

ALLEGANY
COUNTY
MARYLAND

2023

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

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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

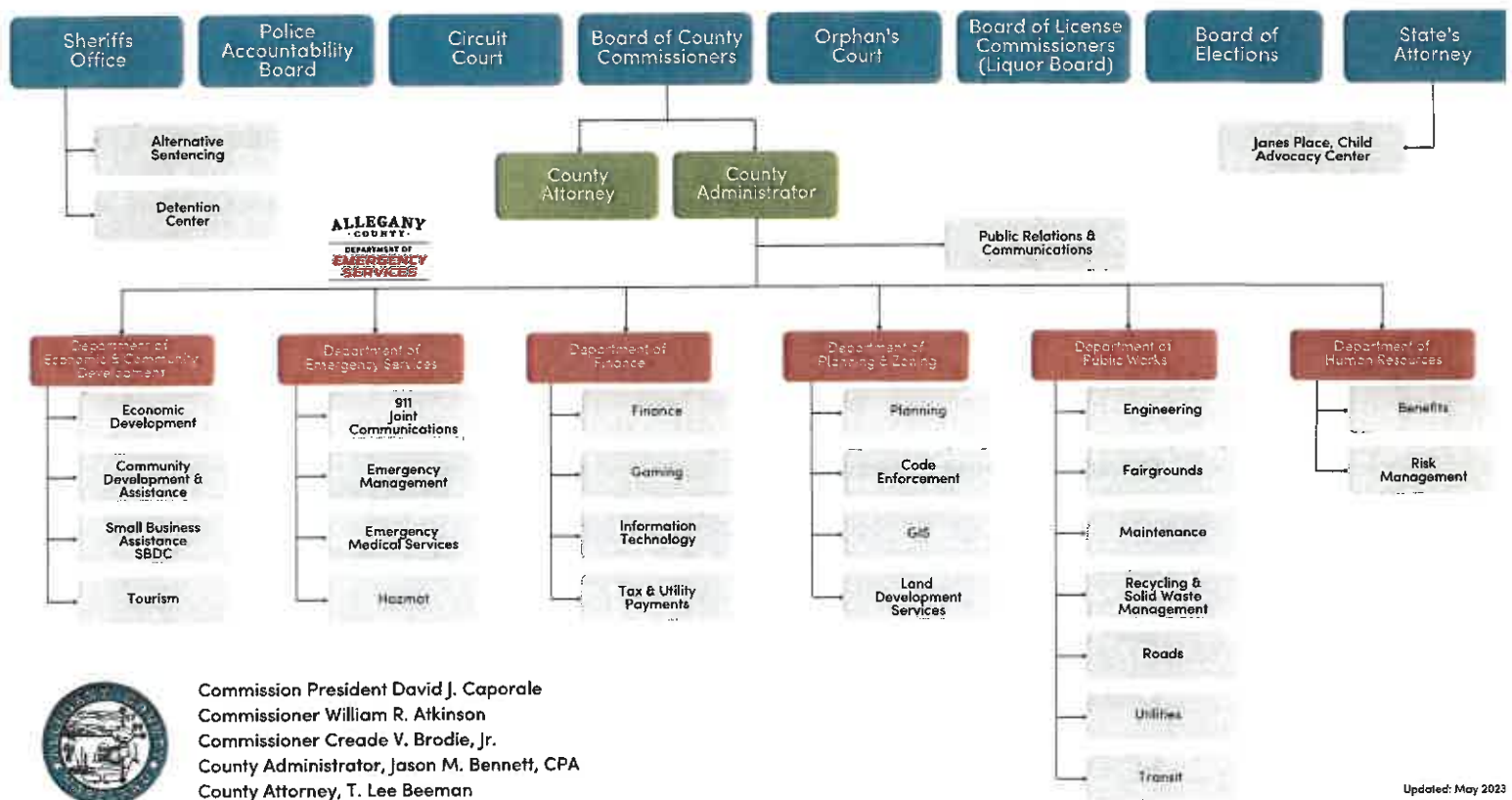
Allegany County, Maryland
Summary of Certain Officials
June 30, 2023

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



Updated: May 2023

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
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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.

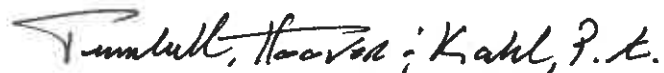
Other Information

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 dark ink, appearing to read "T. M. Kahl, P. C.", is positioned above the typed name and date.

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 Allconet II.

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

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

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

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

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

Allegany County maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the revolving building fund, and the 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
Assets:						
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
Liabilities:						
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
Net position:						
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)
Total net position	\$ 89,703,916	\$ 71,749,497	\$ 102,898,081	\$ 92,633,567	\$ 192,601,998	\$ 164,383,063

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.

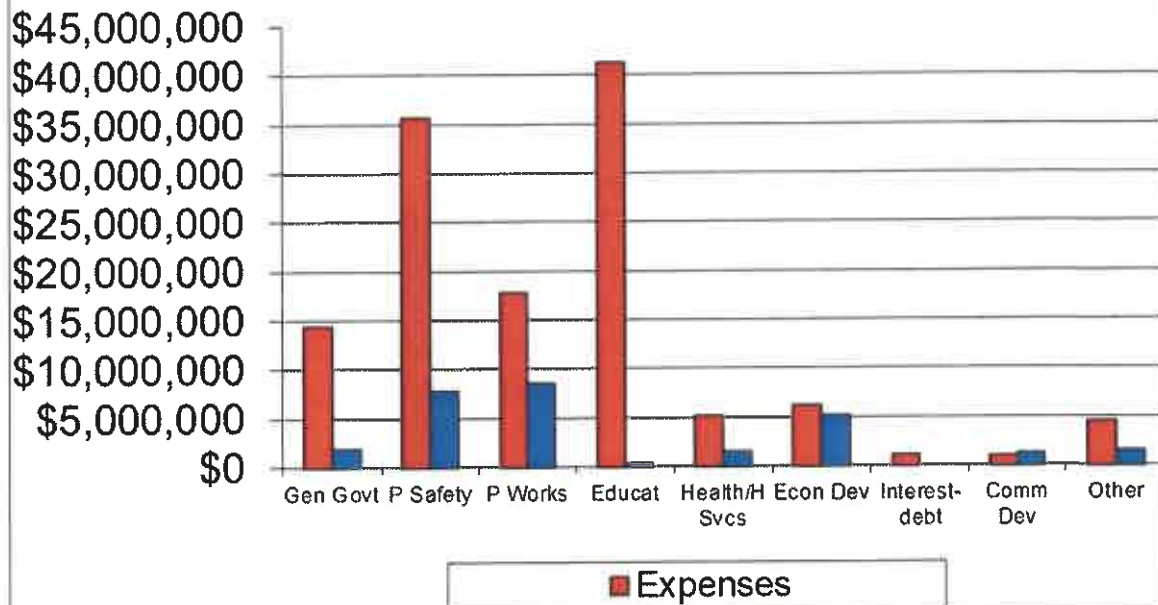
ALLEGANY COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Revenues:						
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	150,898,414	126,202,034	22,033,356	21,210,671	172,931,770	147,412,705
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 schools 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	-	-	310,976	417,684	310,976	417,684
Total expenses	127,517,337	123,463,592	15,741,760	15,418,520	143,259,097	138,882,112
Increase in net position before transfers	23,381,077	2,738,442	6,291,596	5,792,151	29,672,673	8,530,593
Transfers	(3,972,917)	(257,240)	3,972,917	257,240	-	-
Increase (decrease) in net position	19,408,160	2,481,202	10,264,514	6,049,392	29,672,673	8,530,593
Net position, beginning, restated	70,295,756	69,268,295	92,633,567	86,584,175	162,929,323	155,852,470
Net position, ending	\$ 89,703,916	\$ 71,749,497	\$ 102,898,081	\$ 92,633,567	\$ 192,601,998	\$ 164,383,063

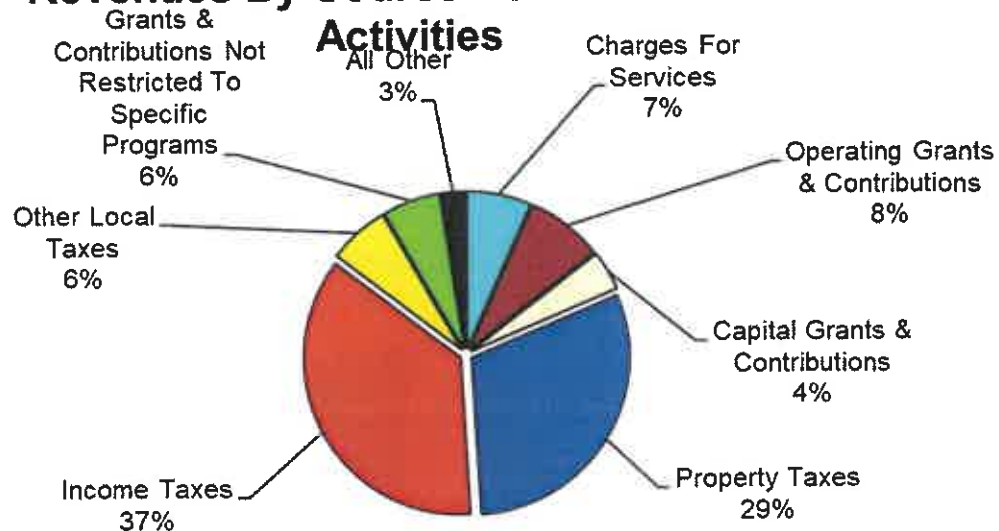
Governmental activities. Governmental activities increased Allegany County's net position by \$19.4 million. Total revenues increased \$ 24.7 million (or 19.6%) and expenses increased \$ 4.0 million (or 3%). Key elements of the changes in governmental net position are as follows:

- 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



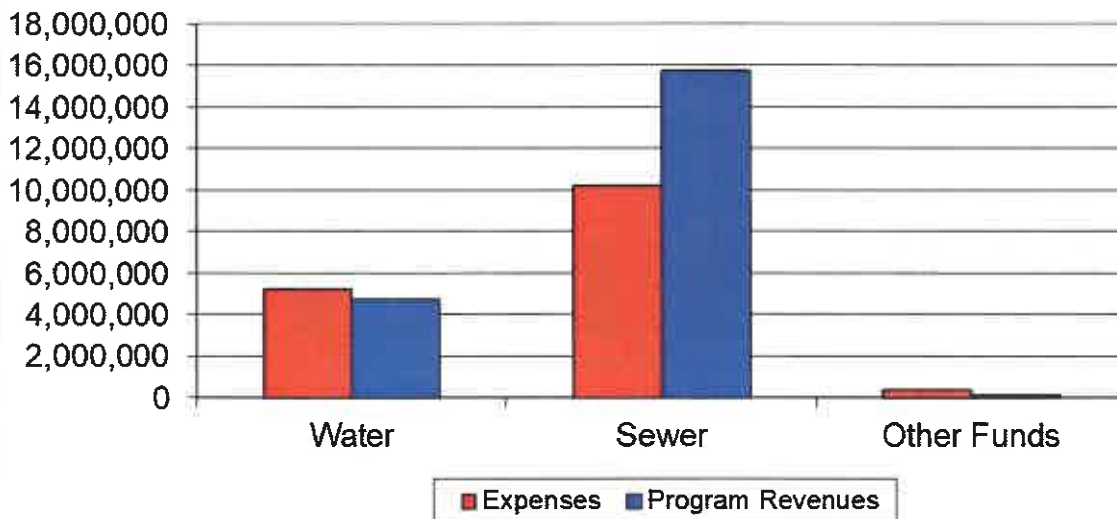
Revenues By Source - Governmental Activities



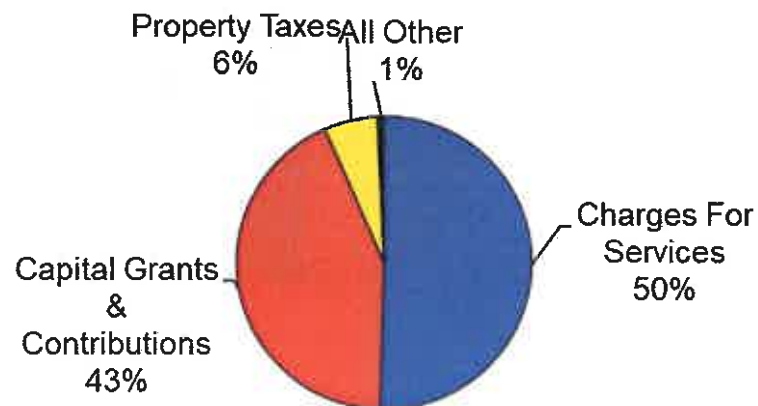
Business-type activities. The net position of the County's business-type activities increased by \$10.3 million after transfers. Key elements of the increase were:

- 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.

Expenses and Program Revenues - Business Type Activities



Revenues By Source - Business Type Activities



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of Allegany County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Allegany County's financing requirements. In particular, *unassigned* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Allegany County's governmental funds reported combined ending fund balance of \$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	<u>\$40,847,098</u>	<u>\$ 60,410,142</u>	<u>\$ 1,640,841</u>	<u>\$ 102,898,081</u>
Change in net position during the year, increase (decrease)	<u>\$ 1,550,666</u>	<u>\$ 8,980,340</u>	<u>\$ (266,491)</u>	<u>\$ 10,264,514</u>

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

General Fund Budgetary Highlights

During the year, the original budget was amended and totaled \$ 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@aliconet.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
ASSETS:							
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	-	279,898
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	115,581,503	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	230,391,235	132,483,287	49,685,372	8,551,616	17,562,574
Total Assets	212,437,945	133,534,793	345,972,738	202,627,664	84,525,162	9,655,768	22,063,465
Deferred Outflows of Resources							
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	-	43,128	1,364,375
Total Deferred Outflows of Resources	8,133,433	470,648	8,604,081	5,690,255	321,965	49,451	1,951,799
LIABILITIES:							
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	501,552	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	2,526,455	2,015,982	1,384	-	-
Total current liabilities	20,145,343	5,649,504	25,794,847	35,251,217	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
Total Liabilities	115,634,053	31,015,017	146,649,069	56,728,000	8,533,195	299,016	4,775,298
Deferred Inflows of Resources							
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	-	-	-	-
Total Deferred Inflows of Resources	15,232,909	95,661	15,328,570	3,543,584	120,240	76,099	3,384,419
NET POSITION							
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	-	-	-	-	-	-	-
Capital projects	-	-	-	2,478,699	-	-	-
Other purposes	5,141,669	154,353	5,296,022	418,942	19,079,132	461,036	578,741
Unrestricted	\$ 4,719,395	\$ (7,431,634)	\$ (2,712,239)	\$ 13,986,178	\$ 18,011,071	\$ 317,452	\$ 2,031,032
Total Net Position	\$ 89,703,916	\$ 102,898,081	\$ 192,601,997	\$ 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	Indirect Expense Allocation	Expenses	Program Revenues		
	Before Indirect Expense Allocation		After Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government::						
Governmental activities:						
General government:	\$ 15,231,852	\$ (788,348)	\$ 14,443,504	\$ 955,435	\$ 888,290	
Payment to data processing	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>-</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>
Component units:						
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

Net (Expense) Revenue and Changes in Net Position						
Governmental Activities	Primary Government		Board of Education	Component Units		
	Business-Type Activities	Total		Allegany College of MD	County Library	LaVale Sanitary Commission
\$ (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)	-	-	-	-
(99,407,343)	-	(99,407,343)	-	-	-	-
-	(467,730)	(467,730)	-	-	-	-
-	5,529,691	5,529,691	-	-	-	-
-	(233,789)	(233,789)	-	-	-	-
-	4,828,172	4,828,172	-	-	-	-
(99,407,343)	4,828,172	(94,579,171)	-	-	-	-
-	-	-	(117,589,912)	-	-	-
-	-	-	-	(9,821,176)	-	-
-	-	-	-	-	(1,450,697)	-
-	-	-	(117,589,912)	(9,821,176)	(1,450,697)	(715,830)
-	-	-	-	-	-	(715,830)
45,926,969	1,297,497	47,224,466	-	-	-	380,133
54,702,658	-	54,702,658	-	-	-	940,690
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	32,124,912	8,566,856	1,094,515	-
8,990,216	-	8,990,216	-	-	-	-
2,549,394	157,327	2,706,721	88,629,688	1,589,930	901,029	-
268,155	8,600	276,755	674,876	1,316,097	30,358	12,359
882,597	-	882,597	697,560	97	-	23,465
(3,972,917)	3,972,917	-	-	-	14,625	-
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
\$ 89,703,916	\$ 102,898,081	\$ 192,601,998	\$ 148,046,335	\$ 76,193,692	\$ 9,330,104	\$ 15,855,547

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

	General Fund	American Rescue Plan	Revolving Building Fund	Other Governmental Funds	Total
ASSETS:					
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
Total Assets	\$ 83,313,893	\$ 4,871,030	20,900,551	\$ 19,572,228	\$ 118,657,702

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
Total Liabilities	21,143,225	4,871,030	2,091,815	4,335,267	32,441,337
Deferred inflows of resources:					
Leases	-	-	10,663,627	-	10,663,627
Unavailable revenue	5,146,717	-	12,704	2,033,130	7,192,551
Total Deferred inflows of resources	5,146,717	-	10,676,331	2,033,130	17,856,178
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
Total Fund Balances	57,023,951	-	8,132,405	13,203,831	78,360,187
Total Liabilities, deferred inflows of resources and fund balance	\$ 83,313,893	\$ 4,871,030	20,900,551	\$ 19,572,228	

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 **\$ 89,703,916**

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

	General Fund	American Rescue Plan	Revolving Building Fund	Other Governmental Funds	Total
REVENUES:					
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	129,831,749	6,559,974	3,445,463	9,124,742	148,961,928
EXPENDITURES:					
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	-	-	-	1,009,691	1,009,691
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	104,179,348	3,152,425	2,560,322	17,082,140	126,974,235
Excess (deficiency) of revenues over (under) expenditures	25,652,402	3,407,549	885,141	(7,957,398)	21,987,693
OTHER FINANCING SOURCES (USES):					
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	(3,578,869)	(3,407,549)	150,930	3,518,196	(3,317,292)
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	\$ 57,023,951	\$ -	\$ 8,132,405	\$ 13,203,831	\$ 78,360,187

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
<p>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.</p>		
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
<p>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.</p>		
Debt proceeds		
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		<u>175,653</u>
Change in net position of governmental activities (pages C6-C7)	\$	<u>19,408,160</u>

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
ASSETS					
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
Deferred Outflows of Resources					
Deferred Outflows Related to Pension	129,096	341,552	-	470,648	-
Total Deferred Outflows of Resources	129,096	341,552	-	470,648	-
LIABILITIES					
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	577,100
Health Insurance Reserve					
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
Deferred Inflows of Resources					
Deferred Inflows Related to Pension	38,403	57,258	-	95,661	
Total Deferred Inflows of Resources	38,403	57,258	-	95,661	
NET POSITION					
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
OPERATING REVENUES:					
Service charges	\$ 4,527,276	\$ 6,247,545	\$ 77,187	\$ 10,852,008	9,308,507
Miscellaneous	207,018	54,822		261,840	
Total Operating Revenues	<u>4,734,294</u>	<u>6,302,367</u>	<u>77,187</u>	<u>11,113,848</u>	<u>9,308,507</u>
OPERATING EXPENSES:					
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	
Total operating expenses	<u>4,908,746</u>	<u>9,927,953</u>	<u>310,976</u>	<u>15,147,674</u>	<u>9,132,891</u>
Operating Income (Loss)	<u>(174,452)</u>	<u>(3,625,585)</u>	<u>(233,789)</u>	<u>(4,033,826)</u>	<u>175,616</u>
NON-OPERATING REVENUE (EXPENSES):					
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	
Total non-operating revenue (expenses)	<u>(236,717)</u>	<u>1,106,056</u>	<u>-</u>	<u>869,339</u>	<u>-</u>
Income (Loss) before contributions and transfers	(411,169)	(2,519,529)	(233,789)	(3,164,487)	175,616
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)	
Change in net position	<u>1,550,666</u>	<u>8,980,340</u>	<u>(266,491)</u>	<u>10,264,514</u>	<u>175,616</u>
Total net position -beginning	39,296,434	51,429,802	1,907,332	92,633,568	4,725,485
Total net position - ending	<u>\$ 40,847,098</u>	<u>\$ 60,410,142</u>	<u>\$ 1,640,841</u>	<u>\$ 102,898,081</u>	<u>\$ 4,901,101</u>

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
Cash flows from operating activities:					
Cash received from customers	\$ 4,797,296	\$ 4,532,663	\$ 107,837	\$ 9,437,796	9,311,990
Cash payments for goods and services	(2,965,994)	(3,606,322)	(51,754)	(6,624,070)	(9,089,650)
Cash payments to employees for services	(499,752)	(1,850,228)	-	(2,349,980)	
Net cash provided (used) by operating activities	1,331,550	(923,887)	56,083	463,746	222,340
Cash flows from noncapital financing activities:					
Advances from other funds	6,271,330	37,126,189	37,273	43,434,792	10,628,480
Advances to other funds	(7,165,448)	(35,720,038)	(60,654)	(42,946,140)	(11,666,822)
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	1,067,717	3,449,935	(56,083)	4,461,569	(1,038,342)
Cash flows from capital and related financing activities:					
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 liab	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	(2,618,865)	(2,693,071)	-	(5,311,936)	
Cash flows from investing activities:					
Hospital Deposit	-	-	-	-	(18,600)
Net cash used in investing activities	-	-	-	-	(18,600)
Net increase (decrease) in cash	(219,598)	(167,023)	-	(386,621)	(834,602)
Cash at beginning of the year	219,598	509,252	-	728,850	834,602
Cash at end of year	\$ -	\$ 342,229	\$ -	\$ 342,229	\$ -
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ (174,452)	\$ (3,625,585)	\$ (233,789)	\$ (4,033,826)	175,616
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:					
(Increase) decrease in receivables	63,002	(1,769,704)	30,650	(1,676,052)	983
(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)	-	(163,409)	
Total adjustments	1,506,002	2,701,698	289,872	4,497,572	46,724
Net cash provided (used) by operating activities	\$ 1,331,550	\$ (923,887)	\$ 56,083	\$ 463,746	222,340

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

ASSETS:	OPEB Trust Fund	Custodial Funds
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>
LIABILITIES:		
Health claim reserves		-
Other Liabilities		1,762,557
Total Liabilities	<u>-</u>	<u>1,762,557</u>
NET POSITION:		
Restricted for individuals, organizations and other governments		1,298,686
Restricted for OPEB	3,802,994	
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

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

A. Introduction

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

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

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

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

B. Reporting Entity

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

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

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

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

Note 1. Summary of Significant Accounting Policies - continued

B. *Reporting Entity – continued*

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

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

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

Administrative Offices:

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

LaVale Sanitary Commission
1 Roselawn Avenue
LaVale, Maryland 21502

Allegany County Library System
31 Washington Street
Cumberland, Maryland 21502

Allegany College
12401 Willowbrook Road
Cumberland, Maryland 21502

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

Note 1. Summary of Significant Accounting Policies - continued

C. *Government-wide and Fund Financial Statements*

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

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

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

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

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

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

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

Note 1. Summary of Significant Accounting Policies - continued

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

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

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

The County reports the following major governmental funds:

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

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

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

The 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

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

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

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

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

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

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

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

The governmental funds report unavailable revenues from the following sources:

	<u>General Fund</u>	<u>RBF</u>	<u>NonMajor Governmental Funds</u>	<u>Total</u>
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
Total	<u>5,146,717</u>	<u>12,704</u>	<u>2,033,130</u>	<u>7,192,551</u>

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:

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

- 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.	<u>(\$3,971,634)</u>

Another element of that reconciliation states the “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.” The details of this (\$ 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	<u>(\$ 25,951)</u>
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Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

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

Loan Proceeds	
Principal repayments:	
Principal payments	<u>3,853,755</u>
Net adjustments to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$3,853,755</u>

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>

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

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):

<u>Fund</u>	<u>Excess</u>
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

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

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			
		Less Than 1	1-6	6-12	Greater than 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

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.

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

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)				
	Total	Less than 1	1-6	6-12	More than 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
	Total	Less than 90 Days	90 Days to One Year	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

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

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

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

Note 5: Fair Value Measurements

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

		Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2023</u>	<u>Fair Value</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)

- (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)

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

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

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

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

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	135,936
	<u>\$ 7,402,949</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		<u>\$ 277,597</u>
Allconet II Fund loans:		
TWR loan	General Fund	24,880
Total		<u>\$ 302,477</u>
Total		<u>\$ 302,477</u>

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

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

Note 8. Capital Assets

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

Primary Government:	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
Governmental activities:					
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

Primary Government:	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
Business-type activities:					
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

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:

<u>Governmental activities:</u>	
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>\$ 6,006,041</u>
<u>Business type activities:</u>	
Water districts	\$ 1,429,530
Sewer districts	2,609,393
Allconet II	245,147
Total depreciation expense - governmental activities	<u>\$ 4,284,070</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:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
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>16,830,499</u>	<u>9,155,751</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:

Board of Education	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,643,505	\$ -		\$ 7,643,505
Work in process	4,477,187	8,553,779	(3,727,790)	9,303,176
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

Board of Education	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
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

Library	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
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

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:

Allegany College of Maryland	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
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:

LaVale Sanitary Commission	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
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

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	-
		-
TOTALS	\$ 68,077,075	\$ 68,077,075

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
	\$ 592,248	\$ 592,248

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:		
Allconet	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		
General Fund	32,702	32,702
TOTALS	\$ 8,060,986	\$ 8,060,986

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
Total	\$ 41,896,112	\$ 41,896,112

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:

Long-term Debt					
Governmental Activities					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
General Obligation	\$ 37,805,000	\$ -	\$ (3,533,250)	\$ 34,271,750	\$ 1,220,000
Notes	4,508,300	1,500,000	(295,098)	5,713,202	421,310
State Loans	25,406	-	(25,406)	0	-
Premium on Bonds Payable	2,029,517	-	(148,116)	1,881,405	-
Total	\$ 44,368,223	\$ 1,500,000	\$ (4,001,870)	\$ 41,866,353	\$ 1,641,310
Business-type activities					
	Beginning Balance	Amount Issued	Amount Retired	Ending Balance	Due Within One Year
Water districts:					
Rural development loans	\$ 9,865,887	\$ -	\$ (292,971)	\$ 9,572,916	\$ 301,991
Maryland water quality loans	1,148,559	-	(43,223)	1,105,280	43,491
County loans	149,672	-	(25,333)	124,339	22,933
Total water districts	11,164,118	-	(361,527)	10,802,654	368,415
Sewer districts:					
Maryland water quality loans	336,318	-	(28,623)	307,695	28,980
Maryland environmental loans	6,684,962	949,635	(1,169,975)	6,464,622	1,184,584
Rural development loans	8,000,760	-	(183,015)	7,817,745	188,320
Other loans	468,844	-	(656)	468,188	21,900
Total sewer districts	15,490,884	949,635	(1,382,269)	15,058,436	1,423,783
Total business-type activities:					
Maryland water quality loans	1,484,877	-	(71,846)	1,412,975	72,471
Maryland environmental loans	6,684,962	949,635	(1,169,975)	6,464,622	1,184,584
Rural development loans	17,866,647	-	(475,986)	17,390,661	490,311
Other loans	618,516	-	(25,989)	592,527	44,833
Total business-type activities	\$ 26,655,002	\$ 949,635	\$ (1,743,796)	\$ 25,861,090	\$ 1,792,198
Other Long-term Liabilities					
Governmental Activities					
	Beginning Balance	Current Year Changes	Payments	Ending Balance	Due Within One Year
Leases	\$ 5,678,699	\$ 361,500	\$ (35,245)	\$ 6,004,954	\$ 96,119
Compensated Absences	5,373,374	1,028,591	(1,076,771)	5,325,194	1,019,611
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	-
Business-type activities					
Water & sewer districts					
Compensated absences	\$ 550,390	\$ 86,317	\$ (212,860)	\$ 423,847	\$ 60,641
Net Pension Liability	1,158,214	322,614	-	1,480,828	-

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:

	Leases		
	Principal	Interest	Total
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
2076	5,408,134	15,519,176	20,927,310
Total	6,004,954	15,601,980	21,606,934

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,	General Obligation Bonds		Notes from 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
	\$ 34,271,750	\$ 9,364,018	\$ 5,713,206	\$ 584,694	\$ 39,984,948	\$ 9,948,712

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
					0	0	0	0
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
General Obligation Bonds:					
Public Improvement Bonds:					
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
Notes:					
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	
SMFU 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		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/Shaft FHA Loan 2000	12/28/99	12/28/2039	3.25	289,160	302,286
Okdtown Rd FHA Loan 2000 R-1	12/28/99	12/28/2039	3.25	136,460	142,651
Okdtown Rd FHA Loan 2000 R-2	12/28/99	12/28/2039	3.25	139,303	145,622
Grahmtown FHA Loan 2001 R-2	2001	2042	4.5	405,010	418,819
Consol FHA loan	2004	2044	4.5	75,731	77,910
McCoole 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/Shaft 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			C-55	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

Long-term Liabilities - Component Units			
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)		
Fiscal Year	Principal	Interest	Total
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

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

Note 12. Pension and Retirement Systems-continued

Contributions

Employees covered under the retirement system are required to contribute between five and seven percent of their base salary. The County is required to contribute at an actuarially determined rate and the current rate is 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

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

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

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

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

At June 30, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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	
Total	<u>\$ 7,181,884</u>	<u>\$ (1,654,507)</u>

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:

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

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

Note 12. Pension and Retirement Systems-continued

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

	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	6%	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

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

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

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:

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

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

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

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

Note 13. Pension and Retirement Systems-LOSAP-continued

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 3.05%	Current Discount 4.05%	1% Increase 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	(1,648,963)
 Total Net Pension Liability-beginning	 5,684,072
Total Net Pension Liability-ending	4,035,109

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 Revolving Building	Other Funds	Total
Nonspendable				
Long term receivables	\$ 57,839	\$ -	\$ -	\$ 57,839
Inventory			29,612	29,612
Restricted for:				
Housing programs	-	-	9,739	9,739
Coal Haul Roads	-	-	97,948	97,948
Drug task Force	-	-	202,175	202,175
Inmate activities/fire companies	-	-	917,368	917,368
PIB Bond Projects	-	-	4,269,923	4,269,923
CARES Fund			2,425	2,425
Debt Service			5,141,669	5,141,669
Opioid Settlement Fund			265,346	265,346
Sheriff Task Force			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
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
Public Works projects			543,423	543,423
Public Safety			98,567	98,567
School projects			300,597	300,597
County building improvements		-	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

Note 15. Postemployment Healthcare Plan-continued

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

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

The current ARC rate is 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.mdcountries.org/index.aspx?nid=250

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

Note 15. Postemployment Healthcare Plan-continued

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

	Allegany County Non-Pension Postemployment Benefits Plan
Valuation Date	6/30/2021
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

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 FY23 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

The changes in net OPEB liability are as follows:

	FY 23
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	587,054
 Total OPEB liability-beginning	 24,890,223
Total OPEB liability-ending	25,477,277
 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	288,251
 Plan fiduciary net position-beginning	 3,198,510
Plan fiduciary net position-ending	3,486,761
 Net OPEB liability beginning	 21,691,713
Net OPEB liability ending	21,990,516
 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:

	Discount Rate at 4.92%	Discount Rate at 5.92%	Discount Rate at 6.92%
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:

	1% Decrease (5.5% decreasing to 3.0%)	(6.5% decreasing to 4.0%)	1% Increase (7.5% decreasing to 5.0%)
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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
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	
Total	\$ 397,040	\$ (1,155,415)

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

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

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

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

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

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

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

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

Note 19. Contingent Liabilities

The County participates in a number of state and federally assisted grant programs, principal of which are the U.S. Department of Agriculture, the U.S. Department of Transportation and the U.S. Department of Housing and Urban Developments economic development and housing assistance grant programs. Entitlement to the grant proceeds is generally based on compliance with the terms and conditions of the grant agreements and applicable regulations, including expenditure of the resources for eligible purposes. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for and including the year ended June 30, 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

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

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:

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

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

Fiduciary Activities
Custodial Funds

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	<u>\$ 662,661</u>

Revolving Bldg
Fund

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	<u>\$ 7,096,334</u>

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.

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	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
30-Jun					
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	Contractually required contribution	Contributions relative to Contractually Req contribution	Contribution Deficiency	County's Covered Payroll	Contributions as a % of covered payroll
30-Jun					
2015	1,472,135	\$1,472,135	-	13,959,828	10.55%
2016	1,334,298	1,334,298		15,109,085	8.83%
2017	1,338,202	1,338,202		15,410,092	7.61%
2018	1,665,400	1,665,400		14,693,609	11.33%
2019	1,781,734	1,781,734		16,834,720	10.78%
2020	1,961,655	1,961,655		16,542,967	11.86%
2021	2,216,381	2,216,381		15,556,786	14.25%
2022	2,338,861	2,338,861		19,246,934	12.15%
2023	2,791,864	2,791,864		21,450,408	13.02%

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
Total OPEB Liability							
Service Cost	535,654	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		14,476		(1,206,307)			
Differences between expected and actual experience		(512,259)	(90,006)	535,281	(103,054)	(599,679)	
Changes in assumptions, including discount rate	(399,478)	(1,251,044)	(1,515,078)	(1,062,954)	(1,167,028)	(1,090,895)	(1,235,135)
Benefit payments	(973,531)						
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	24,599,659	24,140,577	24,183,719	23,806,639
Total OPEB liability-ending	25,477,277	24,890,223	24,819,292	24,647,911	24,599,659	24,140,577	24,183,719
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	3,198,510	3,651,705	2,979,154	2,938,101	2,807,618	2,662,273	2,466,504
Plan fiduciary net position-ending	3,486,761	3,198,510	3,651,705	2,979,154	2,938,101	2,807,618	2,662,273
Net OPEB liability beginning	21,691,713	21,167,587	21,668,757	21,661,558	21,332,959	21,521,446	21,340,135
Net OPEB liability ending	21,990,516	21,691,713	21,167,587	21,668,757	21,661,558	21,332,959	21,521,446
Fiduciary net position as a percentage of total OPEB liability	13.70%	12.85%	14.70%	12.10%	11.90%	11.60%	11.01%
Covered employee payroll	25,888,081	22,932,715	20,274,395	23,562,640	20,354,264	14,693,609	16,680,326
Net OPEB Liability as a percentage of covered payroll	85%	95%	104%	92%	106%	145%	129%

Schedule of the County's Other Post Retirement Benefits Contributions-Last Ten Fiscal Years *

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	14,693,609	16,680,326
Contributions as percentage of covered-employee payroll	3.80%	5.50%	7.50%	4.50%	5.70%	7.50%	5.90%
Schedule of the County's Other Post Employment Benefits Investment Returns-Last 10 Fiscal Yrs							
Annual money-weighted rate of return, net of investment expense	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%
Annual salary increases	3%
Mortality	Pre/Post Retirement: Pub 2010G Headcount (M/F) with generational improvements using Scale SSA18
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of pay
Investment Rate of Return	7% net of investment expense and including inflation
Health Care trend rate	6.5% for 2023, reduced linearly to an ultimate rate of 4.0% in 2029
Changes in assumptions	Discount rate increased from 5.71% in FY 22 to 5.92% in FY 23

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	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
REVENUES				
<u>Taxes:</u>				
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	45,497,381	46,597,381	47,481,942	884,561
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	640,000	640,000	659,175	(19,175)
Total Net Property Taxes	44,857,381	45,957,381	46,822,767	865,386
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	5,178,370	5,178,370	6,588,417	1,410,047
Total Taxes	81,535,751	102,635,751	108,639,718	6,003,967
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	681,300	681,300	636,300	(45,000)

Continued

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
REVENUES (Continued):				
<u>Intergovernmental:</u>				
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	<u>712,982</u>	<u>712,982</u>	<u>904,841</u>	<u>191,859</u>
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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget -
				Positive
				(Negative)
REVENUES (Continued)				
Service Charges:				
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	685,415	685,415	9,732	(675,683)
Sub-total general government charges	891,915	891,915	243,871	(648,044)
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	900,000	900,000	494,829	(405,171)
Sub-total public safety charges	1,368,900	1,368,900	1,142,958	(225,942)
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	340,000	340,000	433,620	93,620

Continued

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
REVENUES (Continued):				
<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	498,466	498,466	498,466	-
Total Service Charges	3,099,281	3,099,281	2,318,915	(780,366)
<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				-
Total Fines and Forfeitures	12,000	12,000	9,768	(2,232)
<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	9,300	9,300	152,390	143,090
Total Miscellaneous	680,850	680,850	2,075,891	1,395,041
Total Revenues	99,365,387	121,099,127	129,831,749	8,732,622

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

EXPENDITURES:	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
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**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
EXPENDITURES:				
EXPENDITURES (Continued):				
Public Safety:				
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)
Public Works:				
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**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
EXPENDITURES:				
EXPENDITURES (Continued):				
<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 & 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	Variance with Final Budget - Positive (Negative)
	Original	Final	Amount	
EXPENDITURES:				
EXPENDITURES (Continued):				
<u>Appropriations to Other Governmental Units:</u>				
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
<u>Miscellaneous:</u>				
Miscellaneous	136,929	136,929	116,043	20,886
Total Miscellaneous	136,929	136,929	116,043	20,886
<u>Payments to Component Units</u>				
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
OTHER FINANCING SOURCES (USES)				
<u>Unexpended balance - prior years</u>	2,561,190	(14,208,589)	-	14,208,589
<u>Transfers In from other funds:</u>				
Transfers from enterprise funds	-	-	32,702	32,702
Total Transfers In	-	-	32,702	32,702
<u>Operating Transfers to Other Funds:</u>				
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)
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	(2,112,688)	(3,189,263)	(3,700,091)	(510,828)
<u>Sale of capital assets</u>	10,000	10,000	88,520	78,520
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			\$ 57,023,951	
Fund balance, ending				

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget - Positive (Negative)
REVENUES:				
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	2,868,565	2,868,565	3,445,463	576,898
EXPENDITURES				
Economic development	11,899,777	12,011,448	2,560,322	9,451,126
Total Expenditures	11,899,777	12,011,448	2,560,322	9,451,126
Excess (deficiency) of revenues over (under) expenditures	(9,031,212)	(9,142,883)	885,141	10,028,024
OTHER FINANCING SOURCES AND USES:				
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	9,031,212	9,142,883	150,930	(9,118,655)
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
	Original	Final	Amount	Final Budget - Positive (Negative)
REVENUES:				
Federal Grants	\$ -	\$ 6,561,349	\$ 6,559,974	\$ (1,375)
Total Revenues	-	6,561,349	6,559,974	(1,375)
EXPENDITURES				
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	-	3,091,099	3,152,425	(61,326)
Excess (deficiency) of revenues over (under) expenditures	-	3,470,250	3,407,549	(62,701)
OTHER FINANCING SOURCES AND USES:				
Transfers to other funds	-	(3,470,250)	(3,407,549)	62,701
Total Other Financing Sources and Uses	-	(3,470,250)	(3,407,549)	62,701
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

Special Revenue Funds

	Coal Haul Roads Fund	Transit Fund	Community Develop Block Grant Fund	Block Grt Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund	Sheriff Narcotics Task Force	Opioid Settlement Fund	Coronavirus CARES Fund
ASSETS:									
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		2,007,846	-	-					
Due from other funds	97,948		9,739	61,419	63,713	5,164	150,109	265,346	38,554
Inventory		29,612	-	-	-	-	-	-	-
Total Assets	97,948	2,037,608	9,739	197,355	84,281	239,535	158,609	265,346	38,554
LIABILITIES:									
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
Total Liabilities		179,701	-	135,936	84,281	37,360	101,658	-	36,129
DEFERRED INFLOWS of RESOURCES:									
Grant Reimbursement not Available		1,857,907				-			
Total Deferred Inflows of Resources		1,857,907	-	-	-	-	-	-	-
FUND BALANCES									
Nonspendable		29,612	-	-	-	-			
Restricted	97,948		9,739			202,175	56,951	265,346	2,425
Committed			-	-	-	-	-		
Assigned			-	-	-	-	-		
Unassigned		(29,612)		61,419	-	-	-		
Total Fund Balances	97,948		9,739	61,419	-	202,175	56,951	265,346	2,425
Total Liabilities, deferred inflows of resources and fund balances	\$ 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**

Special Revenue Funds				Debt Service		Capital Project Funds			
Gaming Fund	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	Total Nonmajor Governmental Funds
\$ -	-	-	\$ 9,650	\$ -	\$ -	-	\$ -	-	\$ 9,650
-	-	-	253,939	-	-	-	2,101,042	2,101,042	2,354,981
-	-	-	-	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	2,792,759
3,394	226	-	42,872	-	-	-	-	-	42,872
926	21	-	13,699	-	-	-	-	-	13,699
-	-	-	93,541	416,104	177,600	-	-	177,600	687,245
-	-	-	185,619	-	-	-	-	-	185,619
-	-	-	172,065	-	441,008	-	-	441,008	613,073
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)	(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

	Special Revenue Funds								
	Coal Haul Roads Fund	Transit Fund	Community Development Block Grant Fund	Block Grant Program Income Fund	Community Development & Housing Fund	Drug Task Force Fund	Sheriff Narcotics Task Force	Opioid Settlement Fund	Coronavirus CARES Fund
REVENUES:									
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		
Total Revenues	69,533	1,848,924	-	5,750	900,483	334,260	119,799	265,346	-
EXPENDITURES:									
Current:									
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	-	-	-	-	-	-	-		
Total Expenditures	263,584	3,028,905	-	109,208	900,483	304,704	172,462	-	-
Excess (deficiency) of revenues over (under) expenditures	(194,051)	(1,179,981)	-	(103,458)	-	29,556	(52,663)	265,346	-
OTHER FINANCING SOURCES (USES):									
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	234,798	1,179,981	-	103,932	-	12,050	89,623		
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	\$ 97,948	\$ -	\$ 9,739	\$ 61,419	\$ -	\$ 202,175	\$ 56,951	\$ 265,346	\$ 2,425

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

Special Revenue Funds			Debt Service		Capital Project Funds			Total	Total
Gaming Fund	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	Capital Projects Funds	Nonmajor Governmental 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	-	-	-		-	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

		Allegany County Loan Fund	
ASSETS	Allconet II	Fund	Total
Current Assets:			
Cash:			
Cash	\$ -	\$ -	\$ -
Receivables:			
Accounts (net)	20,457	3,206	23,663
Other	24,880	277,597	302,477
Due from other funds		227,864	227,864
Miscellaneous assets		-	-
Total current assets	<u>45,337</u>	<u>508,667</u>	<u>554,004</u>
Non-current Assets:			
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>-</u>	<u>(5,177,093)</u>
Total noncurrent assets	<u>564,318</u>	<u>592,248</u>	<u>1,156,566</u>
Total Assets	<u>609,655</u>	<u>1,100,915</u>	<u>1,710,570</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	17,513	-	17,513
Due to other funds	52,216	-	52,216
Miscellaneous liabilities	-	-	-
Total current liabilities	<u>69,729</u>	<u>-</u>	<u>69,729</u>
Noncurrent Liabilities:			
Long term debt:			
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>69,729</u>	<u>-</u>	<u>69,729</u>
NET POSITION			
Net investment in capital assets	564,318	-	564,318
Unrestricted	<u>(24,392)</u>	<u>1,100,915</u>	<u>1,076,523</u>
Total Net Position	<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
OPERATING REVENUES:			
Service charges	77,187	-	77,187
Total operating Revenues	77,187	-	77,187
OPERATING EXPENSES:			
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			-
Depreciation	245,147	-	245,147
Total operating expenses	310,976	-	310,976
Operating Income (Loss)	(233,789)	-	(233,789)
NON-OPERATING REVENUE (EXPENSES):			
Interest income		-	-
Other income (expense)	-	-	-
Total non-operating revenue (expenses)	-	-	-
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	(233,789)	(32,702)	(266,491)
Total net position - beginning	773,715	1,133,617	1,907,332
Total net position - ending	\$ 539,926	\$ 1,100,915	\$ 1,640,841

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
Cash flows from operating activities:			
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	15,659	40,424	56,083
Cash flows from noncapital financing activities:			
Advances from other funds	51,755	(14,482)	37,273
Advances to other funds	(67,414)	6,760	(60,654)
Transfers from other funds			-
Transfers to other funds	-	(32,702)	(32,702)
Net cash provided by noncapital financing activities	(15,659)	(40,424)	(56,083)
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets		-	-
Grant Revenue			-
Contract Bid deposit		-	-
Net cash used for capital and related financing activities	-	-	-
Cash flows from investing activities:			
Purchase of investments	-	-	-
Sale of investments	-	-	-
Interest on investments		-	-
Net cash used in investing activities	-	-	-
Net increase (decrease) in cash	-	-	-
Cash at beginning of the year	-	-	-
Cash at end of year	\$ -	\$ -	\$ -
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ (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	249,448	40,424	289,872
Net cash provided by operating activities	\$ 15,659	\$ 40,424	\$ 56,083

**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>
Revenue:				
Interest Revenue	-	-	64,353	64,353
Expenditures:				
Current:				
Miscellaneous:				
Paying agent fees	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Debt Service:				
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>
Other Financing Sources and (Uses):				
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 Develop Block Grant Fund			
			Variance With				Variance With				Variance With	
	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)
REVENUES:												
Taxes - State Shared	\$ 60,000	\$ 60,000	\$ 69,533	\$ 9,533								
Other local taxes	-	-	-	-								
Intergovernmental:												
Federal	-	-	-	-	1,411,511	1,411,511	1,407,754	(3,757)	-	-	-	-
State	-	-	-	-	417,051	417,051	156,826	(260,225)	-	-	-	-
Service charges	-	-	-	-	262,350	262,350	282,807	20,457	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Lease Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	1,537	1,537	-	-	-	-
Total Revenues	60,000	60,000	69,533	9,533	2,090,912	2,090,912	1,848,924	(241,988)	-	-	-	-
EXPENDITURES:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Public works	60,000	60,000	263,584	(203,584)	2,636,828	2,973,249	3,028,905	(55,656)	-	-	-	-
Health & Human Svcs	-	-	-	-	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-	-	-	-	-	-
and Housing	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	60,000	60,000	263,584	(203,584)	2,636,828	2,973,249	3,028,905	(55,656)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	(194,051)	(194,051)	(545,916)	(882,337)	(1,179,981)	(297,644)	-	-	-	-
OTHER FINANCING SOURCES AND USES:												
Unexpended balance - prior	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	545,916	882,337	1,179,981	297,644	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Inception of lease	-	-	234,798	234,798	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	234,798	234,798	545,916	882,337	1,179,981	297,644	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ 40,747	\$ 40,747	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance, beginning,			57,201									9,739
Fund balance, ending			\$ 97,948				\$ -				\$ -	\$ 9,739

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

	Block Grant Program Income Fund				Community & Develop Fund				Sheriff Task Force			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:												
Taxes - State Shared	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Federal	-	-	198	198	-	-	900,483	900,483	-	-	-	-
State	-	-	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	95,589	95,589
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Lease Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	5,552	5,552	-	-	-	-	-	-	24,210	24,210
Total Revenues	-	-	5,750	5,750	-	-	900,483	900,483	-	-	119,799	119,799
EXPENDITURES:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	172,462	(172,462)
Public works	-	-	-	-	-	-	-	-	-	-	-	-
Health & Human Svcs	-	-	-	-	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	109,208	(109,208)	-	-	900,483	(900,483)	-	-	-	-
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)
OTHER FINANCING SOURCES AND (USES):												
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

	Narcotics Drug Task Force				CARES ACT/Mid Relief/Opitoid Sttl				Gaming Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:												
Taxes - State Shared	-	-	-	-	-	-	-	-	392,494	392,494	481,219	88,725
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Federal	-	-	-	-	-	-	-	-	-	-	-	-
State	33,741	33,741	2,984	2,984	-	-	-	-	-	-	-	-
Service charges	-	-	72,499	38,758	-	-	-	-	-	-	-	-
Fines and forfeitures	89,200	89,200	-	-	31,000	31,000	30,600	(400)	-	-	-	-
Interest	-	-	238,406	149,206	-	-	-	-	-	-	-	-
Lease Revenue	-	-	20,371	20,371	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	122,941	122,941	334,260	211,319	-	-	265,346	265,346	423,494	423,494	511,819	88,325
EXPENDITURES:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	122,941	122,941	304,704	(181,763)	-	-	-	-	185,602	235,683	250,183	(14,500)
Public works	-	-	-	-	-	-	-	-	59,473	59,473	98,108	(38,635)
Health & Human Svcs	-	-	-	-	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-	-	-	-	-	-
and Housing	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Payments to Component Units	-	-	-	-	-	-	-	-	178,419	178,419	270,000	(91,581)
Total Expenditures	122,941	122,941	304,704	(181,763)	-	-	-	-	423,494	473,575	618,291	(144,716)
Excess (deficiency) of revenues over (under) expenditures	-	-	29,556	29,556	-	-	265,346	265,346	-	(50,081)	(106,472)	(56,191)
OTHER FINANCING SOURCES AND (USES):												
Unexpended balance - prior	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	50,081	50,081	-	-
Debt issued	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	12,050	12,050	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	12,050	12,050	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	41,606	41,606	-	-	265,346	265,346	-	50,081	(56,391)	(56,391)
Fund balance, beginning,			160,569	160,569			2,425	2,425			887,611	887,611
Fund balance, ending			\$ 202,175	\$ 202,175			\$ 267,771	\$ 267,771			\$ 831,220	\$ 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

	Revolving Building Fund				Fire, Rescue & Public Safety Fund				Rocky Gap Slots Revenue Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:												
Taxes - State Shared	-	-	-	-	-	-	-	-	-	-	-	-
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Federal	-	-	30,000	30,000	-	-	-	-	-	-	-	-
State	-	-	37,785	37,785	349,950	349,950	361,016	11,066	2,698,674	2,698,674	2,667,993	(30,681)
Service charges	-	-	-	-	70,000	70,000	-	(70,000)	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest	2,210	2,210	264,033	261,823	-	-	-	-	-	-	-	-
Lease Revenue	2,866,355	2,866,355	2,769,543	(96,812)	-	-	-	-	-	-	-	-
Miscellaneous	-	-	344,102	344,102	50,000	50,000	155,391	105,391	-	-	-	-
Total Revenues	2,868,565	2,868,565	3,443,463	576,898	469,950	469,950	516,407	46,457	2,698,674	2,698,674	2,667,993	(30,681)
EXPENDITURES:												
General government	-	-	-	-	-	-	-	-	499,735	499,735	1,048,727	(548,992)
Public safety	-	-	-	-	469,950	469,950	545,351	(75,401)	1,478,939	1,478,939	-	1,478,939
Public works	-	-	-	-	-	-	-	-	-	-	-	-
Health & Human Svcs	-	-	-	-	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-	-	-	-	-	-
and Housing	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	11,899,777	12,011,448	2,560,322	9,451,126	-	-	-	-	-	-	-	(339,050)
Education	-	-	-	-	-	-	-	-	-	-	-	(995,378)
Misc	-	-	-	-	-	-	-	-	200,000	200,000	200,000	-
Payments to Component Units	-	-	-	-	-	-	-	-	360,000	360,000	360,000	-
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	-	(9,050,560)	-	-	-	-	-	-	-	-
Transfer from other funds	-	111,671	111,671	-	-	-	-	-	-	-	-	-
Transfers to other funds	(19,348)	(19,348)	(87,443)	(68,095)	-	-	-	-	(160,000)	(160,000)	(160,000)	-
Inception of lease	-	-	126,702	126,702	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	9,031,212	9,142,883	150,930	(8,991,953)	-	-	-	-	(160,000)	(160,000)	(160,000)	-
Net change in fund balances	-	-	1,036,071	\$ 1,036,071	-	-	(28,944)	\$ (28,944)	-	-	(435,162)	\$ (275,162)
Fund balance, beginning,			7,096,334				946,312				718,257	
Fund balance, ending			\$ 8,132,405				\$ 917,368				\$ 283,095	

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

	Americian Rescue Plan Fund				Total Special Revenue Funds			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES:								
Taxes - State Shared					\$ -	\$ 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	(123,337)	11,899,777	12,761,448	3,772,709	(8,988,739)
Education				-	-	-	995,378	995,378
Misc		550,000	610,931	(60,931)	200,000	750,000	810,931	60,931
Payments to Component Units					538,419	538,419	630,000	91,581
Total Expenditures	-	3,091,099	3,152,425	(61,326)	17,969,901	21,740,936	14,598,890	(7,142,046)
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 yr	-	-	-	-	9,050,560	9,050,560	-	(9,050,560)
Transfer from other funds	-	-	-	-	545,916	1,044,089	1,341,733	297,644
Transfers to other funds	-	(3,470,250)	(3,407,549)	-	(179,348)	(3,649,598)	(3,654,992)	(5,394)
Inception of lease	-	-	-	-	-	-	361,500	361,500
Sale of capital assets	-	-	-	-	12,050	-	205,605	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)
REVENUES:								
Intergovernmental								
Federal grants			\$ 361,745	\$ 361,745	\$ -	\$ -		\$ -
State/other grants			517,402	517,402	-	-		-
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
EXPENDITURES:								
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)
OTHER FINANCING SOURCES AND USES:								
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			<u>\$ (510,171)</u>				<u>\$ 1,574,724</u>	

ALLEGANY COUNTY, MARYLAND
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 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)
			\$ -	\$ -	\$ -	\$ 361,745	\$ 361,745
	-	632,282	632,282		-	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)
				-	-	1,208,622	1,208,622
	-	(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.	Project Length Budget	Revenues and other Sources				
			Federal Grants	State Grants	Other Intergov't	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					214,228
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	
Mines 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
			13,402,042	13,425,442	327,811	355,045	604,137
Pay-As-You-Go Capital Project Fund							
Computer Network	4181	350,000					
Roads Paving Program	418R	6,000,000				40,000	10,000
LaVale Blvd Storm Drain	4200	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				16,392	
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
Allconet	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
			249,837	235,435	1,959,004	56,392	415,246
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					
Bond Interest	438Z						519,899
2020 Bond Proceeds/Costs	4391-4399	18,572,348					9,744
			505,500	1,063,922	4,313,248	-	662,006
Total Capital Project Funds			\$ 14,157,379	\$ 14,724,799	\$ 6,600,063	\$ 411,437	\$ 1,681,389

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			Project Balance	Remaining Project Budget
Debt Proceeds	Transfers In	Total Sources	Expenditures	Transfers Out	Total Uses		
		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		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	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	13,319,463	133,780	13,453,243	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	2,455,820	2,446,076
48,761,667	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	\$ 87,691,745	\$ 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)	Geroges Creek SS (4150)	Miners Park (4153)	Orleans Rd Bridge (408B)	Fema Trailer Park (4151)	Evitts Creek (408Q)	Dry Run (409L)	ACM (4140)	MTA Hub (421C)
REVENUES:									
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	-								
Total Revenues	-	133,698	-	-	361,745	-	-	-	18,523
EXPENDITURES:									
Public Safety			-		336,906				
Public Works		17,647							
General Govt	-	-	153						
Rec & Culture									
Education	-	-	-						
Total Expenditures	-	17,647	153	-	336,906	-	-	-	-
OTHER FINANCING SOURCES and (USES):									
Transfers-in from:									
General Fund				250,000					
Other funds				103,057				12,582	
Transfer Out									
Total Other Financing Sources and Uses	-	-	-	353,057	-	-	-	12,582	-
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	\$ 200	\$ -	\$ (153)	\$ (269,047)	\$ (615)	\$ (200)	\$ (715)	\$ 49	\$ (2,749)

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) (408X)	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
\$ -	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
		\$ 71,497	\$ 30,917							361,745
										102,414
					3,291					3,291
									343,140	495,361
		18,287	463							18,750
										-
										-
				34,640						34,640
		89,784	31,380	34,640	3,291				343,140	1,016,201
										336,906
		71,910	66,597							156,154
										153
									275,216	275,216
		71,910	66,597						275,216	768,429
										250,000
									545,144	660,783
						(103,057)				(103,057)
						(103,057)			545,144	807,726
		17,874	(35,217)	34,640	3,291		(103,057)		613,068	1,055,498
(906)	(4,363)	(17,874)		(101,658)	(2,040)	(1,026)	101,778	(128,383)	(613,066)	(1,565,667)
\$ (906)	\$ (4,363)	\$ (0)	\$ (35,217)	\$ (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 (420Z)
REVENUES:							
Intergovernmental:							
Federal grants:							
RDA grant	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Homeland Security							
State grants:							
Maryland highway grant	-		-	-	-	-	-
Misc State Grant	-	-	-	-	-	-	-
State Highway Users Tax							
Other Agency	-	-		-	-	-	-
Miscellaneous:							
Interest		-	-	-	-	-	-
Miscellaneous	-			-	-	-	-
Total Revenues	-	-	-	-	-	-	-
EXPENDITURES:							
General Government		-	-		-		-
Public safety	-	-			10,900		-
Public works			28,847	-			52,917
Recreation & culture		-	-	-			-
Education	-	-		-			-
Total Expenditures	-	-	28,847	-	10,900	-	52,917
OTHER FINANCING SOURCES and (USES):							
Transfers-in from:							
General fund				-	-		50,000
Other funds			25,000				
Transfers -out to:							
Other funds		-	-	-			-
Debt proceeds, capital lease							
Total Other Financing Sources and Uses	-	-	25,000	-	-	-	50,000
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	\$ 200,000	\$ 771,773	\$ 197,575	\$ (185)	\$ 87,713	\$ (10,385)	\$ (60,412)

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)	Alconet (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
10,990							10,990
18,490			-	110,216	-	-	128,706
-					-		-
12,667					-	-	23,567
		116,353	-	544,584	-	-	742,701
-			-				-
12,667		116,353	-	544,584	-	-	766,268
							50,000
		62,839	-		80,000	80,000	247,839
-		(25,000)					(25,000)
-			-				-
-		37,839	-		80,000	80,000	272,839
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
PUBLIC IMPROVEMENT BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE FOR THE YEAR ENDED JUNE 30, 2023

[illegible]

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
OPERATING REVENUES:									
Service charges	\$ 30,355	162,592	41,792	13,032	84,125	44,769	498,455	155,332	899,810
Miscellaneous	207,018								
Total Operating Revenues	<u>237,373</u>	<u>162,592</u>	<u>41,792</u>	<u>13,032</u>	<u>84,125</u>	<u>44,769</u>	<u>498,455</u>	<u>155,332</u>	<u>899,810</u>
OPERATING EXPENSES:									
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
Total Operating Expenses	<u>-</u>	<u>164,358</u>	<u>50,266</u>	<u>44,422</u>	<u>148,885</u>	<u>24,162</u>	<u>459,284</u>	<u>186,884</u>	<u>758,639</u>
Operating Income (Loss)	<u>237,373</u>	<u>(1,766)</u>	<u>(8,474)</u>	<u>(31,390)</u>	<u>(64,760)</u>	<u>20,607</u>	<u>39,171</u>	<u>(31,552)</u>	<u>141,171</u>
NON-OPERATING REVENUE (EXPENSES):									
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)
Total Non-operating Revenue (Expenses)	<u>5,507</u>	<u>(16,801)</u>	<u>(3,242)</u>	<u>(12,094)</u>	<u>(10,076)</u>	<u>-</u>	<u>5,409</u>	<u>(27,333)</u>	<u>(30,720)</u>
Income Before Contributions and Transfers	242,880	(18,567)	(11,716)	(43,484)	(74,836)	20,607	44,580	(58,885)	110,451
Capital Contributions:									
Federal grants	-	-	-	-	-	-	-	-	-
State grants	-	-	-	-	-	-	-	-	-
Other governments	-	-	-	-	-	-	-	-	-
Transfers in:									
General fund	-	-	-	-	-	-	-	-	-
Special Revenue Fund					575,142		1,367,345		
Revolving Building Fund				19,348					
Transfers Out									
Change in Net Position	<u>\$ 242,880</u>	<u>\$ (18,567)</u>	<u>\$ (11,716)</u>	<u>\$ (24,136)</u>	<u>\$ 500,306</u>	<u>\$ 20,607</u>	<u>\$ 1,411,925</u>	<u>\$ (58,885)</u>	<u>\$ 110,451</u>

**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	Bedford Road 501K	MF Industrial 501P	Rawlings Water 501R	Oldtown Road 5012	McCoole 5013	Ellerslie 5014	Eckhart 5015	Hoffman 5016	Route 36 Vale Summit 5017	Borden/ Zhilman/ Morantown 5018	Carlos/Shaft/ Klondike 5019	Total
285,699	44,504	400,520	225,058	222,610	183,537	416,978	357,170	10,430	91,958	139,565	218,985	\$ 4,527,276
285,699	44,504	400,520	225,058	222,610	183,537	416,978	357,170	10,430	91,958	139,565	218,985	207,018
												4,734,294
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
178,946	63,978	315,417	351,046	263,256	254,295	472,140	336,025	11,329	263,015	284,439	277,960	4,908,746
106,753	(19,474)	85,103	(125,988)	(40,646)	(70,758)	(55,162)	21,145	(899)	(171,057)	(144,874)	(58,975)	(174,452)
6,591	877	35	2,639	3,414	3,195	5,444	4,626	204	922	1,837	3,290	56,561
(60,198)	(3,805)		(13,383)	(14,417)	(30,394)	(146)	(14,996)	(3)	(22)	(14,513)	(28,564)	(293,278)
(53,607)	(2,928)	35	(10,744)	(11,003)	(27,199)	5,298	(10,370)	201	900	(12,676)	(25,274)	(236,717)
53,146	(22,402)	85,138	(136,732)	(51,649)	(97,957)	(49,864)	10,775	(698)	(170,157)	(157,550)	(84,249)	(411,169)
						-	-	-	-	-	-	0
						-	-	-	-	-	-	0
						-	-	-	-	-	-	0
						-	-	-	-	-	-	0
												1,942,487
												19,348
												0
\$ 53,146	\$ (22,402)	85,138	\$ (136,732)	(51,649)	\$ (97,957)	\$ (49,864)	\$ 10,775	\$ (698)	\$ (170,157)	\$ (157,550)	\$ (84,249)	1,550,664
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	Bowling	Locust Grove		Bedford	Locust Grove	
	Fund	Green	Cresaptown	Braddock	Road	Jennings	McCoole
	511	516	517	Run	519	Run/Wills	521
				518		Creek	
						520	521
OPERATING REVENUES:							
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
OPERATING EXPENSES:							
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)
NON-OPERATING REVENUE (EXPENSES):							
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	428,476	33,063	138,684	8,329	\$ 6,247,545
				5,000					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
									0
		(65,236)		(10,993)	(21,705)	(3,550)	(14,025)		(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)
				167,078					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

	Custodial Funds		
	Tax Collection	Seized Assets	Total
ASSETS:			
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
LIABILITIES:			
Other Liabilities	1,762,557	-	1,762,557
Total Liabilities	1,762,557	-	1,762,557
NET POSITION:			
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

	Custodial Funds		
	Tax Collection	Seized Assets	Total
ADDITIONS:			
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
DEDUCTIONS:			
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
	Cost	Accumulated Depreciation	Net Book Value	Book Value June 30, 2022
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

FUND EQUITY

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	Other Capital Assets	Construction In Progress	Total Cost	Less Depreciation	Total
General Government	3,678,214	4,949,223	39,776	326,979	1,779,863	398,542	646,550	142,221	11,961,370	(7,411,150)	\$ 4,550,220
Public Safety	2,359,864	20,132,077	2,647,360	330,345	19,461,602	5,489,902	250,665	-	50,671,816	(31,596,607)	19,075,209
Public Works	2,915,382	2,944,003	46,266,468	305,788	934,397	9,982,506	5,887,035	396,676	69,632,253	(48,772,716)	20,859,537
Health	575,119	6,553,202	-	-	-	-	4,121	-	7,132,442	(3,517,365)	3,615,077
Social Services	116	3,250	24,331	199,288	89,080	661,582	39,200	-	1,016,847	(881,088)	135,759
Recreation & Culture	1,534,781	2,774,928	328,939	21,911	295,413	36,162	405,050	-	5,397,185	(2,461,961)	2,935,224
Libraries	6,000	1,631,033	-	-	-	-	-	-	1,637,033	(1,145,379)	491,654
Education	-	-	-	-	-	-	46,006	46,006	46,006	-	46,006
Natural Resources	428,817	-	-	-	15,839	15,999	-	-	460,655	(31,838)	428,817
Urban Development	45,293	123,535	-	4,160	35,846	9,302	-	-	218,136	(161,499)	56,637
Economic Development	15,636,579	30,815,196	7,152,831	5,995	506,465	183,759	86,329	-	54,387,154	(16,665,878)	37,721,276
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

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 Current Year Depreciation	Add Deprec Disposal 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	(29,017,026)	(2,671,079)	88,298	19,072,010
Public Works	70,085,773	-	-	256,691	(710,207)	69,632,253	(47,885,295)	(1,597,628)	710,207	20,859,535
Health	7,132,442	-	-	-	-	7,132,442	(3,298,925)	(218,440)	-	3,615,077
Social Services	1,016,847	-	-	-	-	1,016,847	(812,144)	(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	-	-	-	(31,178)	460,655	(31,838)	-	-	428,817
Urban Development	249,314	-	-	-	-	218,136	(192,677)	-	31,178	56,637
Economic Development	54,297,385	-	-	89,777	-	54,387,156	(15,490,440)	(1,175,438)	-	37,721,288
Total General Capital Assets	\$ 201,406,940	\$ -	\$ -	\$ 2,034,397	\$ (880,422)	\$ 202,560,899	\$ (107,493,872)	\$ (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.

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Net Position by Component, Last Ten Fiscal Years.....	F-5
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Fund Balances, Governmental Funds, Last Ten Years.....	F-9
Changes in Fund Balances, Governmental Funds, Last Ten Years.....	F-10
Revenue Capacity	
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax	
Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years.....	F-13
Schedule of Property Tax Rates-Direct and Overlapping, Last Ten Fiscal Years.....	F-14
Principal Property Tax Payers.....	F-15
Property Tax Levies and Collections.....	F-16
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	
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Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
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Principal Employers, Current Year and Nine Years Ago.....	F-26
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	
Full-time Equivalents County Government Employees by Function/Program, Last Ten Fiscal Year	F-29
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Capital Asset Statistics by Function/Program, Last Ten Fiscal Years.....	F-31

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

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FINANCIAL TRENDS

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
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	6,085,554	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
Total governmental activities net position	\$ 104,667,865	\$ 100,100,959	\$ 104,336,537	\$ 105,308,114	\$ 76,878,218	\$ 73,387,291	\$ 72,447,923	\$ 69,268,295	\$ 71,749,497	\$ 90,018,644
Business-type activities										
Net Investment in										
Capital Assets	88,732,280	93,011,267	97,611,312	98,160,878	95,860,101	96,563,365	97,116,840	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)
Total business-type activities net position	\$ 90,010,314	\$ 92,820,228	\$ 95,041,283	\$ 94,161,628	\$ 92,641,294	\$ 89,844,582	\$ 88,666,026	\$ 86,584,178	\$ 92,633,567	\$ 102,898,081
Primary Government										
Net Investment in										
Capital Assets	166,308,765	171,397,620	182,008,024	184,658,230	182,002,113	184,004,813	186,246,881	182,964,799	182,934,941	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)
Total primary government net position	\$ 194,578,179	\$ 192,921,187	\$ 199,377,820	\$ 199,469,742	\$ 169,519,512	\$ 163,231,873	\$ 161,113,949	\$ 155,852,470	\$ 164,383,065	\$ 192,916,726

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
Governmental activities:										
General Government:										
Payment to data processing	8,745,293	8,971,206	10,098,884	12,288,849	9,768,944	12,711,146	12,893,978	13,980,499	13,541,978	14,443,504
Public Safety	332,956	313,562	261,943	182,712	188,456	145,424	146,465	109,829	108,086	16,275
Public Works	17,406,223	18,606,877	20,125,044	20,723,459	24,440,852	28,788,857	27,462,769	30,600,972	31,391,856	35,693,736
Health	13,699,806	13,039,773	13,263,932	14,148,806	13,892,496	15,613,977	14,227,947	14,618,577	16,739,713	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	8,019,965	2,050,301	2,573,986
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	2,584,399
Payment to public school system	682,409	623,625	1,369,052	797,321	10,365,096	3,162,750	2,512,606	1,936,310	2,252,313	595,159
Payments to community college	29,770,045	30,224,471	30,014,167	30,169,985	30,424,308	30,424,308	30,734,335	31,138,670	32,349,768	32,124,912
Recreation, culture & libraries:	7,555,000	7,556,000	7,915,000	7,630,550	7,630,550	7,990,550	7,989,856	8,066,856	8,066,856	8,566,856
Payment to public library system	722,533	749,376	828,930	583,538	1,214,252	1,191,689	1,418,456	691,457	3,896,128	3,010,940
Conservation of natural resources	940,000	947,500	947,500	956,975	956,975	956,975	956,545	966,545	999,000	1,094,515
Community development & housing	287,362	254,450	249,936	285,253	142,584	66,702	86,702	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	2,674,595	3,355,189	4,111,276	3,194,349	3,460,799	5,801,705	4,881,991	6,257,209
Total governmental activities expenses	581,199	650,717	659,875	677,774	763,156	908,031	979,034	1,103,537	1,086,807	1,261,846
Total governmental activities expenses	\$ 88,775,760	\$ 89,002,523	\$ 93,202,815	\$ 96,287,730	\$ 108,151,053	\$ 109,827,938	\$ 109,620,805	\$ 120,762,363	\$ 123,463,592	\$ 127,389,728
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	10,782,299	10,545,774	11,426,210	10,221,511	9,044,813	10,020,927	10,228,760
Other Funds	187,465	334,585	225,789	202,991	195,390	167,778	151,357	318,008	417,684	310,976
Total business-type activities expenses	13,518,288	14,118,324	14,963,073	15,708,764	15,386,637	16,335,144	15,231,265	14,396,235	15,418,620	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
Program Revenues										
Governmental activities:										
Charges For services:										
Public safety	1,247,166	416,243	1,266,935	1,181,723	2,414,892	3,698,282	3,082,954	2,279,605	2,903,115	4,114,397
Public works	999,315	1,403,788	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	3,336,528	1,004,159	3,307,800	3,300,433	3,307,020	3,424,141	3,442,730	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	5,733,335	8,286,736	13,034,096	16,909,992	11,824,551
Capital grants and contributions	1,296,010	1,086,127	2,076,835	3,235,959	1,401,461	1,894,195	2,658,561	3,258,409	2,383,082	6,171,465
Total governmental activities program revenues	12,153,400	12,017,273	12,851,113	14,085,335	15,611,037	17,595,149	20,181,935	24,044,022	28,201,570	28,007,580
Business-type activities:										
Charges For services:										
Water	3,957,267	4,182,774	4,257,317	4,197,525	4,186,328	4,183,777	4,198,183	4,176,794	4,714,228	4,734,294
Sanitary	5,735,194	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	105,300	72,442	59,200	44,187	48,913	43,906	59,915	77,187
Operating grants and contributions	7,473,345	6,016,661	5,404,171	2,827,122	2,159,945	1,725,700	1,922,922	1,160,589	8,372,352	9,456,084
Capital grants and contributions	17,435,286	16,420,930	15,850,160	13,479,931	12,426,373	12,072,160	12,308,670	10,867,071	19,759,766	20,569,932
Total business-type activities 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
Net (Expense)/Revenue										
Governmental activities	\$ (76,622,360)	\$ (76,985,250)	\$ (80,351,702)	\$ (82,222,995)	\$ (92,540,016)	\$ (82,232,789)	\$ (89,438,870)	\$ (96,716,361)	\$ (95,262,022)	\$ (99,382,148)
Business-type activities	3,916,998	2,302,606	887,087	(2,228,833)	(2,960,264)	(4,262,984)	(2,922,595)	(3,529,164)	4,341,246	4,828,172
Total primary government net expense	\$ (72,705,362)	\$ (74,682,644)	\$ (79,464,615)	\$ (84,451,228)	\$ (95,500,280)	\$ (86,495,773)	\$ (92,361,465)	\$ (100,247,525)	\$ (90,920,776)	\$ (94,553,976)
General Revenues And Other Changes in Net Position										
Governmental Activities:										
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	24,169,537	26,089,413	26,836,166	25,911,041	26,117,557	28,295,496	28,719,134	31,138,885	33,003,280	54,702,658
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	9,172,991	9,165,836	9,210,566	9,205,270	9,244,141	8,939,143	8,939,231	8,939,389	8,939,578	8,990,216
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	-	-	-	65,351	102,550	33,531	426,242	636,518	268,155
Miscellaneous	323,216	342,101	403,037	997,098	366,375	401,359	801,978	363,728	363,728	882,597
Transfers	(167,799)	(89,824)	(147,927)	(155,527)	(91,884)	(102,095)	(489,942)	(83,561)	(257,240)	(3,972,917)
Special item	-	-	-	-	-	-	-	-	-	-
Total governmental activities	\$ 81,350,588	\$ 82,175,020	\$ 83,553,155	\$ 84,875,960	\$ 84,765,894	\$ 88,741,862	\$ 88,499,502	\$ 93,538,733	\$ 97,743,224	\$ 118,815,503
Business-type activities:										
Property taxes	1,019,069	997,240	982,268	993,937	1,133,343	1,144,089	1,159,250	1,183,381	1,242,709	1,297,497
Investment earnings	208,641	201,738	191,339	195,916	214,705	220,085	94,846	180,380	203,396	157,327
Miscellaneous	22,533	21,003	15,835	3,800	-	-	-	-	-	-
Gain/(loss) on sale/retirement of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	167,799	89,824	147,927	155,527	91,884	102,095	489,942	83,561	257,240	8,600
Total business-type activities	\$ 1,418,042	\$ 1,309,805	\$ 1,337,369	\$ 1,349,180	\$ 1,439,932	\$ 1,466,269	\$ 1,744,038	\$ 1,447,322	\$ 1,708,145	\$ 3,972,917
Total primary government	\$ 82,768,630	\$ 83,484,825	\$ 84,890,524	\$ 86,225,140	\$ 86,205,826	\$ 90,208,131	\$ 90,243,540	\$ 94,986,055	\$ 99,451,369	\$ 124,251,844
Change in Net Position										
Governmental activities, restated	\$ 4,728,943	\$ 5,189,770	\$ 3,201,453	\$ 2,653,565	\$ (7,774,122)	\$ (3,490,927)	\$ (939,368)	\$ (3,179,628)	\$ 2,481,202	\$ 19,433,355
Business-type activities	5,335,040	3,612,411	2,224,456	(879,653)	(1,520,332)	(2,796,714)	(1,178,556)	(2,081,841)	6,049,392	10,264,514
Total primary government	\$ 10,063,983	\$ 8,802,181	\$ 5,425,909	\$ 1,773,912	\$ (9,294,454)	\$ (6,287,642)	\$ (2,117,925)	\$ (5,261,470)	\$ 8,530,593	\$ 29,697,868

Note: Expenses include indirect cost allocation.

(Continued)

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

Explanation of Significant Variances:

a	Increase due to 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
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
General Fund										
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		57,839
Restricted	148,863	148,863	1,796,530	173,170	131,979	80,743	78,907	78,907		
Committed	-	949,319	150,000	967,195	1,571,596	830,551	760,245	1,446,563	2,561,190	20,851,269
Assigned	3,414,000	5,664,000	4,014,000	5,896,328	6,423,165	6,714,643	6,997,078	7,301,025	7,484,364	7,741,691
Unassigned	18,695,272	19,642,135	16,092,412	18,649,563	15,918,000	16,795,112	16,778,262	20,022,041	24,904,845	28,363,152
	<u>\$ 23,458,135</u>	<u>\$ 27,604,317</u>	<u>\$ 25,252,942</u>	<u>\$ 26,886,656</u>	<u>\$ 25,244,740</u>	<u>\$ 25,621,049</u>	<u>\$ 25,814,492</u>	<u>\$ 30,048,536</u>	<u>\$ 34,950,419</u>	<u>\$ 57,023,951</u>
Reserved										
Unreserved										
Total General Fund										
	<u>\$ 23,458,135</u>	<u>\$ 27,604,317</u>	<u>\$ 25,252,942</u>	<u>\$ 26,886,656</u>	<u>\$ 25,244,740</u>	<u>\$ 25,621,049</u>	<u>\$ 25,814,492</u>	<u>\$ 30,048,536</u>	<u>\$ 34,950,419</u>	<u>\$ 57,023,951</u>
All Other Governmental Funds										
Nonspendable			45,460	42,233	41,920	39,977	42,801	41,235	35,659	29,612
Restricted	2,966,644	10,197,951	12,725,923	15,752,673	4,123,488	12,235,640	9,416,664	14,955,871	11,782,463	10,963,544
Committed	40,738,989	12,136,663	9,734,927	8,700,167	10,717,434	10,492,198	9,229,049	9,792,923	8,702,202	9,246,720
Assigned	1,497,237	1,394,298	1,342,978	2,288,721	2,216,031	1,388,301	1,400,029	1,411,742	1,939,446	1,574,724
Unassigned	(191,236)	(305,634)	(419,033)	(397,597)	(767,966)	(1,201,625)	(1,572,904)	(2,097,892)	(1,540,392)	(478,364)
	<u>\$ 15,011,634</u>	<u>\$ 23,423,278</u>	<u>\$ 23,430,255</u>	<u>\$ 26,386,197</u>	<u>\$ 16,330,907</u>	<u>\$ 22,955,491</u>	<u>\$ 18,515,639</u>	<u>\$ 24,103,879</u>	<u>\$ 20,919,388</u>	<u>\$ 21,336,236</u>
Reserved										
Unreserved, reported in:										
Special revenue funds										
Capital project funds										
Debt service funds										
Total all other governmental funds										
	<u>\$ 15,011,634</u>	<u>\$ 23,423,278</u>	<u>\$ 23,430,255</u>	<u>\$ 26,386,197</u>	<u>\$ 16,330,907</u>	<u>\$ 22,955,491</u>	<u>\$ 18,515,639</u>	<u>\$ 24,103,879</u>	<u>\$ 20,919,388</u>	<u>\$ 21,336,236</u>

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

(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
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	35,228,534
Highway user taxes	671,589	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	4,088,216	3,579,491	4,043,446	4,380,110	4,074,450	3,984,644	3,913,567	4,418,576	5,548,766	5,989,400
Licenses and permits	686,233	678,422	700,480	672,859	666,528	720,563	620,500	542,024	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	2,934,638	2,871,158	2,469,764	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	4,594,932	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	\$ 116,213,217	\$ 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	13,717,805	12,176,117	13,040,777	14,532,711	14,744,455
Health and Hospitals	411,510	432,996	452,436	425,494	541,244	630,653	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	1,413,681
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 Housing	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)	\$ 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	6,435,360	3,504,113	4,894,278	4,467,929	19,130,973	2,526,031	4,055,367
Inception of lease										
Transfers out	(6,406,976)	(4,457,938)	(10,787,034)	(6,590,887)	(3,595,997)	(4,996,373)	(4,957,871)	(19,214,534)	332,823	361,500
Sale of capital assets		1,716	63,586	13,706	15,231	102,550	40,958	1,088,378	(2,783,271)	(6,028,284)
Total Other Financing Sources (Uses)	\$ 458,298	\$ 9,652,243	\$ (84,340)	\$ 8,658,179	\$ (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	\$ (3,858,344)	\$ 4,385,439	\$ (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	\$ 2,267,159	\$ 2,264,182	\$ 8,428,204	\$ 9,472,687	\$ 4,220,066	\$ 6,492,539	\$ 7,279,030	\$ 8,984,997	\$ 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		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	Market Value	Assessed Value	Total Direct Tax Rate	Total Direct Tax Rate
2014	3,511,729,354	3,511,729,354	5,028,930	5,028,930	358,164,980	358,164,980	3,874,923,264	3,874,923,264	3,874,923,264	3,874,923,264	2.4700	2.4700
2015	3,469,830,592	3,469,830,592	4,997,740	4,997,740	345,858,616	345,858,616	3,820,686,948	3,820,686,948	3,820,686,948	3,820,686,948	2.5088	2.5088
2016	3,487,280,029	3,487,280,029	6,494,120	6,494,120	337,155,996	337,155,996	3,830,930,145	3,830,930,145	3,830,930,145	3,830,930,145	2.4748	2.4748
2017	3,506,924,084	3,506,924,084	6,705,040	6,705,040	346,994,870	346,994,870	3,860,623,994	3,860,623,994	3,860,623,994	3,860,623,994	2.4733	2.4733
2018	3,528,551,083	3,528,551,083	7,678,200	7,678,200	329,114,435	329,114,435	3,865,343,718	3,865,343,718	3,865,343,718	3,865,343,718	2.4713	2.4713
2019	3,556,120,766	3,556,120,766	7,192,380	7,192,380	353,252,397	353,252,397	3,916,565,543	3,916,565,543	3,916,565,543	3,916,565,543	2.4803	2.4803
2020	3,551,676,996	3,551,676,996	6,782,280	6,782,280	355,304,219	355,304,219	3,913,663,495	3,913,663,495	3,913,663,495	3,913,663,495	2.4678	2.4678
2021	3,600,849,587	3,600,849,587	6,471,980	6,471,980	382,221,227	382,221,227	3,989,542,794	3,989,542,794	3,989,542,794	3,989,542,794	2.4630	2.4630
2022	3,616,873,302	3,616,873,302	6,231,690	6,231,690	392,629,653	392,629,653	4,015,734,645	4,015,734,645	4,015,734,645	4,015,734,645	2.4898	2.4898
2023	3,788,574,986	3,788,574,986	5,215,000	5,215,000	430,197,985	430,197,985	4,223,987,971	4,223,987,971	4,223,987,971	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
<u>Municipal Direct Tax Rates (1.2)</u>										
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	0.5552	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
Westernport	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
<u>Allegany County Direct Tax Rates (1.3)</u>										
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
Westernport	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
<u>Special Taxing Areas (1.4)</u>										
<u>Sanitary Districts</u>										
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	0.0160	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
<u>Other Special Districts</u>										
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.

Source: Allegany County Finance Department; Maryland State Assessment Office

Allegany County, Maryland

Principal Property Tax Payers

Current Year and Nine Years Ago

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of County Taxable Assessed Value
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%
Total	\$ 424,325,851		10.01%	\$ 364,542,647		9.42%

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	31,928,292	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%	(89,644)	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	99.65%
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	99.86%
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	State Loans	Water Term Notes	Water Federal Loans	Water State Loans	Sanitary Term Notes	Sanitary State Loans	Sanitary Federal Loans	Nursing Home Loans							
2014	17,922,268	212,915	18,560	1,765,300	325,424	10,859,917	130,265	16,814	13,698,637	4,902,290			49,852,390	3.10%	690			
2015	23,531,007	205,809	0	1,471,847	305,853	10,710,507	236,488	16,355	12,726,747	4,833,367			54,036,000	3.40%	755			
2016	20,487,355	205,809	0	1,237,420	301,066	10,934,967	285,640	15,876	12,461,588	4,742,446			50,672,167	3.20%	715			
2017	26,343,366	203,465	0	994,296	264,761	10,897,952	386,918	15,375	11,638,500	4,652,100			55,396,733	3.50%	789			
2018	24,967,722	203,465	0	642,863	243,204	10,851,104	523,988	14,851	10,512,058	7,521,862			55,481,117	2.00%	798			
2019	33,807,041	203,465	0	429,216	220,941	10,691,226	407,759	14,303	9,382,027	7,375,465			62,531,445	2.20%	909			
2020	31,747,498	195,841	0	222,236	197,948	10,424,659	390,025	13,729	8,249,636	7,224,441			58,666,035	2.00%	861			
2021	41,367,633	188,321	0	66,580	174,201	10,149,509	372,126	13,129	7,103,037	7,068,924			66,503,482	2.20%	967			
2022	39,834,517	688,321		25,406	149,672	9,865,887	1,148,559	468,844	7,021,280	8,000,760			67,203,268	2.10%	1007			
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	2.20%	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

Fiscal Year	General Obligation Bonds	Taxable Value of Property	Percentage of Actual Taxable Value of		Population	Debt Per Capita
			Property	Property		
2014	17,922,268	3,874,923,264	0.46%		72,295	247.90
2015	23,531,007	3,820,686,948	0.62%		71,597	328.66
2016	20,487,355	3,835,441,204	0.53%		70,899	288.97
2017	26,343,366	3,860,623,994	0.68%		70,201	375.26
2018	24,967,722	3,865,343,718	0.65%		69,503	359.23
2019	33,807,041	3,916,565,543	0.86%		68,805	491.35
2020	31,747,498	3,913,763,495	0.81%		68,106	466.15
2021	41,367,633	3,989,542,794	1.04%		67,408	613.69
2022	39,834,517	4,015,734,645	0.99%		66,710	597.13
2023	36,153,155	4,223,987,971	0.86%		67,267	537.46

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	72,295	71,597	70,899	70,201	69,503	68,805	68,106	67,408	66,710	67,267
Inmate population excluded	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279	3,279
Net population for debt limit	69,016	68,318	67,620	66,922	66,224	65,526	64,827	64,129	63,431	63,988
Debt Per Capita	585	585	585	585	585	585	585	585	585	585
Debt Limit	40,374,360	39,966,030	39,557,700	39,149,370	38,741,040	38,332,710	37,923,795	37,515,465	37,107,135	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 Debt 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

<u>Year</u>	<u>Population</u>	<u>Personal Income In 000s</u>	<u>Per Capita Personal Income</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate</u>
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**

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total County Employment</u>
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%
Total	<u>9,282</u>		<u>29.52%</u>	<u>10,191</u>		<u>28.44%</u>

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	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	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	4.1	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	2	2.0	2.0	2.0	2.0	2.8	2.8	2.8	5.8	4.8
Social Services	1	1.0	1.0	1.0	1.0	1.0	4.5	4.5	3.8	8.8
Recreation, culture, libraries, tourism	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.2	2.5
Conservation of natural resources	1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Community Development and Housing										
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
General Government										
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
Public Safety										
Total Number of arrests	1,792	not avail	not avail	not avail	not avail	not avail	not avail	not avail	not avail	not avail
Total Number of traffic stops	1,558	not avail	not avail	not avail	not avail	not avail	not avail	not avail	not avail	not avail
Average number of inmates	150	134	142	140	147	147	147	147	147	147
Number of Volunteer Fire Stations	21	21	19	19	18	18	18	18	18	18
Public Works										
Miles of roads maintained	544	544	544	544	544	544	544	544	544	544
Social Services										
Transit route miles	409,383	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A
Transit passengers	205,090	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A	** N/A
Sanitary										
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
Gaming										
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