-	-	-	460,655	\$ (31,838)	\$ (31,838)	-	428,817
Urban Development & Housing	249,314	-	-	-	-	218,136	\$ (192,677)	\$ (192,677)	-	56,637
Economic Development	54,297,385	-	-	\$ 89,777	(31,178)	\$ 54,387,156	\$ (15,490,440)	\$ (1,175,438)	31,178	37,721,288
Total General Capital Assets	\$ 201,406,940	\$ 3	\$ 2,034,397	\$ (880,422)	\$ 202,560,899	\$ (107,493,872)	\$ (6,006,031)	\$ (6,006,031)	\$ 851,222	\$ 89,912,256

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# **STATISTICAL SECTION**

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# Statistical Section

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

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

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# **FINANCIAL TRENDS**

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Net investment in Capital Assets	77,576,485	78,386,353	84,396,712	86,497,352	86,142,012	87,441,448	89,130,241	85,075,724	84,103,156	78,605,728
Restricted	3,030,834	11,975,277	16,354,328	16,237,133	4,255,467	12,316,383	1,544,097	7,841,911	6,095,554	6,693,621
Unrestricted	24,060,546	9,739,329	3,585,497	2,573,629	(13,519,261)	(26,370,540)	(18,226,415)	(23,649,340)	(18,439,213)	4,719,295
<b>Total governmental activities net position</b>	<b>\$ 104,667,865</b>	<b>\$ 100,100,959</b>	<b>\$ 104,336,537</b>	<b>\$ 105,308,114</b>	<b>\$ 76,878,218</b>	<b>\$ 73,387,291</b>	<b>\$ 72,447,923</b>	<b>\$ 69,268,295</b>	<b>\$ 71,749,497</b>	<b>\$ 90,018,644</b>
<b>Business-type activities</b>										
Net investment in Capital Assets	88,732,280	93,011,267	97,611,312	98,160,878	95,860,101	96,563,365	97,116,640	97,889,075	98,831,785	110,175,362
Restricted	261,383	442,291	247,369	240,345	155,066	161,080	194,232	162,484	155,488	154,353
Unrestricted	1,016,651	(633,330)	(2,817,398)	(4,239,595)	(3,373,873)	(6,879,863)	(8,644,846)	(11,467,378)	(6,353,707)	(7,431,634)
<b>Total business-type activities net position</b>	<b>\$ 90,010,314</b>	<b>\$ 92,820,228</b>	<b>\$ 95,041,283</b>	<b>\$ 94,161,628</b>	<b>\$ 92,641,284</b>	<b>\$ 89,844,582</b>	<b>\$ 88,666,026</b>	<b>\$ 86,584,178</b>	<b>\$ 92,633,567</b>	<b>\$ 102,898,081</b>
<b>Primary Government</b>										
Net investment in Capital Assets	\$ 166,308,765	\$ 171,397,620	\$ 182,008,024	\$ 184,558,230	\$ 182,002,113	\$ 184,004,813	\$ 186,246,861	\$ 182,964,799	\$ 182,934,941	\$ 188,781,090
Restricted	3,292,217	12,417,568	16,601,697	16,477,478	4,410,533	12,477,463	1,738,329	8,004,395	6,241,042	6,847,974
Unrestricted	25,077,197	9,105,999	768,099	(1,665,966)	(16,893,134)	(33,250,403)	(26,871,261)	(35,116,718)	(24,792,920)	(2,712,339)
<b>Total primary government net position</b>	<b>\$ 194,678,179</b>	<b>\$ 192,921,187</b>	<b>\$ 199,377,820</b>	<b>\$ 199,469,742</b>	<b>\$ 169,519,512</b>	<b>\$ 163,231,873</b>	<b>\$ 161,113,949</b>	<b>\$ 155,852,470</b>	<b>\$ 164,383,065</b>	<b>\$ 192,916,726</b>

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

Expenses	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Government:</b>										
Payment to data processing	8,971,206	10,098,884	12,288,649	d	9,768,944	12,711,146	12,883,978	13,980,499	13,541,978	14,443,504
Public Safety	313,582	261,943	182,712	188,456	145,424	146,465	109,829	108,086	108,086	16,275
Public Works	18,605,877	20,125,044	20,723,459	24,440,852	e	28,788,857	27,462,769	30,800,972	31,391,856	35,683,736
Health	13,699,806	b	13,039,773	13,263,932	14,186,806	13,892,496	15,613,977	14,227,947	14,618,577	17,773,154
Social Services	1,967,479	2,073,143	2,131,859	2,093,988	2,208,164	2,333,585	4,274,237	k	8,019,965	2,050,301
Education:	1,568,214	1,277,778	1,467,194	1,387,194	881,055	1,258,655	1,485,199	1,733,627	4,625,319	2,584,359
Payment to public school system	682,409	623,625	1,389,052	10,365,098	f	797,321	3,162,750	2,512,606	1,936,310	595,159
Payments to community college	29,770,045	30,224,471	30,014,167	30,169,985	30,424,308	30,734,335	30,734,335	31,138,670	32,349,768	32,124,912
Recreation, culture & libraries:	7,555,000	7,555,000	7,915,000	7,930,550	7,930,550	7,989,498	8,068,856	8,068,856	8,068,856	8,068,856
Payment to public library system	722,533	749,376	826,930	583,538	1,214,252	g	1,191,689	1,418,456	691,457	3,896,128
Conservation of natural resources	940,000	947,500	947,500	956,975	956,975	956,975	986,545	986,545	999,000	1,094,515
Community Development & housing	287,362	254,450	249,936	265,263	284,317	142,584	66,702	404,182	355,681	393,546
Economic Development	915,289	1,042,086	1,176,904	1,026,337	1,021,156	1,005,058	1,012,235	1,589,652	1,137,795	1,009,691
Interest on long term debt	3,602,112	2,672,959	2,674,956	3,355,189	4,111,276	i	3,194,349	3,460,799	5,801,705	4,881,991
Total governmental activities expenses	581,199	650,717	659,875	677,774	763,156	908,031	979,034	1,103,537	1,066,807	6,257,209
Business-type activities:										
Water	4,344,329	4,429,254	4,772,141	4,723,474	4,645,473	4,741,156	4,856,397	5,033,414	4,979,909	5,202,024
Sewer	8,986,494	9,354,485	9,965,143	10,545,774	10,292,299	11,426,210	10,221,511	9,044,813	10,020,927	10,228,760
Other Funds	187,485	334,585	225,759	202,991	195,390	167,778	151,357	318,008	417,584	310,976
Total business-type activities expenses	13,518,328	14,963,073	14,118,324	15,708,764	15,386,637	16,335,144	15,231,265	14,336,235	15,418,520	15,741,760
Total primary government expenses	\$ 102,294,048	\$ 103,120,847	\$ 108,165,888	\$ 111,996,494	\$ 123,537,690	\$ 126,163,082	\$ 124,852,070	\$ 135,158,618	\$ 138,882,112	\$ 143,131,488
<b>Program Revenues:</b>										
<b>Governmental activities:</b>										
Charges For services:										
Public safety	1,247,166	416,243	1,266,935	1,181,723	2,414,892	3,688,282	j	3,062,954	2,279,605	2,903,115
Public works	998,315	1,403,758	1,036,634	1,020,139	1,152,083	1,294,859	1,365,791	1,221,356	1,641,238	1,574,919
Economic development	3,335,528	3,044,159	3,367,800	3,030,433	3,307,020	3,442,141	3,442,141	3,172,085	3,003,784	3,063,821
Other activities	804,327	3,786,001	872,000	819,358	1,832,419	1,550,337	1,363,163	1,078,471	1,360,359	1,258,427
Operating grants and contributions	4,470,054	4,320,955	4,230,909	4,507,723	5,503,162	5,753,335	8,288,736	k	13,034,096	16,909,982
Capital grants and contributions	1,296,010	1,086,127	2,076,835	3,235,959	1,401,461	1,884,195	2,658,561	3,288,409	2,383,082	11,824,551
Total governmental activities program revenues	12,153,400	12,017,273	12,851,113	14,065,335	15,611,037	17,595,149	20,181,935	24,044,022	28,201,570	6,171,465
<b>Business-type activities:</b>										
Charges For services:										
Water	3,957,267	4,182,774	4,257,317	4,197,525	4,166,328	4,183,777	4,198,183	4,176,794	4,714,228	4,734,294
Sanitary	5,735,184	5,905,018	6,082,372	6,382,842	6,040,900	6,118,496	6,138,652	5,485,782	6,613,271	6,302,367
Other Funds	269,480	316,477	106,300	72,442	59,200	44,187	48,913	43,906	59,915	77,187
Operating grants and contributions										
Capital grants and contributions										
Total business-type activities										
Program revenues										
Total primary government program revenues	\$ 29,588,686	\$ 28,438,203	\$ 28,701,273	\$ 27,545,266	\$ 28,037,410	\$ 29,667,309	\$ 32,490,605	\$ 34,911,093	\$ 47,961,336	\$ 48,577,512

(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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Net (Expense)/Revenue</b>										
<b>Governmental activities</b>	<b>\$ (76,622,360)</b>	<b>\$ (76,985,250)</b>	<b>\$ (80,351,702)</b>	<b>\$ (82,222,395)</b>	<b>\$ (92,540,016)</b>	<b>\$ (92,232,789)</b>	<b>\$ (98,438,870)</b>	<b>\$ (96,718,361)</b>	<b>\$ (95,252,022)</b>	<b>\$ (99,385,148)</b>
<b>Business-type activities</b>	<b>\$ 3,916,988</b>	<b>\$ 2,302,606</b>	<b>\$ 887,087</b>	<b>\$ (2,228,833)</b>	<b>\$ (2,960,264)</b>	<b>\$ (4,262,384)</b>	<b>\$ (12,922,595)</b>	<b>\$ (3,529,164)</b>	<b>\$ 4,311,246</b>	<b>\$ 4,828,172</b>
<b>Total primary government net expense</b>	<b>\$ (72,705,362)</b>	<b>\$ (74,682,644)</b>	<b>\$ (79,464,615)</b>	<b>\$ (84,451,228)</b>	<b>\$ (95,500,280)</b>	<b>\$ (96,495,773)</b>	<b>\$ (92,361,485)</b>	<b>\$ (100,247,525)</b>	<b>\$ (90,920,776)</b>	<b>\$ (94,553,976)</b>
 <b>General Revenues And Other Changes In Net Position</b>	 	 	 							
<b>Governmental Activities:</b>										
Taxes										
Property taxes	41,334,050	40,209,077	40,285,516	40,900,084	40,525,539	42,099,543	42,056,853	43,025,595	43,696,143	45,926,969
Income taxes	24,159,537	26,059,413	26,835,166	25,911,041	26,117,557	28,295,486	28,719,134	31,138,685	33,032,260	54,702,658 P
Other local taxes	4,339,620	4,689,338	5,343,333	6,195,089	6,720,568	7,035,187	6,753,500	8,036,628	9,443,240	9,091,709
Licenses	414,862	425,841	441,304	447,143	434,575	426,574	418,750	420,472	417,590	376,722
Unrestricted grants	9,112,991	9,165,836	9,210,566	9,205,270	9,244,141	8,939,143	8,939,231	8,939,389	8,939,578	8,999,216
Investment earnings	1,745,196	1,353,238	1,181,160	1,375,762	1,383,672	1,544,105	1,466,467	1,635,283	1,500,407	2,549,394
Gain/(loss) on sale/retirement of capital assets	18,915	342,101	403,037	997,088	366,375	102,550	33,531	426,242	636,518	268,155
Miscellaneous	323,216	(69,824)	(147,927)	(155,527)	(91,884)	401,359	601,978	363,728	882,597	(3,972,917)
Transfers										
Special item										
<b>Total governmental activities</b>	<b>\$ 81,350,588</b>	<b>\$ 82,175,020</b>	<b>\$ 83,553,155</b>	<b>\$ 84,875,960</b>	<b>\$ 84,765,894</b>	<b>\$ 88,741,862</b>	<b>\$ 88,499,502</b>	<b>\$ 93,538,733</b>	<b>\$ 97,743,224</b>	<b>\$ 118,815,503</b>
 <b>Business-type activities:</b>	 	 	 							
Property taxes										
Investment earnings	1,010,069	997,240	982,268	993,937	1,133,343	1,144,089	1,159,250	1,183,381	1,242,709	1,297,497
Miscellaneous	208,641	201,738	191,339	195,916	214,705	220,085	94,846	180,380	203,396	157,327
Gain/(loss) on sale/retirement of capital assets	22,533	21,003	15,885	3,800	-	-	-	-	-	-
Transfers										
Total business-type activities										
Total primary government										
 <b>Change In Net Position</b>	 	 	 							
<b>Governmental activities, restated</b>	<b>\$ 4,723,943</b>	<b>\$ 5,189,770</b>	<b>\$ 3,201,453</b>	<b>\$ 2,653,565</b>	<b>\$ (7,774,122)</b>	<b>\$ (3,490,927)</b>	<b>\$ (939,368)</b>	<b>\$ (3,179,628)</b>	<b>\$ 2,481,202</b>	<b>\$ 19,433,355</b>
<b>Business-type activities</b>	<b>\$ 5,335,040</b>	<b>\$ 3,612,411</b>	<b>\$ 2,224,456</b>	<b>\$ 679,653</b>	<b>\$ (1,520,332)</b>	<b>\$ (2,796,714)</b>	<b>\$ (1,178,556)</b>	<b>\$ (2,081,841)</b>	<b>\$ 6,049,392</b>	<b>\$ 10,264,514</b>
<b>Total primary government</b>	<b>\$ 10,063,983</b>	<b>\$ 8,802,181</b>	<b>\$ 5,425,999</b>	<b>\$ 1,773,912</b>	<b>\$ (9,294,454)</b>	<b>\$ (6,287,642)</b>	<b>\$ (2,117,925)</b>	<b>\$ (5,261,470)</b>	<b>\$ 8,530,593</b>	<b>\$ 29,697,888</b>

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:**

Increase due to increase in federal and state funding for the Mt Savage & Rawlings Water projects and Jennings Run Sewer project and subsequent decreases in capital funding for other projects  
a  
b Increase largely due to GASB 68 required entries to pension expense , liability increased  
c Increase largely due to GASB 68 required entries to pension expense liability increased and GASB 72 entries  
d Increase largely due to GASB 68 required entries to pension expense -liability decreased this year  
e Increase due to adding a new ambulance service to County residents  
f Increase due to contribution to new county high school  
g Increase due to renovations to Library buildings  
h Increase due to paving and road projects  
i County added new ambulance service  
j Increase in both revenues  
k Increase in COVID relief funding grants revenue and related expenditures  
l Decrease due to no COVID grant money received in FY 22  
m Increase due to increase in rental assistance grants received  
n Increase in appropriations to Library for renovations  
o Increase in grants for large Locust Grove Pumping Station project  
p Increase due to income tax withholding on resident's large lottery winnings

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Restricted	148,963	148,963	1,796,530	173,170	131,979	80,743	78,907	78,907	78,907	78,907
Committed	949,319	150,000	967,195	1,571,586	830,551	780,245	1,446,563	2,561,190	20,861,269	57,839
Assigned	3,414,000	5,864,000	4,014,000	5,896,328	6,423,165	6,714,643	6,987,078	7,301,025	7,584,384	7,741,691
Unassigned	18,695,272	19,642,135	18,092,412	18,649,963	15,918,000	16,795,112	16,778,262	20,022,041	24,904,845	28,363,152
<b>Reserved</b>										
<b>Total General Fund</b>	<b>\$ 23,458,135</b>	<b>\$ 27,604,317</b>	<b>\$ 25,252,942</b>	<b>\$ 26,886,656</b>	<b>\$ 25,244,740</b>	<b>\$ 25,621,049</b>	<b>\$ 25,814,492</b>	<b>\$ 30,048,536</b>	<b>\$ 34,550,419</b>	<b>\$ 57,023,961</b>
 <b>All Other Governmental Funds</b>										
<b>Nonspendable</b>										
<b>Restricted</b>	2,966,644	10,197,951	45,460	42,233	41,920	39,977	42,801	41,235	35,668	29,612
<b>Committed</b>	10,735,989	12,136,663	12,725,923	15,752,573	4,123,488	12,235,640	9,416,664	14,956,871	11,782,463	10,963,544
<b>Assigned</b>	1,497,237	1,394,986	9,734,927	8,700,167	10,717,434	10,492,188	9,228,049	9,792,923	8,702,202	9,246,720
<b>Unassigned</b>	(191,236)	(305,634)	(419,033)	(397,597)	2,216,031	1,389,301	1,400,029	1,411,742	1,939,446	1,574,724
<b>Total all other governmental funds</b>	<b>\$ 15,011,634</b>	<b>\$ 23,423,278</b>	<b>\$ 23,440,255</b>	<b>\$ 26,386,197</b>	<b>\$ 16,330,807</b>	<b>\$ 22,955,491</b>	<b>\$ 18,515,839</b>	<b>\$ 24,103,879</b>	<b>\$ 20,919,398</b>	<b>\$ 21,336,236</b>
 <b>Unreserved, reported in:</b>										
<b>Special revenue funds</b>										
<b>Capital project funds</b>										
<b>Debt service funds</b>										
<b>Total all other governmental funds</b>	<b>\$ 15,011,634</b>	<b>\$ 23,423,278</b>	<b>\$ 23,440,255</b>	<b>\$ 26,386,197</b>	<b>\$ 16,330,807</b>	<b>\$ 22,955,491</b>	<b>\$ 18,515,839</b>	<b>\$ 24,103,879</b>	<b>\$ 20,919,398</b>	<b>\$ 21,336,236</b>

**Allegany County, Maryland**  
**Changes In Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

(modified accrual basis of accounting)										
Revenues	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Property taxes	43,948,120	41,737,685	41,018,799	42,106,441	41,529,472	43,599,529	41,566,027	44,893,617	45,135,441	46,822,767
Income taxes	24,112,733	25,910,575	26,880,919	26,435,017	25,797,515	28,388,370	28,670,090	31,190,781	32,874,736	55,228,534
Highway user taxes	67,589	466,089	547,328	539,372	690,000	1,001,551	977,329	1,057,788	1,139,219	1,149,769
Other local taxes	4,083,216	3,579,491	4,043,446	4,380,110	4,074,450	3,984,644	3,913,567	4,418,576	5,548,766	5,989,400
Licenses and permits	686,233	678,422	700,480	672,859	666,528	720,563	620,500	562,024	715,504	636,300
Intergovernmental:										
Federal	2,044,238	3,250,446	2,372,945	2,630,386	2,922,197	3,174,134	7,665,837	8,545,082	12,861,541	11,693,905
State	12,151,477	12,255,365	13,546,119	16,123,698	15,920,794	13,648,716	14,907,789	16,367,813	15,392,177	17,351,589
Other	467,561	600,745	306,747	178,297	901,053	975,797	966,436	2,139,566	3,881,871	932,320
Service charges	1,740,331	1,898,021	1,805,043	1,938,922	2,446,454	2,934,658	2,871,158	2,468,764	2,682,065	2,632,322
Fines and forfeitures	170,927	150,249	152,942	80,907	74,561	142,983	163,281	206,843	173,834	343,763
Interest	103,748	152,354	237,085	312,861	340,649	472,486	607,400	267,899	472,725	1,880,979
Lease Revenue/Miscellaneous	3,949,663	4,142,621	4,080,911	4,342,068	4,254,946	4,373,154	4,584,932	4,113,464	4,548,742	4,197,866
Total revenues	\$ 94,134,836	\$ 94,822,063	\$ 95,692,764	\$ 99,740,938	\$ 99,618,619	\$ 103,416,585	\$ 107,514,346	\$ 116,233,217	\$ 125,426,621	\$ 148,859,514
Expenditures										
General government	7,999,532	8,532,724	9,210,525	9,301,186	9,420,158	10,548,564	10,610,633	10,239,132	11,921,947	12,805,466
Public safety	16,216,972	17,572,571	18,216,000	19,484,708	23,217,837	24,405,819	24,215,690	26,424,276	28,900,261	32,673,544
Public works	11,806,708	11,465,679	12,282,927	11,734,735	12,297,757	13,777,805	12,176,117	13,040,777	14,532,711	14,744,455
Health and Hospitals	4,111,510	432,996	452,436	425,494	541,244	600,653	2,431,012	5,840,861	710,822	691,581
Social Services	1,483,664	1,283,500	1,318,831	1,276,688	1,251,241	1,118,301	1,273,006	1,529,861	4,428,022	1,885,811
Education									997,686	
Recreation, culture and libraries	616,169	628,708	932,800	795,045	1,076,056	903,302	1,326,234	528,957	1,010,799	1,413,631
Conservation of natural resources	319,102	254,682	244,974	263,677	282,314	278,219	336,083	348,993	364,218	389,528
Community Development and Housin	900,783	1,027,692	1,162,941	1,012,374	1,007,193	991,180	998,406	1,582,428	1,136,887	1,009,691
Economic development	2,084,527	1,936,365	5,481,683	1,956,960	3,305,352	2,479,758	2,862,673	3,051,891	3,954,031	5,068,910
Miscellaneous	31,222	33,046	38,599	44,631	47,199	82,174	78,453	51,157	349,969	116,043
Appropriation to other governments	1,376,033	1,461,027	1,476,610	1,495,989	1,494,063	1,525,705	1,601,443	1,485,190	2,079,200	3,229,119
Capital Outlay	3,076,325	4,096,958	6,070,469	13,507,913	14,858,728	8,935,674	10,232,221	11,447,794	10,315,673	5,765,219
Debt Service:										
Interest	666,802	558,774	762,344	649,037	834,194	736,306	2,166,605	1,103,951	1,463,238	1,268,466
Principal	3,937,149	4,397,552	3,213,641	3,325,019	2,405,547	2,312,554	1,166,354	8,984,176	1,332,388	3,914,195
Payments to Component Units	39,280,450	38,234,206	38,601,988	38,940,222	39,200,289	39,517,257	39,836,843	40,281,900	41,523,710	41,896,112
Total expenditures	\$ 90,206,948	\$ 91,916,480	\$ 99,466,768	\$ 104,213,678	\$ 111,239,172	\$ 108,183,271	\$ 111,311,773	\$ 125,941,344	\$ 125,021,562	\$ 126,871,821
Excess of revenues over (under) Expenditures	\$ 3,927,888	\$ 2,905,583	\$ (3,774,004)	\$ (4,472,740)	\$ (11,620,553)	\$ (4,766,686)	\$ (3,797,427)	\$ (9,728,127)	\$ 405,059	\$ 21,987,693
Other Financing Sources (Uses)										
Proceeds from borrowing		9,740,351	9,000,000		11,767,124		3,000,000	500,000		
Proceeds from refinancing							15,572,346			
Payments to escrow agent										
Transfers in	6,239,177	4,368,114	10,639,108	3,504,113	4,894,278	4,467,929	19,130,973	2,526,031	4,055,367	
Inception of lease										
Transfers out										
Sale of capital assets	(6,406,976)	(4,457,938)	(10,787,034)	(6,590,887)	(3,595,997)	(4,996,373)	(19,214,534)	332,823	361,500	
Total Other Financing Sources (Uses)	\$ 458,298	\$ 9,652,243	\$ 8,858,179	\$ (76,653)	\$ 11,767,579	\$ (448,984)	\$ 19,557,163	\$ 1,305,587	\$ 3,317,292	
Net Change in fund balances	\$ 4,386,186	\$ 12,557,826	\$ (3,855,439)	\$ (11,697,206)	\$ 7,000,893	\$ (4,246,411)	\$ 9,829,036	\$ 1,710,646	\$ 18,670,401	
Debt service as a percentage of noncapital expenditures	5.2%	5.5%	4.4%	4.2%	3.0%	3.0%	3.2%	8.6%	2.3%	4.2%

Note: Expenditures for Capital Assets are reported about as "Capital outlays" as well as departmental expenditures. The total expenditures for capital assets is utilized for computing the ratio above.

Total Expenditures for Capital Assets \$ 2,264,182 \$ 8,428,204 \$ 4,220,066 \$ 6,492,539 \$ 7,279,030 \$ 8,984,997 \$ 8,984,997

# **REVENUE CAPACITY**

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

Fiscal Year	Real Property		Personal Property		Corporate Personal Property		Totals		Personal & Corporate Personal	
	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Total Direct Tax Rate	Total Direct Tax Rate
2014	3,511,729,354	3,511,729,354	0.9880	5,028,930	5,028,930	358,164,980	358,164,980	3,874,923,264	2.4700	2.4700
2015	3,469,830,592	3,469,830,592	1.0035	4,997,740	4,997,740	345,858,616	345,858,616	3,820,686,948	2.5088	2.5088
2016	3,487,280,029	3,487,280,029	0.9899	6,494,120	6,494,120	337,155,996	337,155,996	3,830,930,145	2.4748	2.4748
2017	3,506,924,084	3,506,924,084	0.9893	6,705,040	6,705,040	346,994,870	346,994,870	3,860,623,994	2.4733	2.4733
2018	3,528,551,083	3,528,551,083	0.9885	7,678,200	7,678,200	329,114,435	329,114,435	3,865,343,718	2.4713	2.4713
2019	3,556,120,766	3,556,120,766	0.9921	7,192,380	7,192,380	353,252,397	353,252,397	3,916,565,543	2.4803	2.4803
2020	3,551,676,996	3,551,676,996	0.9871	6,782,280	6,782,280	355,204,219	355,204,219	3,913,663,495	2.4678	2.4678
2021	3,600,849,587	3,600,849,587	0.9952	6,471,980	6,471,980	382,221,227	382,221,227	3,989,542,794	2.4630	2.4630
2022	3,616,873,302	3,616,873,302	0.9959	6,231,690	6,231,690	392,629,653	392,629,653	4,015,734,645	2.4898	2.4898
2023	3,788,574,986	3,788,574,986	0.9890	5,215,000	5,215,000	430,197,985	430,197,985	4,223,987,971	2.4725	2.4725

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**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b><u>Municipal Direct Tax Rates (1.2)</u></b>										
Barton	0.2206	0.2050	0.1900	0.1712	0.1712	0.1736	0.1727	0.1718	0.1728	0.1649
Cumberland	1.0595	1.0595	1.0595	1.0595	1.0595	1.0595	0.9654	0.9654	0.9654	0.9654
Frostburg	0.7000	0.7000	0.6800	0.6600	0.6600	0.6600	0.6400	0.6200	0.5820	0.5665
Lonaconing	0.3307	0.3408	0.3509	0.3460	0.3460	0.3512	0.3498	0.3527	0.3552	0.3400
Luke	1.4400	1.2500	1.2040	1.0577	1.0601	1.0604	1.0600	1.0600	0.7500	0.5500
Midland	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800
Westport	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	0.8953	0.9094	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8976	0.8910
Cumberland	0.8161	0.8315	0.8166	0.8223	0.8385	0.8324	0.8452	0.8486	0.8530	0.8424
Frostburg	0.8474	0.8627	0.8273	0.8355	0.8494	0.8405	0.8530	0.8560	0.8597	0.8497
Lonaconing	0.8632	0.8773	0.8422	0.8526	0.8641	0.8573	0.8696	0.8714	0.8761	0.8675
Luke	0.8609	0.8753	0.8408	0.8511	0.8620	0.8551	0.8670	0.8687	0.8735	0.8645
Midland	0.8953	0.9094	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8976	0.8910
Westport	0.8953	0.9094	0.8740	0.8864	0.8963	0.8843	0.8935	0.8938	0.8847	0.8745
Unincorporated	0.9750	0.9750	0.9750	0.9750	0.9750	0.9760	0.9770	0.9780	0.9790	0.9800
<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	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Braddock Run	0.0520	0.0520	0.0420	0.0420	0.0420	0.0420	0.0070	0.0070	0.0070	0.0070
Cresaptown	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Jennings Run - Wills Creek	0.0620	0.0620	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Cash Valley Subdistrict	0.1960	0.1960	0.1860	0.1860	0.1860	0.1860	0.1860	0.1860	0.1860	0.1860
McCoole	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310
Flintstone/ Gilpin	0.0160	0.0160	0.0160	0.0160	0.0160	0.0160	0.1600	0.1600	0.1500	0.1500
Franklin/ Brophytown	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190
Oldtown	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330
George's Creek	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100
Mexico Farms	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510
Oldtown Road	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1300	0.1040
<b>Other Special Districts</b>										
Bedford Road Volunteer Fire Co	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Bel Air Special Tax Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Bowling Green and Roberts Place	0.0550	0.0550	0.0550	0.0550	0.0550	0.0550	0.0650	0.0650	0.0650	0.0650
Bowling Green Volunteer Fire Co	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Corriganville Light & Imp Assoc.	0.0700	0.0700	0.0700	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Cresaptown Ambulance Taxing Area	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280	0.0280
Cresaptown Civic Improvement Assoc	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Cresaptown Special Fire Tax Area	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520	0.0520
Ellerslie Special Taxing Area	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
LaVale Sanitary Commission	0.0650	0.0750	0.0750	0.0650	0.0550	0.0530	0.0470	0.0420	0.0520	0.0520
LaVale Fire Department	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
LaVale Volunteer Rescue Squad	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
McCoole Special Taxing Area	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Moscow Special Taxing Area	0.1000	0.1000	0.1000	0.1000	0.1000	0.1200	0.1200	0.1200	0.1200	0.1200
Mt Savage Special Taxing Area	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Potomac Park Citizens Committee	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450
Rawlings Special Fire Tax Area	0.1000	0.1000	0.1000	0.1000	0.1000	0.1200	0.0800	0.0800	0.0800	0.0800
Total County Direct Rate (1.5)	0.9890	0.9959	0.9852	0.9871	0.9921	0.9885	0.9893	0.9899	1.0035	0.9880

Notes:

- (1) All tax rates are per \$ 100 of assessed value
- (2) Municipal tax rates are presented for informative purpose only and are not included in the Total County Direct Rate
- (3) County tax rates vary as a result of tax differentials provided to taxpayers residing in municipal jurisdictions.
- (4) Thirty special taxing areas have been established in the County. As provided by various statutes, taxes are levied and assessed within the special taxing areas to provide revenues for the amortization of bonded indebtedness of sanitary districts and to pay for the protection, street lighting and other civil services.
- (5) County direct rate includes County taxes levied for the County and the special taxing areas, it does not include taxes levied by the municipalities. For taxes levied on behalf of special taxing districts, the direct rate includes a prorated portion of the tax rate that corresponds to the portion of the County's assessable base against which the tax is levied. Therefore, the total County direct rate presented above is not a mathematical sum of all of the individual rates presented.

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

<b>Taxpayer</b>	<b>2023</b>			<b>2014</b>			<b>Percentage of County Taxable Assessed Value</b>
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of County Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>		
Columbia Gas of Maryland	110,206,460	1	2.60%	24,972,720	7	0.64%	
Potomac Edison Co	73,384,060	2	1.73%	47,394,530	3	1.22%	
AES WR Limited Partnership	\$ 51,641,035	3	1.22%	71,135,837	1	1.84%	
CSX Transportation	45,270,643	4	1.07%	37,048,850	5	0.96%	
Exchangright Net Leased Port	32,931,133	5	0.78%				
Trans-Allegheny Interstate Line	27,849,390	6	0.66%	37,950,090	4	0.98%	
MeadWestvaco/Verso	27,294,400	7	0.64%	62,652,700	2	1.62%	
Western MD Health System	20,151,473	8	0.47%				
Wal-Mart Real estate trust	18,909,790	9	0.45%				
LaVale Associates	16,687,467	10	0.39%	33,247,630	6	0.86%	
Verizon-Maryland (Bell Atlantic)				20,483,000	8	0.53%	
Allegany Coal Land				13,943,150	10	0.36%	
Hunter Douglas Northeast, Inc.				15,714,140	9	0.41%	
<b>Total</b>	<b>\$ 424,325,851</b>		<b>10.01%</b>	<b>\$ 364,542,647</b>			<b>9.42%</b>

Source: Allegany County Tax and Utility Office

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

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

**Real Property**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2014	32,615,476	30,189,373	92.56%	(30,920)	2,373,373	32,584,556	32,562,746	99.93%
2015	32,363,414	29,837,271	92.19%	(17,501)	2,490,201	32,345,913	32,327,472	99.94%
2016	32,407,750	29,866,195	92.16%	(19,852)	2,489,222	32,387,898	32,355,417	99.90%
2017	32,533,553	30,119,478	92.58%	(23,519)	2,227,687	32,510,034	32,347,165	99.50%
2018	31,928,282	29,405,769	92.10%	(15,506)	2,474,034	31,912,786	31,879,803	99.90%
2019	32,200,047	29,636,851	92.04%	(69,644)	2,432,891	32,110,403	32,069,742	99.87%
2020	32,253,424	29,278,562	90.78%	(121,720)	2,827,652	32,131,704	32,106,214	99.92%
2021	32,569,391	30,041,196	92.24%	(143,283)	2,335,225	32,426,108	32,376,421	99.85%
2022	33,195,635	30,900,527	93.09%	(25,817)	1,158,962	33,169,818	32,059,489	96.65%
2023	34,233,411	31,520,944	92.08%			34,233,411	31,520,944	92.08%

**Personal Property and Corporate Personal Property**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Levy Changes in Subsequent Years	Collections in Subsequent Years	Grand Total Information		
		Amount	Percentage of Levy			Levy	Collections	Percentage of Levy
2014	8,294,170	7,770,966	93.69%	(311,470)	184,604	7,982,700	7,955,570	99.66%
2015	8,022,819	7,682,332	95.76%	(8,289)	304,494	8,014,530	7,986,826	99.65%
2016	7,832,203	7,650,947	97.69%	17,740	171,611	7,849,943	7,822,558	99.66%
2017	7,854,575	7,718,722	98.27%	(37,426)	65,377	7,817,149	7,784,099	99.58%
2018	7,422,103	7,176,320	96.69%	621,780	846,428	8,043,883	8,022,748	99.74%
2019	7,802,902	7,546,060	96.71%	81,674	294,815	7,884,576	7,840,875	99.45%
2020	7,951,402	7,017,349	88.25%	158,224	987,074	8,109,626	8,004,423	98.70%
2021	8,770,986	8,453,697	96.38%	148,144	413,698	8,919,130	8,867,395	99.42%
2022	9,330,024	8,995,974	96.42%	21,088	210,284	9,351,112	9,206,258	98.45%
2023	10,105,683	9,293,305	91.96%			10,105,683	9,293,305	91.96%

**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
2014	40,909,646	37,960,339	92.79%	(342,390)	2,557,977	40,567,256	40,518,316	99.88%
2015	40,386,233	37,519,603	92.90%	(25,790)	2,794,695	40,360,443	40,314,298	99.89%
2016	40,239,953	37,517,142	93.23%	(2,112)	2,660,833	40,237,841	40,177,975	99.85%
2017	40,388,128	37,838,200	93.69%	(60,945)	2,293,064	40,327,183	40,131,264	99.51%
2018	39,350,395	36,582,089	92.96%	606,274	3,320,462	39,956,669	39,902,551	99.88%
2019	40,002,949	37,182,911	92.95%	(7,970)	2,727,706	39,994,979	39,910,617	99.79%
2020	40,204,826	36,295,911	90.28%	36,504	3,814,726	40,241,330	40,110,637	99.68%
2021	41,340,377	38,494,893	93.12%	4,861	2,748,923	41,345,238	41,243,816	99.75%
2022	42,525,659	39,896,501	93.82%	(4,729)	1,369,246	42,520,930	41,265,747	97.05%
2023	44,339,094	40,814,249	92.05%	-	-	44,339,094	40,814,249	92.05%

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	Water Term Notes	Water Federal Loans	Water State Loans			
2014	17,922,268	212,915	18,560	1,765,300	325,424	10,859,917	130,265	16,814	4,902,290
2015	23,531,007	205,309	0	1,471,847	305,853	10,710,507	236,488	16,355	4,833,387
2016	20,487,355	205,309	0	1,237,420	301,066	10,934,967	285,640	15,876	4,712,446
2017	26,343,366	203,465	0	994,296	264,761	10,897,952	386,918	15,375	4,652,100
2018	24,967,722	203,465	0	642,863	243,204	10,851,104	523,986	14,851	4,652,058
2019	33,807,041	203,465	0	429,216	220,941	10,691,226	407,759	14,303	9,382,027
2020	31,747,498	195,841	0	222,236	197,948	10,424,659	390,025	13,729	8,249,536
2021	41,367,633	188,321	0	66,580	174,201	10,149,509	372,126	13,129	7,103,037
2022	39,834,517	688,321	0	25,406	149,672	9,865,887	1,148,559	468,844	7,021,280
2023	36,153,155	5,713,206	0	0	124,339	9,572,916	1,105,280	468,188	6,772,317
									7,817,745
									67,727,168
									2.22%
									1007

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

Source: Allegany County Finance Office and Bureau Of Economic Analysis

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

### **General Obligation Debt Outstanding**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Taxable Value of Property</b>	<b>Percentage of Actual Taxable Value of Property</b>		<b>Population</b>	<b>Debt Per Capita</b>
			<b>0.46%</b>	<b>0.62%</b>		
<b>2014</b>	<b>17,922,268</b>	<b>3,874,923,264</b>			<b>72,295</b>	<b>247.90</b>
<b>2015</b>	<b>23,531,007</b>	<b>3,820,686,948</b>			<b>71,597</b>	<b>328.66</b>
<b>2016</b>	<b>20,487,355</b>	<b>3,835,441,204</b>			<b>70,899</b>	<b>288.97</b>
<b>2017</b>	<b>26,343,366</b>	<b>3,860,623,994</b>			<b>70,201</b>	<b>375.26</b>
<b>2018</b>	<b>24,967,722</b>	<b>3,865,343,718</b>			<b>69,503</b>	<b>359.23</b>
<b>2019</b>	<b>33,807,041</b>	<b>3,916,565,543</b>			<b>68,805</b>	<b>491.35</b>
<b>2020</b>	<b>31,747,498</b>	<b>3,913,763,495</b>			<b>68,106</b>	<b>466.15</b>
<b>2021</b>	<b>41,367,633</b>	<b>3,989,542,794</b>			<b>67,408</b>	<b>613.69</b>
<b>2022</b>	<b>39,834,517</b>	<b>4,015,734,645</b>			<b>66,710</b>	<b>597.13</b>
<b>2023</b>	<b>36,153,155</b>	<b>4,223,987,971</b>			<b>67,267</b>	<b>537.46</b>

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

Source: Allegany County Finance Office and Bureau Of Economic Analysis

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population Inmate population excluded	72,295 3,279	71,597 3,279	70,899 3,279	70,201 3,279	69,503 3,279	68,805 3,279	68,106 3,279	67,408 3,279	66,710 3,279	67,267 3,279
Net population for debt limit	69,016	68,318	67,620	66,922	66,224	65,526	64,827	64,129	63,431	63,988
Debt Per Capita Debt Limit	585 40,374,360	585 39,966,030	585 39,557,700	585 39,149,370	585 38,741,040	585 38,332,710	585 37,923,795	585 37,515,465	585 37,107,135	585 37,432,980
Total Net Debt applicable to limit	19,469,995	24,272,444	21,058,803	26,733,783	25,071,143	32,920,681	30,754,077	39,444,901	38,518,727	36,404,558
Legal Debit Margin	20,904,365	15,693,586	18,498,897	12,415,587	13,669,897	5,412,029	7,169,718	(1,929,436)	(1,411,592)	1,028,422
Total net debt applicable to the limit as a percentage of debt limit	48.2%	60.7%	53.2%	68.3%	64.7%	85.9%	81.1%	105.1%	103.8%	97.3%

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

County debt policy dated May 1996

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

**SANITARY DISTRICTS**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2023	7,700,630	7,318,560	382,070	1,382,269	300,807	1,683,076	0.23
2022	7,995,213	7,074,503	920,710	1,305,794	287,603	1,593,397	0.58
2021	6,774,172	6,014,972	759,200	1,302,716	315,966	1,618,682	0.47
2020	7,352,311	7,281,686	70,625	1,283,824	329,172	1,612,996	0.04
2019	7,396,797	8,456,266	(1,059,469)	1,276,976	347,997	1,624,973	(0.65)
2018	7,304,477	7,595,770	(291,293)	1,259,331	329,051	1,588,382	(0.18)
2017	7,498,515	7,866,612	(368,097)	1,208,866	319,082	1,527,948	(0.24)
2016	7,202,103	7,080,788	121,315	1,187,281	335,926	1,523,207	0.08
2015	7,056,321	6,576,768	479,553	1,114,763	338,240	1,453,003	0.33
2014	6,910,702	6,208,477	702,225	1,086,079	352,416	1,438,495	0.49

**WATER DISTRICTS**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2023	4,790,855	3,479,216	1,311,639	361,190	293,278	654,468	2.00
2022	4,778,387	3,263,392	1,514,995	433,298	296,108	729,406	2.08
2021	4,252,165	3,293,931	958,234	316,796	304,322	621,118	1.54
2020	4,238,302	3,145,476	1,092,826	307,294	313,466	620,760	1.76
2019	4,269,542	3,079,209	1,190,333	298,370	322,229	620,599	1.92
2018	4,250,353	2,989,839	1,260,514	283,355	356,489	639,844	1.97
2017	4,270,876	3,143,760	1,127,116	272,042	316,284	588,326	1.92
2016	4,325,074	3,228,218	1,096,856	269,427	348,335	617,762	1.78
2015	4,250,167	3,127,808	1,122,359	173,006	333,202	506,208	2.22
2014	4,030,154	3,058,543	971,611	164,640	335,939	500,579	1.94

1 - Total revenues includes interest, but does not include capital grants or gain/loss on sale of assets  
 2 - Total operating expenses less depreciation and interest expense

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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

<b>Year</b>	<b>Population</b>	<b>Personal Income In 000s</b>	<b>Per Capita Personal Income</b>	<b>Public School Enrollment</b>	<b>Unemployment Rate</b>
2014	72,295	2,597,487	35,929	8,349	7.20%
2015	71,597	2,903,330	40,551	8,357	7.30%
2016	70,899	2,946,492	41,559	8,317	6.40%
2017	70,201	2,895,791	41,250	8,212	5.80%
2018	69,503	2,732,858	39,320	8,191	6.10%
2019	68,805	2,787,772	40,517	8,070	5.80%
2020	68,106	2,823,266	41,454	7,982	9.70%
2021	67,408	2,963,930	43,970	8,075	7.40%
2022	66,710	3,158,518	47,347	8,132	5.80%
2023	67,267	3,113,991	46,293	8,132	4.00%

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

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

Unemployment Rate - Maryland Department Of Labor, Licensing and Regulation

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

<b>Employer</b>	<b>2023</b>			<b>2014</b>			<b>Percentage Of Total County Employment</b>
	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage Of Total County Employment</b>	
Western Md Health Systems (UPMC)	2,200	1	7.00%	2,200	1	6.14%	
Allegany County Board Of Education	1,350	2	4.29%	1,346	2	3.76%	
Northrum Grumman(ATK Tactical )	1,600	3	5.09%	1,164	3	3.25%	
Frostburg State University	890	4	2.83%	939	4	2.62%	
Western Correctional Institution	588	5	1.87%	588	9	1.64%	
North Branch Correctional Institution	574	6	1.83%	574	10	1.60%	
American Woodmark	570	7	1.81%				
Allegany College	510	8	1.62%	800	8	2.23%	
CSX Transportation	500	9	1.59%	900	5	2.51%	
Rocky Gap Casino Resort	500	10	1.59%				
Hunter Douglas			0.00%	860	6	2.40%	
New Page Corporation (VERSO)			0.00%	820	7	2.29%	
<b>Total</b>	<b>9,282</b>		<b>29.52%</b>	<b>10,191</b>			<b>28.44%</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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Commissioners & Staff	5	5.75	5.75	5.75	5.75	5.75	8.15	10.15	9.15	6
Judicial	29.05	28.75	28.75	29.9	28.5	30.1	30.1	31.975	35.1	
Finance	6	5	5	6	6	6	6	6	6	6
Tax Office	7.7	7.7	7.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Maintenance	13.9	13.9	13.9	13.9	13.85	13.85	13.85	13.85	13.3	15
Other	37.45	40.8	40.5	39.5	38.9	37.15	37.15	38.15	41.02	
Public Safety										
Sheriff/Bureau of Police	34.5	34.4	34.4	35.4	35.4	35.4	38.85	39.85	41.85	48.11
Detention Center	85.8	81	81	81.7	81.7	83.7	82.7	84	84	85.76
911	26.55	29.05	29.05	29.05	30.5	30.5	30.5	31.5	31.5	33.5
Other	26.6	24.714	24.714	24.714	24.35	63.35	80.3	82.3	81.8	82.1
Public Works										
Roads division	67.4	66.4	66.4	66.5	66.4	66.4	66.4	66.7	68.7	69.8
Engineering	9.9	9.9	9.9	9.45	9.45	9.45	9.45	9.45	9.45	11.35
Solid Waste	5.05	5.46	5.46	4.81	4.81	4.81	4.81	4.81	4.81	4.5
Transit	27.9	27.76	27.76	27.76	27.75	27.75	27.75	27.75	28.75	28.95
Health and Hospitals										
Social Services	2	2.0	2.0	2.0	2.0	2.0	2.8	2.8	5.8	4.8
Recreation, culture, libraries, tourism	1	1.0	1.0	1.0	1.0	1.0	1.0	4.5	4.5	8.8
Conservation of natural resources	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.2	2.5
Community Development and Housing	1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Economic Development	5.7	5.7	5.0	5.0	5.5	7.0	8.5	8.5	7.5	9.7
Sanitary	34	36.0	36.0	36.0	36.0	36.0	36.0	36.0	36.0	35.0
Nursing Home										
Total	427.9	427.6	426.7	427.5	427.0	468.5	496.9	504.4	510.6	536.5

Source: Allegany County Finance Office-Budget

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

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Government</b>										
Average number of tax bills issued	38,535	38,475	38,625	38,650	38,363	38,305	38,355	41,280	41,299	41,299
<b>Public Safety</b>										
Total Number of arrests	1,792	not avail								
Total Number of traffic stops	1,558	not avail								
Average number of inmates	150	134	142	140	147	147	147	147	147	147
<b>Number of Volunteer Fire Stations</b>										
21	21	19	19	18	18	18	18	18	18	18
<b>Public Works</b>										
Miles of roads maintained	544	544	544	544	544	544	544	544	544	544
<b>Social Services</b>										
Transit route miles	409,383	** N/A								
Transit passengers	205,090	** N/A								
<b>Sanitary</b>										
Average number of sanitary/water customers	9,850	10,130	10,280	10,295	10,350	10,385	10,450	10,450	10,450	10,450
<b>Gaming</b>										
Games Sold	27,437	26,013	25,754	26,651	25,530	26,867	47,281	25,217	26,087	26,087
Operators Licensed	80	70	63	75	74	75	58	45	70	70
Inspections Conducted	748	701	701	644	689	637	372	372	570	570

Source: Various County Departments