

---

**Town of Colmar Manor, Maryland**

**Financial Statements,  
Supplementary Information and  
Independent Auditor's Report**

**For the Years Ended  
June 30, 2021 and 2020**

---

**LSWG**

**CERTIFIED PUBLIC ACCOUNTANTS  
& BUSINESS ADVISORS**

**TOWN OF COLMAR MANOR, MARYLAND**  
**Table of Contents**  
**June 30, 2021 and 2020**

**DESCRIPTION**

**EXHIBIT**

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

    Government-Wide Financial Statements:

        Statements of Net Position

A-1

        Statement of Program Activities

A-2 & A-3

    Fund Financial Statements:

        Governmental Fund Financial Statements:

            Balance Sheets

A-4

            Statements of Revenues, Expenditures, and Changes  
            in Fund Balances

A-5

            Reconciliation of the Statements of Revenues, Expenditures,  
            and Changes in Fund Balances of Governmental Funds to  
            the Statement of Program Activities

A-6

        Notes to Financial Statements

A-7

Required Supplementary Information

    Budgetary Comparison Schedule – General Fund

B-1

    Notes to Required Supplementary Information

B-2



## **Independent Auditor's Report**

To the Mayor and Council of the  
Town of Colmar Manor, Maryland

We have audited the accompanying financial statements of the governmental activities and the general fund information of the Town of Colmar Manor, Maryland, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Town of Colmar Manor, Maryland, as of June 30, 2021 and 2020, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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.

**LSWG, P.A.**

October 21, 2021  
Rockville, Maryland

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Colmar Manor's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2021. Please read it in conjunction with the Town's financial statements.

### **Financial Highlights**

The tax rate for residential and commercial real property for fiscal year 2021 was \$0.96 and \$0.90 per \$100 of assessed value respectively. The public utilities, corporate and personal property tax rates for fiscal year 2020 were \$1.65 per \$100 of assessed value.

### **Using This Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Program Activities are government-wide statements that provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements report the Town's operation in more detail than the government-wide statements by providing information about the Town's most significant funds and individual parts.

### **Reporting the Town as a Whole**

#### **The Statement of Net Position and the Statement of Program Activities**

One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Program Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report changes in the Town's net position. You can think of the Town's *net* position (the difference between assets and liabilities) as one way to measure the Town's financial health or position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, such as changes in the Town's property tax base and the condition of the Town's roads to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Program Activities, the Town accounts for the following:

- Governmental activities – All of the Town’s basic services are reported here, including the police, general administration and public works. Taxes, franchise fees, fines, and state and federal grants finance most of these activities.

## **Reporting the Town’s Most Significant Funds**

### **Fund Financial Statements**

The fund financial statements provide detailed information about the Town’s most significant funds. It does not report on the Town as a whole. The Town currently only operates one governmental fund called a General Fund.

- Governmental funds – All of the Town’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Program Activities) and governmental funds in a reconciliation that is included in the financial statements under Exhibit A-6.

## The Town as a Whole

### Governmental Activities

To aid in the understanding of the Statement of Program Activities some additional explanation is needed. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants.

The following is a financial comparison of fiscal year 2020 and 2021 net revenues and expenses and an explanation for significant differences within the Statement of Program Activities.

#### Town of Colmar Manor Statement of Program Activities

| Governmental Activities             | <u>FY2020</u>     | <u>FY2021</u>       |
|-------------------------------------|-------------------|---------------------|
| Net (Expenses) Revenue              |                   |                     |
| General Government                  | \$(611,884)       | \$(409,647)         |
| Community Center                    | (14,285)          | (331,901)           |
| Public Works                        | (193,627)         | (255,645)           |
| Public Safety                       | (169,112)         | (338,734)           |
| Parks and Recreation                | (77,632)          | (19,523)            |
| Code Enforcement                    | (33,137)          | (46,355)            |
| Interest Expense                    | <u>( 69,857)</u>  | <u>(64,610)</u>     |
| Total Governmental Activities       | \$(1,169,534)     | \$(1,466,415)       |
| General Revenues                    |                   |                     |
| Property Taxes                      | \$1,023,203       | \$1,060,178         |
| Income Taxes                        | 124,643           | 124,289             |
| Intergovernmental                   | 3,543             | 3,543               |
| Interest                            | 11,071            | 595                 |
| Miscellaneous                       | <u>3,219</u>      | <u>27,615</u>       |
| Total General Revenue               | <u>1,165,679</u>  | <u>\$1,216,220</u>  |
| Increase (Decrease) in Net Position | <u>\$ (3,885)</u> | <u>\$ (250,195)</u> |

From the above analysis, there was a decrease in net assets of \$250,195 during fiscal year 2021.

The overall Net Expenses increased by \$296,881 from fiscal year 2020 to fiscal year 2021.

The major Charge for Services shown on the Statement of Program Activities was associated with the operation of a red-light camera on Bladensburg Road. The Town received \$51,271 in charges for the collection of fines associated with these violations.

The major Operating Grants received include: \$87,397 from CARES Act funds passed through Prince George’s County, \$54,720 from highway user revenue and \$17,374 from state aid for police protection. In Capital Grants and Contributions, the Town received \$84,929 from a Community Development Block Grant to install permeable pavers at an intersection within the Town.

**Governmental-Wide Financial Analysis**

Over time net assets may serve as a useful indicator of a government’s financial position. For the Town of Colmar Manor, assets exceeded liabilities by \$1,755,669 at the close of the most recent fiscal year.

The following is a comparison of the Town of Colmar Manor’s Net Position between fiscal year 2020 and 2021.

**Town of Colmar Manor’s Net Position**

|  | <u>FY2020</u>      | <u>FY2021</u>      |
|--|--------------------|--------------------|
| Current and Other Assets                           | \$1,031,118        | \$ 912,948         |
| Capital Assets - net                               | <u>3,241,433</u>   | <u>2,953,587</u>   |
| Total Assets                                       | <u>4,272,551</u>   | <u>3,866,535</u>   |
| Deferred Outflows                                  | <u>-</u>           | <u>-</u>           |
| Current and Other Liabilities                      | 275,583            | 295,486            |
| Long Term Debt                                     | <u>1,991,104</u>   | <u>1,815,380</u>   |
| Total Liabilities                                  | <u>2,266,687</u>   | <u>2,110,866</u>   |
| Deferred Inflows                                   | <u>-</u>           | <u>-</u>           |
| Investment in Capital Assets – net of related debt | 1,059,803          | 957,509            |
| Unrestricted                                       | <u>946,061</u>     | <u>798,160</u>     |
| Total Net Position                                 | <u>\$2,005,864</u> | <u>\$1,755,669</u> |

The Town of Colmar Manor’s change in net position at June 30, 2021 was a decrease of \$250,195. The following is a more detailed summary of the changes in net position.



## Town of Colmar Manor Changes in Net Position

|                                    | <u>Governmental<br/>Activities</u> |
|------------------------------------|------------------------------------|
| Revenues:                          |                                    |
| Program Revenues:                  |                                    |
| Charges for Services               | \$ 124,559                         |
| Operating Grants and Contributions | 164,100                            |
| Capital Grants and Contributions   | 84,929                             |
| General Revenues                   |                                    |
| Taxes                              | 1,184,467                          |
| Other                              | <u>31,753</u>                      |
| Total Revenues                     | 1,589,808                          |
| Expenses                           |                                    |
| General Government                 | 560,721                            |
| Community Center                   | 334,993                            |
| Public Works                       | 395,294                            |
| Public Safety                      | 417,803                            |
| Parks and Recreation               | 20,227                             |
| Code Enforcement                   | 46,355                             |
| Interest Expense                   | <u>64,610</u>                      |
| Total Expenses                     | 1,840,003                          |
| Decrease in Net Position           | <u>(250,195)</u>                   |
| Net Position July 1, 2020          | <u>2,005,864</u>                   |
| Net Position June 30, 2021         | <u>\$ 1,755,669</u>                |

Taxes of \$1,184,467 comprised 75% of the total revenues of \$1,589,808. The taxes consist of property and income taxes.

## The Town's Funds

The following schedule presents a summary of general revenue and expenditures for the Town's Funds for fiscal year ended June 30, 2021 and percentage of increases and decreases in relation to the prior year.

|                            | <b><u>FY 2021</u></b><br><b><u>Amount</u></b> | <b><u>Percent</u></b><br><b><u>of Total</u></b> | <b><u>Increase</u></b><br><b><u>(Decrease)</u></b><br><b><u>From FY20</u></b> |
|----------------------------|---|---|---|
| <b><u>Revenues</u></b>     |   |   |   |
| General Property Taxes     | \$1,057,169                                   | 67%   | \$ 40,835   |
| Intergovernmental          | 3,543   | 0%  | 0   |
| State Shared Taxes         | 124,289                                       | 7%  | (354)   |
| Licenses and Permits       | 30,343  | 2%  | 29  |
| Fines and Forfeitures      | 58,620  | 4%  | (74,714)  |
| Grant Revenue              | 248,229                                       | 16%   | 152,599   |
| Miscellaneous              | <u>64,608</u>                                 | <u>4%</u>                                       | <u>(64,066)</u>   |
| Total Revenues             | \$1,586,801                                   | 100%  | \$ 54,329   |
| <b><u>Expenditures</u></b> |   |   |   |
| General Government         | \$ 890,528                                    | 51%   | 119,772   |
| Public Safety              | 399,512                                       | 23%   | 96,473  |
| Public Works               | 390,110                                       | 23%   | 124,234   |
| Code Enforcement           | 46,355  | 3%  | 13,218  |
| Parks and Recreation       | <u>3,462</u>                                  | <u>0%</u>                                       | <u>(67,371)</u>   |
| Total Expenditures         | \$1,729,967                                   | 100%  | \$ 286,326  |

Total revenues increased \$54,329 from fiscal year 2020 to 2021. The main category that contributed to this increase was Grant Revenue which increased \$152,599. Major grants that are included in this increase are a Community Development Block Grant for \$84,829 and a COVID Grant for \$87,397. General Property Taxes increased by \$40,835. Real Estate Taxes increased \$54,158 based upon an increase in the real property tax rates above the constant yield rate.

Miscellaneous Revenues decreased \$64,066 from fiscal year 2020 to 2021. The main item that contributed to this was a decrease in Rental Income for the rental of the Town Hall meeting areas. Due to the COVID 19 Pandemic the building was closed for the entire fiscal year and we were not able to rent out the facility. This contributed to a \$55,555 decrease in rental income.

Fines and Forfeitures decreased \$74,714 during the year. The majority of the decrease was associated with a \$71,967 decrease in Red Light Camera Revenue. Due to the lack of traffic associated with the COVID pandemic the number of violators of the red light camera systems in the town were decreased significantly.

Total Expenditures increased \$286,326 from fiscal year 2020 to 2021.

This increase was associated with a \$119,772 increase in general government expenditures, a \$96,473 increase in Public Safety expenditures, a \$124,234 increase in Public Works expenditures, a \$13,218 increase in Code Enforcement Expenditures and a \$67,371 decrease in Parks and Recreation Expenditures.

The increase in General Government expenditures was associated the reclassification of a Recreation Department employee to the General Government Department. Total Salaries and benefits increased \$74,091 mainly as a result of this reclassification. COVID Expenditures also increased \$49,363 during the year which added to the increase. Travel was decreased in fiscal year 2021 due to the restrictions on meetings and travel and the senior van transportation operated on a limited basis during the year causing a decrease in these charges.

Police costs were increased due to vacancies being filled in the Police Department during fiscal year 2021. There are currently no vacancies in the Department.

Public Works increase was associated with costs for Street Work that included permeable pavers being installed at an intersection in Town. These costs amounted to \$107,008.

Parks and Recreation costs decreased due to the decreased usage of the Town Hall as the building was closed for the fiscal year due to COVID 19. Recreation Personnel was also reclassified to the General Government Department due to the building being closed.

### **General Fund Budgetary Highlights**

There were various budget amendments made during the fiscal year that resulted in increases to the revenue and expenditure budgets by \$173,060 and \$189,043 respectively. These included adjustments for new grant revenues, revised estimates and unanticipated expenditures. An analysis of Exhibit B-1 to the financial statements will provide a detailed comparison of the original and amended budget resulting from these amendments.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

During fiscal year 2004, in accordance with GASB No. 34, the Town had the option to restate capital assets for all prior years and reflect them within the financial statements. The Town elected not to do so. The capital assets consisting of building and building improvements, vehicles, streetlights and furniture and fixtures are reflected in the financial statements less accumulated depreciation. The total net capital assets at year-end were \$2,953,587. This figure consists of cost of assets of \$6,541,061 less accumulated depreciation of \$3,587,474. The total net capital assets decreased by \$287,846 during the year.

## **Debt**

At year-end, the Town had \$2,016,587 in long-term debt outstanding. \$1,975,290 of this amount represents the payments remaining on the funds borrowed for the Community Center/Town Hall. \$10,302 is associated with a new Public Works vehicle lease, \$10,486 is associated with the lease of a new copier and \$20,509 is the liability for accrued compensated absences.

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

For fiscal year 2021 the Town ended the year with a fund balance of \$778,004.

In March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. During the fiscal year 2021 Budget preparation there was some uncertainty on what impact the pandemic would have on the revenues of the Town. Now that the year has been completed, we are happy to report that the major revenues have remained consistent over the year. As we continue dealing with the pandemic, we will continue to monitor the impact on Town resources and adjust our operations accordingly.

Since the end of the fiscal year, the Town has been awarded \$1,313,675 in funding through the American Rescue Plan. These funds are to be used to pay for expenditures to battle COVID-19 or to deal with the negative economic effects of the pandemic. The Town has until December 31, 2024 to obligate these funds and until December 31, 2026 to spend the funds. The Town is currently working on a plan to use these funds.

## **Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Clerk-Treasurer at 3701 Lawrence Street, Colmar Manor, Maryland 20722.

**Town of Colmar Manor, Maryland**  
**Statements of Net Position**  
**For the Years Ended June 30,**

|  | <b>Governmental<br/>Activities<br/><u>2021</u></b> | <b>Governmental<br/>Activities<br/><u>2020</u></b> |
|--|--|--|
| <b>Assets</b>                                    |  |  |
| Cash and cash equivalents                        | \$ 251,073   | \$ 141,309   |
| Investments                                      | 524,077  | 738,315  |
| Receivables, net                                 | 75,415   | 53,021   |
| Due from other governments                       | 40,082   | 75,547   |
| Prepaid expenses                                 | 15,777   | 425  |
| Other assets                                     | 6,524  | 22,501   |
| Capital assets, net                              | <u>2,953,587</u>                                   | <u>3,241,433</u>                                   |
| Total Assets                                     | <u>3,866,535</u>                                   | <u>4,272,551</u>                                   |
| <br><b>Deferred Outflows</b>                     |  |  |
|  | <u>-</u>   | <u>-</u>   |
| <br><b>Liabilities</b>                           |  |  |
| Accounts payable                                 | 65,295   | 52,692   |
| Accrued compensated absences                     | 24,113   | 15,869   |
| Accrued expenses                                 | 25,380   | 16,496   |
| Long-term liabilities                            |  |  |
| Due within one year                              | 180,698  | 190,526  |
| Due in more than one year                        | <u>1,815,380</u>                                   | <u>1,991,104</u>                                   |
| Total Liabilities                                | <u>2,110,866</u>                                   | <u>2,266,687</u>                                   |
| <br><b>Deferred Inflows</b>                      |  |  |
|  | <u>-</u>   | <u>-</u>   |
| <br><b>Net Position</b>                          |  |  |
| Invested in capital assets - net of related debt | 957,509  | 1,059,803  |
| Unrestricted                                     | <u>798,160</u>                                     | <u>946,061</u>                                     |
| Total Net Position                               | <u>\$ 1,755,669</u>                                | <u>\$ 2,005,864</u>                                |

The accompanying notes are an integral part of these statements.

**TOWN OF COLMAR MANOR, MARYLAND**  
**Statement of Program Activities**  
**For the Year Ended June 30, 2021**

| <b>Functions/Programs</b>       | <b>Program Revenue</b> |                                 |   |   | <b>Net (Expenses)<br/>Revenue and<br/>Changes in<br/>Net Position<br/>Governmental<br/>Activities</b> | <b>Total</b> |
|---------------------------------|------------------------|---------------------------------|---|---|---|--------------|
|                                 | <b>Expenses</b>        | <b>Charges for<br/>Services</b> | <b>Operating Grants<br/>and Contributions</b> | <b>Capital Grants<br/>and Contributions</b> |   |              |
| Governmental Activities         |                        |                                 |   |   |   |              |
| General government              | \$ 560,721             | \$ 62,143                       | \$ 88,931                                     | \$ -  | \$ (409,647)  | \$ (409,647) |
| Community center                | 334,993                | 3,092                           | -   | -   | (331,901)   | (331,901)    |
| Public works                    | 395,294                | -                               | 54,720  | 84,929                                      | (255,645)   | (255,645)    |
| Public safety                   | 417,803                | 58,620                          | 20,449  | -   | (338,734)   | (338,734)    |
| Parks and recreation            | 20,227                 | 704                             | -   | -   | (19,523)  | (19,523)     |
| Code enforcement                | 46,355                 | -                               | -   | -   | (46,355)  | (46,355)     |
| Interest expense                | 64,610                 | -                               | -   | -   | (64,610)  | (64,610)     |
| Total Governmental Activities   | \$ 1,840,003           | \$ 124,559                      | \$ 164,100                                    | \$ 84,929                                   | (1,466,415)   | (1,466,415)  |
| General Revenues                |                        |                                 |   |   |   |              |
| Property taxes                  |                        |                                 |   |   | 1,060,178   | 1,060,178    |
| State shared taxes              |                        |                                 |   |   | 124,289   | 124,289      |
| Intergovernmental               |                        |                                 |   |   | 3,543   | 3,543        |
| Interest                        |                        |                                 |   |   | 595   | 595          |
| Miscellaneous                   |                        |                                 |   |   | 27,615  | 27,615       |
| Total General Revenues          |                        |                                 |   |   | 1,216,220   | 1,216,220    |
| Change in Net Position          |                        |                                 |   |   | (250,195)   | (250,195)    |
| Net Position, Beginning of Year |                        |                                 |   |   | 2,005,864   | 2,005,864    |
| Net Position, End of Year       |                        |                                 |   |   | \$ 1,755,669  | \$ 1,755,669 |

The accompanying notes are an integral part of this statement.

**TOWN OF COLMAR MANOR, MARYLAND**  
**Statement of Program Activities**  
**For the Year Ended June 30, 2020**

| <b>Functions/Programs</b>       | <b>Program Revenue</b> |  |  |  | <b>Net (Expenses)<br/>Revenue and<br/>Changes in<br/>Net Position<br/>Governmental<br/>Activities</b> | <b>Total</b>        |
|---------------------------------|------------------------|--|--|--|---|---------------------|
|                                 | <b><u>Expenses</u></b> | <b><u>Charges for<br/>Services</u></b> | <b><u>Operating Grants<br/>and Contributions</u></b> | <b><u>Capital Grants<br/>and Contributions</u></b> |   |                     |
| Governmental Activities         |                        |  |  |  |   |                     |
| General government              | \$ 722,031             | \$ 80,774                              | \$ 9,265   | \$ 20,108  | \$ (611,884)  | \$ (611,884)        |
| Community center                | 72,932                 | 58,647                                 | -  | -  | (14,285)  | (14,285)            |
| Public works                    | 242,198                | -                                      | 48,571   | -  | (193,627)   | (193,627)           |
| Public safety                   | 323,195                | 133,334                                | 20,749   | -  | (169,112)   | (169,112)           |
| Parks and recreation            | 79,847                 | 2,215                                  | -  | -  | (77,632)  | (77,632)            |
| Code enforcement                | 33,137                 | -                                      | -  | -  | (33,137)  | (33,137)            |
| Interest expense                | 69,857                 | -                                      | -  | -  | (69,857)  | (69,857)            |
| Total Governmental Activities   | <u>\$ 1,543,197</u>    | <u>\$ 274,970</u>                      | <u>\$ 78,585</u>                                     | <u>\$ 20,108</u>                                   | (1,169,534)   | (1,169,534)         |
| General Revenues                |                        |  |  |  |   |                     |
| Property taxes                  |                        |  |  |  | 1,023,203   | 1,023,203           |
| State shared taxes              |                        |  |  |  | 124,643   | 124,643             |
| Intergovernmental               |                        |  |  |  | 3,543   | 3,543               |
| Interest                        |                        |  |  |  | 11,071  | 11,071              |
| Miscellaneous                   |                        |  |  |  | 3,219   | 3,219               |
| Total General Revenues          |                        |  |  |  | <u>1,165,679</u>  | <u>1,165,679</u>    |
| Change in Net Position          |                        |  |  |  | (3,855)   | (3,855)             |
| Net Position, Beginning of Year |                        |  |  |  | <u>2,009,719</u>  | <u>2,009,719</u>    |
| Net Position, End of Year       |                        |  |  |  | <u>\$ 2,005,864</u>   | <u>\$ 2,005,864</u> |

The accompanying notes are an integral part of this statement.

**TOWN OF COLMAR MANOR, MARYLAND**  
**Balance Sheets**  
**Governmental Fund**  
**June 30,**

|  | <b>Governmental<br/>Fund<br/>2021</b> | <b>Governmental<br/>Fund<br/>2020</b> |
|--|---------------------------------------|---------------------------------------|
| <b>Assets</b>  |                                       |                                       |
| Cash and cash equivalents  | \$ 251,073                            | \$ 141,309                            |
| Investments  | 524,077                               | 738,315                               |
| Receivables, net   | 75,415                                | 53,021                                |
| Due from other governments   | 40,082                                | 75,547                                |
| Prepaid expenses   | 15,777                                | 425                                   |
| Other assets   | 6,524                                 | 22,501                                |
| <b>Total Assets</b>  | <b>912,948</b>                        | <b>1,031,118</b>                      |
| <b>Deferred Outflows</b>   | -                                     | -                                     |
| <b>Liabilities</b>   |                                       |                                       |
| Accounts payable   | 65,295                                | 52,692                                |
| Accrued compensated absences   | 3,604                                 | 3,104                                 |
| Accrued expenses   | 25,380                                | 16,496                                |
| Total Liabilities  | 94,279                                | 72,292                                |
| <b>Deferred Inflows</b>  | 40,665                                | 37,656                                |
| <b>Fund Balances</b>   |                                       |                                       |
| Nonspendable   | 22,301                                | 22,926                                |
| Restricted   | 1,700                                 | -                                     |
| Assigned   | 71,723                                | 152,748                               |
| Unassigned   | 682,280                               | 745,496                               |
| Total Fund Balances  | \$ 778,004                            | \$ 921,170                            |
| <b>Reconciliation of Total Governmental Fund Balance To Net<br/>Position of the Governmental Activities</b>  |                                       |                                       |
| Governmental Fund Balance  | \$ 778,004                            | \$ 921,170                            |
| Property tax revenues in the Statement of Program Activities<br>that do not provide current financial resources are not<br>reported as revenues in the fund. | 40,665                                | 37,656                                |
| Capital assets used in governmental activities are not financial<br>resources and therefore are not reported in the fund.                                    | 2,953,587                             | 3,241,433                             |
| Compensated absences that are not available to pay for<br>current period expenditures deferred in the fund.  | (20,509)                              | (12,765)                              |
| Long-term liabilities not reported as liabilities in the<br>governmental fund.   | (1,996,078)                           | (2,181,630)                           |
| Net Position of Governmental Activities  | \$ 1,755,669                          | \$ 2,005,864                          |

The accompanying notes are an integral part of these statements.



**TOWN OF COLMAR MANOR, MARYLAND**  
**Statements of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Governmental Fund**  
**For the Years Ended June 30, 2021 and 2020**

|                                  | <b>Governmental<br/>Fund<br/><u>2021</u></b> | <b>Governmental<br/>Fund<br/><u>2020</u></b> |
|----------------------------------|--|--|
| <b>Revenues</b>                  |  |  |
| General property taxes           | \$ 1,057,169                                 | \$ 1,016,334                                 |
| State shared taxes               | 124,289                                      | 124,643                                      |
| Licenses and permits             | 30,343                                       | 30,314                                       |
| Intergovernmental revenues       | 3,543  | 3,543  |
| Grant revenues                   | 248,229                                      | 95,630                                       |
| Fines and forfeitures            | 58,620                                       | 133,334                                      |
| Miscellaneous                    | <u>64,608</u>                                | <u>128,674</u>                               |
| Total Revenues                   | 1,586,801                                    | 1,532,472                                    |
| <b>Expenditures</b>              |  |  |
| General government               | 890,528                                      | 770,756                                      |
| Public safety                    | 399,512                                      | 303,039                                      |
| Parks and recreation             | 3,462  | 70,833                                       |
| Public works                     | 390,110                                      | 265,876                                      |
| Code enforcement                 | <u>46,355</u>                                | <u>33,137</u>                                |
| Total Expenditures               | <u>1,729,967</u>                             | <u>1,443,641</u>                             |
| Net Change in Fund Balances      | (143,166)                                    | 88,831                                       |
| Fund Balance - Beginning of Year | <u>921,170</u>                               | <u>832,339</u>                               |
| Fund Balance - End of Year       | <u><u>\$ 778,004</u></u>                     | <u><u>\$ 921,170</u></u>                     |

The accompanying notes are an integral part of these statements.

**TOWN OF COLMAR MANOR, MARYLAND**  
**Reconciliation of the Statements of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Fund**  
**to the Statement of Program Activities**  
**For the Years Ended June 30,**

|  | <u>2021</u>         | <u>2020</u>       |
|--|---------------------|-------------------|
| Net Change in Fund Balance - Governmental Fund   | \$ (143,166)        | \$ 88,831         |
| Amounts reported for governmental activities in the Statement of Program Activities are different because:   |                     |                   |
| Property tax revenues in the Statement of Program Activities that (do) do not provide current financial resources are not reported as revenues in the fund.  | 3,009               | 6,869             |
| Governmental fund reports capital outlays as expenditures. However, in the Statement of Program Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation did (did not) exceed capital outlay in the current period. | (287,846)           | (257,889)         |
| Compensated absences in the Statement of Program Activities (do) do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.  | (7,744)             | (2,758)           |
| Changes in notes payable not requiring the use of current financial resources and therefore not reported as governmental fund expenditures   | <u>185,552</u>      | <u>161,092</u>    |
| Net Changes in Net Position  | <u>\$ (250,195)</u> | <u>\$ (3,855)</u> |

The accompanying notes are an integral part of these statements.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

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

**A. Financial Reporting Entity**

The Town of Colmar Manor (Town) was incorporated in 1927 under the laws of the State of Maryland. The Town operates under a Council form of government consisting of a Mayor and Town Council. The Town provides the following services as authorized by its charter: streets, sanitation, recreation, public safety (police) and general administration services. The basic financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for established governmental and financial reporting principles. The Town implemented accounting and financial reporting requirements of GASB Statements No. 34, Basic Financial Statements and Management's Discussion and Analysis for States and Local Governments. GASB Statement No. 34 added the following components to the financial statements:

Management's Discussion and Analysis – A narrative introduction and analytical overview of the government's financial activities. This analysis is similar to analysis the private sector provides in their annual reports.

Government-Wide Financial Statements – These include financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets (such as buildings and infrastructure, including bridges and roads) and long-term liabilities. Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter. The government-wide statements include the Statement of Net Position and the Statement of Program Activities.

Statement of Net Position – The Statement of Net Position displays the financial position of the Town. All assets, deferred outflows, liabilities and deferred inflows of resources associated with the operation of the Town are included on the Statement of Net Position. The net position of a government is broken into three categories –1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Program Activities – The Statement of Program Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**A. Financial Reporting Entity (continued)**

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The Town and many other governments revise their original budgets over the course of the year for a variety of reasons.

The financial statements were prepared in accordance with GASB Statement No. 14, The Financial Reporting Entity, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with the basis for assessing the accountability of the elected officials. The financial reporting entity consists of the Town of Colmar Manor. There are no organizations for which the Town is financially accountable and there are no component units of the Town.

**B. Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide (based on the Town as a whole) and fund financial statements. The reporting model focus is on both the Town as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary fund. The government-wide financial statements (i.e., the statement of net position and the statement of program activities) report information on all of the non-fiduciary activities of the Town. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. The Town does not have any business-type activities at this time. The Town currently has no fiduciary funds reportable in the government-wide financial statements.

The statement of program activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

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

The government-wide statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Reimbursements are reported as a reduction to expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when the grantor eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Town considers revenue to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest payments which are reported as expenditures in the year due.

Property taxes, franchise fees, utility taxes, licenses, intergovernmental revenues, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental fund:

The General Fund – This is the Town’s only fund. It accounts for all financial resources of the general government.

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position**

1. Deposits and Investments

Cash and cash equivalents, which are cash and short-term investments with maturities of three months or less, include cash on hand and demand deposit accounts.

2. Prepaid Expenses

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.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position (continued)**

3. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. General infrastructure assets acquired prior to July 1, 2004 are not reported in the basic financial statements. As June 30, 2021 and 2020, there is \$17,562 of infrastructure recorded on the books. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

Equipment – 3 to 5 years  
Community center – 5 to 20 years  
Parks and playgrounds – 20 years  
Infrastructure – 20 years  
Street lights – 40 years  
Vehicles – 7 years

4. Compensated Absences

Town employees are granted vacation in varying amounts based on length of service. Carryover is limited to two hundred and forty (240) hours for each calendar year. Unused vacation pay, if any, is paid with the employee's termination or retirement. Those amounts estimated to be liquidated with expendable available financial resources from the general fund are reported as an expenditure and a fund liability of the general fund.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position (continued)**

5. Property Taxes

Property taxes for the current year were assessed and collected by Prince George's County and subsequently remitted to the Town. Property taxes are assessed on July 1st and are due and payable one half by September 30th and one half by December 31st. All unpaid taxes levied July 1st become delinquent on October 1st and January 1st. The residential real property tax rate for the Town for fiscal years ended June 30, 2021 and 2020 was \$0.96 and \$0.9784 per \$100 of assessed taxable value, respectively. The commercial and industrial real property tax rate for the Town for fiscal years ended June 30, 2021 and 2020 was \$0.90 and \$0.8557 per \$100 of assessed taxable value, respectively. The business personal property tax rates for the Town for the fiscal years ended June 30, 2021 and 2020 was \$1.65 and \$1.65 per \$100 of assessed taxable value, respectively. Procedures for the collection of delinquent taxes by Prince George's County are provided for in the laws of Maryland.

6. Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net position is classified in the following categories:

*Invested in capital assets, net of related debt* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

*Restricted net position* – This amount is restricted by creditors, grantors, contributors, laws or regulations of other governments.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position (continued)**

6. Net Position (continued)

*Unrestricted net position* – This amount is the net position that does not meet the definition of “Invested in capital assets, net of related debt” or “restricted net position”.

7. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. A material estimate that is particularly susceptible to significant change in the near term relates to the determination of the actuarially accrued liability for unpaid claims which is prepared based on certain assumptions pertaining to interest rates, inflation rates, etc. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town does not have any of this type of item.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unearned property taxes of \$40,665 and \$37,656 as of June 30, 2021 and 2020, respectively, are included in deferred inflows.



**Town of Colmar Manor, Maryland  
Notes to Financial Statements  
June 30, 2021 and 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position  
(continued)**

9. Long-term Debt

In the government-wide financial statements, outstanding debt is reported as a liability. Long-term debt for governmental activities is not reported as a liability in the fund financials statements. Long term debt consists primarily of a note payable, vehicle lease and accrued compensated absence.

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

A. Explanation of certain differences between the governmental fund balance and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between fund balance – total government funds and net position – governmental activities as reported in the government-wide statement of net position.

**Note 3 – Detailed Notes on All Funds**

A. Deposits and Investments

Deposits:

State statutes require all deposits be insured by the Federal Depository Insurance Corporation (FDIC) or fully collateralized.

Town administration is authorized to invest in those instruments authorized by Maryland Statutes.

At June 30, 2021 and 2020, the carrying amount of the Town's deposits was \$251,073 and \$141,309 and the bank balances totaled \$263,156 and \$175,188, respectively. The balance in excess of Federal Deposit Insurance Corporation amounts are collateralized at local banks.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 3 – Detailed Notes on All Funds (continued)**

A. Deposits and Investments (continued)

Investments – Maryland Local Government Investment Pool

The Town is a participant of the Maryland Local Government Investment Pool (MLGIP), which provides all local government units of the State a safe investment vehicle for the short-term investment of funds. The State Legislature created MLGIP with the passage of Article 95 22G, of the Annotated Code of Maryland. The MLGIP, under the administrative control of the State Treasurer, has been managed by a single Baltimore-based financial institution, PNC Bank. An MLGIP advisory committee of current participants was formed to review, on a quarterly basis, the activities of the Fund and to provide suggestions to enhance the pool. The MLGIP has an AAAM rating. The fair value of the pool is the same as the value of the pooled shares. At June 30, 2021 and 2020, the Town had \$524,077 and \$738,315, respectively invested in the Pool.

Investment Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, The Town will not be able to recover all or a portion of the value of its investments or collateral securities that are in the possession of an outside party. There are three categories of custodial credit risk. Category 1 includes investments that are insured or registered or where securities are held by the Town or its agents, in the Town's name. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the Town's name holds the securities. Category 3 includes uninsured and unregistered where the securities are held by the financial institution's trust department or agent, but not in the Town's name. At June 30, 2021 and 2020, all of the Town investments are insured or registered, or for which the securities are held by the Town or its agent in the Town's name or are invested in the MLGIP.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2021 and 2020:

- MLGIP mutual funds of \$524,077 and \$738,315, respectively and are valued using quoted market prices (Level 1 inputs).

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 3 – Detailed Notes on All Funds (continued)**

B. Receivables

Receivables as of June 30, 2021 and 2020 for the Town’s individual major governmental funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

|                                    | <u>2021</u>      | <u>2020</u>      |
|------------------------------------|------------------|------------------|
| Receivables                        |                  |                  |
| Property taxes                     | \$ 39,357        | \$ 35,743        |
| Other                              | <u>36,058</u>    | <u>17,278</u>    |
| Gross receivables                  | \$ 75,415        | \$ 53,021        |
| Less: allowance for uncollectibles | <u>-</u>         | <u>-</u>         |
| Total Receivables - Net            | <u>\$ 75,415</u> | <u>\$ 53,021</u> |

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.

C. Due from Other Governments

Due from other governments for the General fund represents accrued revenue at June 30, 2021 and 2020 consisting of the following:

|                          | <u>2021</u>      | <u>2020</u>      |
|--------------------------|------------------|------------------|
| State                    | \$ 31,704        | \$ 31,793        |
| County                   | 1,619            | 20,020           |
| Other Local Governments  | <u>6,759</u>     | <u>23,734</u>    |
| Total Primary Government | <u>\$ 40,082</u> | <u>\$ 75,547</u> |

D. Long-Term Debt

On January 26, 2011, the Town entered into a loan agreement in the amount of \$3,500,000. The proceeds of the note were used to finance the Community Center. This loan was refinanced with a new general obligation bond issued on September 26, 2013. It bears interest at 3.12% per annum beginning with monthly principal payments of \$11,141 and increasing to \$20,115 at the maturity date of January 26, 2031. The Town has pledged to the payment of this bond, the proceeds of the revenue, taxes or other charges levied or imposed and/or received for the payment of this bond, until such time as this bond and the interest is fully paid.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 3 – Detailed Notes on All Funds (continued)**

D. Long-Term Debt (continued)

In July 2018, the Town entered into a master lease purchase agreement for a Ford truck. The lease amount was \$41,209 and requires four annual principal and interest payments of \$10,302. The interest rate is 4.89%. The balance at June 30, 2021 was \$10,302.

In January 2020, the Town entered into a capital lease for a copier. The lease amount was \$16,426 and requires forty-eight monthly payments of \$342. The balance at June 30, 2021 was \$10,486.

The payment requirements on debt are as follows:

|           | <u>Interest</u>   | <u>Principal</u>    | <u>Total</u>        |
|-----------|-------------------|---------------------|---------------------|
| FY22      | \$ 47,694         | \$ 180,698          | \$ 228,392          |
| FY23      | 42,995            | 185,397             | 228,392             |
| FY24      | 38,173            | 190,219             | 228,392             |
| FY25      | 33,227            | 195,165             | 228,392             |
| FY26      | 28,152            | 200,240             | 228,392             |
| FY27-FY31 | 60,295            | 1,023,571           | 1,083,866           |
|           | <u>\$ 250,536</u> | <u>\$ 1,975,290</u> | <u>\$ 2,225,826</u> |

Changes in Long-Term Debt are as follows:

|                              | <u>July 1, 2020</u> | <u>Additions</u> | <u>Reductions</u>   | <u>June 30, 2021</u> |
|------------------------------|---------------------|------------------|---------------------|----------------------|
| Accrued compensated absences | \$ 12,765           | \$ 7,744         | \$ -                | \$ 20,509            |
| Note payable                 | 2,146,434           | -                | (171,144)           | 1,975,290            |
| Copier lease                 | 14,592              | -                | (4,106)             | 10,486               |
| Vehicle lease                | 20,604              | -                | (10,302)            | 10,302               |
|                              | <u>\$ 2,194,395</u> | <u>\$ 7,744</u>  | <u>\$ (185,552)</u> | <u>\$ 2,016,587</u>  |

Estimated payments of compensated absences are not included in the principal payment requirement schedule. The compensated absences liability attributable to governmental activities will be liquidated by the general fund.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 3 – Detailed Notes on All Funds (continued)**

E. Fund Balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable fund balance – such as fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable and property held for resale.

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the Mayor and Council of the Town of Colmar Manor.

Assigned fund balance – includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance – is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Nonspendable Fund Balance

The Town's nonspendable fund balance at June 30, 2021 and 2020 represents prepaid expenses of \$22,301 and \$22,926, respectively.

Restricted Fund Balance

The Town's restricted fund balance at June 30, 2021 represents donations of \$1,700 that remain to be spent for school supplies and community outreach.

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 3 – Detailed Notes on All Funds (continued)**

E. Fund Balance (continued)

Assigned Fund Balance

The Town’s Assigned Fund Balance is fund balance reporting occurring by the Mayor and Town Council under the direction of the Clerk-Treasurer. The Town’s fiscal year 2021-2022 adopted budget contained a projected use of \$71,723 of fund balance for the projected operating deficit. The Town’s fiscal year 2020-2021 adopted budget contained a projected use of \$152,748 of fund balance for the projected operating deficit.

Order of Fund Balance Spending Policy

The Town’s policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First non-spendable fund balance is determined. Then restricted fund balances for specific purposes are determined, followed by committed fund balance and assigned fund balance. Unassigned fund balance cannot fall to a negative balance.

F. Capital Assets

Depreciation expense was charged to function/programs of the primary government as follows for the years ended June 30:

|                          | <u>2021</u>       | <u>2020</u>       |
|--------------------------|-------------------|-------------------|
| Governmental Activities: |                   |                   |
| General government       | \$ 280,547        | \$ 284,361        |
| Public safety            | 18,958            | 19,441            |
| Public works             | 5,677             | 1,067             |
| Parks and recreation     | 18,176            | 11,258            |
|                          | <u>\$ 323,358</u> | <u>\$ 316,127</u> |

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 3 – Detailed Notes on All Funds (continued)**

F. Capital Assets (continued)

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

|  | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|--|------------------------------|---------------------|------------------|---------------------------|
| Governmental Activities                      |                              |                     |                  |                           |
| Capital assets, not being depreciated        |                              |                     |                  |                           |
| Land   | \$ 129,670                   | \$ -                | \$ -             | \$ 129,670                |
| Total capital assets, not being depreciated  | <u>129,670</u>               | <u>-</u>            | <u>-</u>         | <u>129,670</u>            |
| Capital assets, being depreciated            |                              |                     |                  |                           |
| Street lights                                | 11,487                       | -                   | -                | 11,487                    |
| Infrastructure                               | 17,562                       | -                   | -                | 17,562                    |
| Community Center                             | 5,511,471                    | -                   | -                | 5,511,471                 |
| Equipment                                    | 380,625                      | 35,512              | (47,620)         | 368,517                   |
| Parks and playgrounds                        | 225,149                      | -                   | -                | 225,149                   |
| Vehicles                                     | <u>277,205</u>               | <u>-</u>            | <u>-</u>         | <u>277,205</u>            |
| Total capital assets being depreciated       | 6,423,499                    | 35,512              | (47,620)         | 6,411,391                 |
| Less accumulated depreciation for:           |                              |                     |                  |                           |
| Street lights                                | (2,839)                      | (189)               | -                | (3,028)                   |
| Infrastructure                               | (12,008)                     | (878)               | -                | (12,886)                  |
| Community Center                             | (2,743,795)                  | (275,777)           | -                | (3,019,572)               |
| Equipment                                    | (344,681)                    | (14,060)            | 47,620           | (311,121)                 |
| Parks and playgrounds                        | (33,112)                     | (11,258)            | -                | (44,370)                  |
| Vehicles                                     | <u>(175,301)</u>             | <u>(21,196)</u>     | <u>-</u>         | <u>(196,497)</u>          |
| Total accumulated depreciation               | (3,311,736)                  | (323,358)           | 47,620           | (3,587,474)               |
| Total capital assets, being depreciated, net | <u>3,111,763</u>             | <u>(287,846)</u>    | <u>-</u>         | <u>2,823,917</u>          |
| Governmental activities capital assets, net  | <u>\$ 3,241,433</u>          | <u>\$ (287,846)</u> | <u>\$ -</u>      | <u>\$ 2,953,587</u>       |

**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 4 – Commitment and Contingencies**

A. Risk Management

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Town's general liability risks are financed through participation in the Local Government Insurance Trust Risk Pool. For the years ended June 30, 2021 and 2020, the Town paid annual premiums of approximately \$18,761 and \$20,581 respectively, to the pool for its general, auto, umbrella, and property insurance coverage. Claims over the past three years have been significantly less than that amount. The agreement with the pool provides that the pool will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of \$500,000. The Town continues to carry commercial insurance for employee health, life insurance and workers compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage for fiscal year ended June 30, 2021. No significant reductions in insurance coverage have occurred in any of the past three fiscal years.

B. Contingent Liabilities

The Town receives financial assistance from federal, state and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any unallowed disbursements resulting from such audits could become a liability of the Town. In the opinion of Town management, no material refunds will be required as a result of unallowed disbursements (if any), by the grantor agencies.

C. Employee's Pension Plan

In 1999, the Town adopted a 457 retirement plan. This plan allows employees to contribute to the plan and the Town contributes 5% of each qualified employee's salary. To be qualified an employee has to have six months of service with the Town and be at least 18 years of age. After the qualification requirements have been met, each employee becomes fully vested after 5 years. Employee contributions are 100% vested. During the fiscal years ended June 30, 2021 and 2020, the Town contributed \$17,600 and \$13,522, respectively, to the plan.



**Town of Colmar Manor, Maryland**  
**Notes to Financial Statements**  
**June 30, 2021 and 2020**

**Note 5 - Subsequent Events**

Management has evaluated subsequent events through October 21, 2021, the date that the financial statements were available to be issued.

The American Rescue Plan Act (ARPA) was signed into Federal law in March of 2021, and established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. This program provides financial support to State and Local governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses. These funds may be used to cover eligible program costs incurred during the period beginning on March 3, 2021 and ending on December 31, 2024, as long as the award funds incurred by December 31, 2024 are expended by December 31, 2026. Any funds not obligated or expended for eligible uses during this period must be returned to the U.S. Treasury.

The Town applied for and was awarded SLFRF funding passed through the State of Maryland in the amount of \$1,313,675 of which \$656,838 was received in August of 2021. Revenue recognition of these funds will be deferred until the related eligible expenditures are incurred.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                      | <u>Budgeted Amounts</u> |              | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--------------------------------------|-------------------------|--------------|---------------------------|---|
|                                      | <u>Original</u>         | <u>Final</u> |                           | <u>(Negative)</u>   |
| <b>Taxes, Penalties and Interest</b> |                         |              |                           |   |
| <b>Local</b>                         |                         |              |                           |   |
| Real Estate tax                      | \$ 999,498              | \$ 999,498   | \$ 993,163                | \$ (6,335)  |
| Personal Property                    | 70,000                  | 70,000       | 59,352                    | (10,648)  |
| Total Taxes - Local                  | 1,069,498               | 1,069,498    | 1,052,515                 | (16,983)  |
| Penalties and interest               | 6,000                   | 6,000        | 4,654                     | (1,346)   |
| Total Taxes - Local - Net            | 1,075,498               | 1,075,498    | 1,057,169                 | (18,329)  |
| <b>State Shared</b>                  |                         |              |                           |   |
| Income taxes                         | 115,000                 | 115,000      | 124,289                   | 9,289   |
| Admissions and amusement tax         | 100                     | 100          | -                         | (100)   |
| Total Taxes - State Shared           | 115,100                 | 115,100      | 124,289                   | 9,189   |
| Total Taxes, Penalties and Interest  | 1,190,598               | 1,190,598    | 1,181,458                 | (9,140)   |
| <b>Licenses and Permits</b>          |                         |              |                           |   |
| Cable television                     | 15,600                  | 15,600       | 14,311                    | (1,289)   |
| Cable television - capital equipment | 9,760                   | 9,760        | 8,897                     | (863)   |
| License & Permit- Town               | 5,250                   | 5,250        | 6,420                     | 1,170   |
| Traders licenses                     | 2,500                   | 2,500        | 715                       | (1,785)   |
| Total Licenses and Permits           | 33,110                  | 33,110       | 30,343                    | (2,767)   |
| <b>Intergovernmental Revenues</b>    |                         |              |                           |   |
| Landfill rebate                      | 3,484                   | 3,484        | 3,484                     | -   |
| Bank Stock                           | 59                      | 59           | 59                        | -   |
| Total Intergovernmental Revenues     | \$ 3,543                | \$ 3,543     | \$ 3,543                  | \$ -  |

Continued

**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                 | <u>Budgeted Amounts</u> |                     | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------|-------------------------|---------------------|---------------------------|---|
|                                 | <u>Original</u>         | <u>Final</u>        |                           | <u>(Negative)</u>   |
| <b>Grants</b>                   |                         |                     |                           |   |
| State highway user revenue      | \$ 54,111               | \$ 54,111           | \$ 54,720                 | \$ 609  |
| CDBG PY43 road work             | -                       | 84,929              | 84,929                    | -   |
| Census grant                    | -                       | 734                 | 734                       | -   |
| COVID                           | -                       | 87,397              | 87,397                    | -   |
| Grant - Body Camera             | 5,000                   | 5,000               | 3,075                     | (1,925)   |
| State aid for police protection | 17,257                  | 17,257              | 17,374                    | 117   |
| Total Grants                    | <u>76,368</u>           | <u>249,428</u>      | <u>248,229</u>            | <u>(1,199)</u>  |
| <b>Fines and Forfeitures</b>    |                         |                     |                           |   |
| Vehicle release fees            | 1,000                   | 1,000               | 1,175                     | 175   |
| Red light camera revenue        | 130,000                 | 130,000             | 51,271                    | (78,729)  |
| Code enforcement violations     | 1,000                   | 1,000               | 105                       | (895)   |
| Flagging release fees           | 2,200                   | 2,200               | 475                       | (1,725)   |
| Police reports                  | 150                     | 150                 | 100                       | (50)  |
| Police citations                | 10,000                  | 10,000              | 5,494                     | (4,506)   |
| Total Fines and Forfeitures     | <u>144,350</u>          | <u>144,350</u>      | <u>58,620</u>             | <u>(85,730)</u>   |
| <b>Miscellaneous</b>            |                         |                     |                           |   |
| Credit card processing fees     | 200                     | 200                 | 127                       | (73)  |
| Daily Bazaar                    | 36,750                  | 36,750              | 1,444                     | (35,306)  |
| Donations                       | 2,500                   | 2,500               | 800                       | (1,700)   |
| Community garden income         | 400                     | 400                 | 160                       | (240)   |
| Interest income                 | 10,000                  | 10,000              | 595                       | (9,405)   |
| Miscellaneous                   | 500                     | 500                 | 5,783                     | 5,283   |
| Recreation program income       | 100                     | 100                 | -                         | (100)   |
| Recreation classes              | 2,500                   | 2,500               | 704                       | (1,796)   |
| Rental income                   | 45,000                  | 45,000              | 3,092                     | (41,908)  |
| Vacant house registration       | 900                     | 900                 | 300                       | (600)   |
| Sale of solar credits           | 4,000                   | 4,000               | 19,963                    | 15,963  |
| Senior van                      | 48,000                  | 48,000              | 31,640                    | (16,360)  |
| Total Miscellaneous             | <u>150,850</u>          | <u>150,850</u>      | <u>64,608</u>             | <u>(86,242)</u>   |
| <b>Total Revenues</b>           | <u>\$ 1,598,819</u>     | <u>\$ 1,771,879</u> | <u>\$ 1,586,801</u>       | <u>\$ (185,078)</u>   |

**Continued**

**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                  | <u>Budgeted Amounts</u> |                   | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|----------------------------------|-------------------------|-------------------|---------------------------|---|
|                                  | <u>Original</u>         | <u>Final</u>      |                           | <u>(Negative)</u>   |
| <b>General Government</b>        |                         |                   |                           |   |
| <b>Legislative and Executive</b> |                         |                   |                           |   |
| Salaries - Mayor & Council       | \$ 34,000               | \$ 34,000         | \$ 34,000                 | \$ -  |
| Payroll taxes                    | 2,700                   | 2,700             | 2,601                     | 99  |
| Office expense - Mayor/Council   | 5,000                   | 6,350             | 6,333                     | 17  |
| Convention and travel            | 15,000                  | 15,000            | 9,810                     | 5,190   |
| Total Legislative and Executive  | <u>56,700</u>           | <u>58,050</u>     | <u>52,744</u>             | <u>5,306</u>  |
| <b>Financial Administration</b>  |                         |                   |                           |   |
| Administrative salaries          | 174,600                 | 214,720           | 210,368                   | 4,352   |
| Payroll taxes                    | 13,350                  | 18,150            | 18,145                    | 5   |
| Health insurance                 | 89,000                  | 72,400            | 72,386                    | 14  |
| Life insurance                   | 2,000                   | 2,000             | 1,760                     | 240   |
| Accounting and audit             | 9,000                   | 9,000             | 8,500                     | 500   |
| Advertising                      | 300                     | 320               | 320                       | -   |
| Dues and subscriptions           | 1,600                   | 1,600             | 1,319                     | 281   |
| IT expenditures                  | 8,000                   | 8,400             | 8,385                     | 15  |
| Office expense                   | 12,500                  | 13,325            | 13,325                    | -   |
| Retirement                       | 30,000                  | 28,220            | 17,600                    | 10,620  |
| Telephone                        | 10,600                  | 11,020            | 11,017                    | 3   |
| Unemployment costs               | 500                     | 500               | 87                        | 413   |
| Workers compensation insurance   | 1,000                   | 1,430             | 1,430                     | -   |
| Total Financial Administration   | <u>352,450</u>          | <u>381,085</u>    | <u>364,642</u>            | <u>16,443</u>   |
| <b>Municipal Building</b>        |                         |                   |                           |   |
| <b>Community Center</b>          |                         |                   |                           |   |
| Camera and A/V Upgrades          | 17,000                  | 17,000            | 13,264                    | 3,736   |
| Cable television                 | 1,500                   | 1,500             | 1,259                     | 241   |
| Debt service                     | 236,400                 | 236,400           | 235,753                   | 647   |
| Electric                         | 23,000                  | 23,000            | 20,259                    | 2,741   |
| Gas - heat                       | 4,000                   | 4,090             | 4,086                     | 4   |
| Insurance - building             | 9,000                   | 9,935             | 9,935                     | -   |
| Building maintenance             | 24,700                  | 24,610            | 20,946                    | 3,664   |
| Service contracts                | 11,000                  | 11,000            | 9,805                     | 1,195   |
| Water- WSSC                      | 2,000                   | 2,000             | 668                       | 1,332   |
| Total Municipal Building         | <u>\$ 328,600</u>       | <u>\$ 329,535</u> | <u>\$ 315,975</u>         | <u>\$ 13,560</u>  |

**Continued**

**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                       | <u>Budgeted Amounts</u> |                     | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------|-------------------------|---------------------|---------------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>        |                           |   |
| <b>Other General Government</b>       |                         |                     |                           |   |
| Anacostia trail way                   | \$ 400                  | \$ 400              | \$ -                      | \$ 400  |
| Census                                | -                       | 4,925               | 4,877                     | 48  |
| Colmar Manor Day                      | 3,500                   | 3,500               | 37                        | 3,463   |
| Community garden                      | 2,300                   | 2,540               | 2,533                     | 7   |
| Copier lease                          | 4,200                   | 4,205               | 4,204                     | 1   |
| COVID-19                              | 24,550                  | 55,500              | 53,221                    | 2,279   |
| Daily Bazaar - operating expenses     | -                       | 22,050              | 74                        | 21,976  |
| Direct deposit fees                   | 1,300                   | 1,300               | 606                       | 694   |
| ETHM - Youth Development Program      | 2,000                   | 2,000               | 2,000                     | -   |
| Night out                             | 1,000                   | 1,000               | -                         | 1,000   |
| Office expense - copier maintenance   | 2,000                   | 2,000               | 732                       | 1,268   |
| Port Town projects                    | 2,000                   | 2,000               | -                         | 2,000   |
| Port Town CDC                         | 1,500                   | 1,500               | -                         | 1,500   |
| Scholarship fund                      | 1,000                   | 1,000               | 1,000                     | -   |
| Senior events                         | 2,000                   | 2,000               | -                         | 2,000   |
| Senior van                            | 56,509                  | 56,509              | 46,602                    | 9,907   |
| Signs - Welcome                       | 2,000                   | 2,000               | -                         | 2,000   |
| Signs - Electronic                    | 27,000                  | 37,000              | 16,142                    | 20,858  |
| Special events                        | 3,500                   | 3,500               | 1,154                     | 2,346   |
| Summer employment                     | 2,500                   | 2,500               | 2,495                     | 5   |
| Training                              | 3,000                   | 3,000               | -                         | 3,000   |
| Website maintenance                   | 1,500                   | 1,500               | -                         | 1,500   |
| <b>Total Other General Government</b> | <u>143,759</u>          | <u>211,929</u>      | <u>135,677</u>            | <u>76,252</u>   |
| <b>Elections</b>                      | 1,400                   | 1,400               | 749                       | 651   |
| <b>Legal Counsel</b>                  | <u>18,000</u>           | <u>20,745</u>       | <u>20,741</u>             | <u>4</u>  |
| <b>Total General Government</b>       | <u>\$ 900,909</u>       | <u>\$ 1,002,744</u> | <u>\$ 890,528</u>         | <u>\$ 112,216</u>   |

Continued

**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                       | <u>Budgeted Amounts</u> |                 | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------|-------------------------|-----------------|---------------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>    |                           | <u>(Negative)</u>   |
| <b>Public Safety</b>                  |                         |                 |                           |   |
| <b>Police Department</b>              |                         |                 |                           |   |
| Salaries                              | \$ 293,800              | \$ 293,800      | \$ 285,719                | \$ 8,081  |
| Payroll taxes                         | 22,500                  | 22,500          | 21,723                    | 777   |
| Background checks, exams and training | 4,000                   | 1,000           | 320                       | 680   |
| Body cameras                          | 6,000                   | 6,150           | 6,150                     | -   |
| Communications - cell phones          | 4,400                   | 4,400           | 3,799                     | 601   |
| Community outreach                    | 900                     | 900             | -                         | 900   |
| Equipment                             | 3,000                   | 3,100           | 3,088                     | 12  |
| Gasoline                              | 9,000                   | 9,725           | 9,725                     | -   |
| Insurance - auto                      | 8,000                   | 8,000           | 6,333                     | 1,667   |
| Office expense                        | 4,000                   | 4,000           | 1,337                     | 2,663   |
| Operating expenses                    | 1,500                   | 525             | 468                       | 57  |
| Red light camera citations            | 53,300                  | 53,300          | 20,490                    | 32,810  |
| Santa with a badge                    | 650                     | 650             | 610                       | 40  |
| Training                              | 3,000                   | 3,000           | 440                       | 2,560   |
| Travel and dues                       | 3,000                   | 2,000           | 740                       | 1,260   |
| Uniforms                              | 4,500                   | 4,500           | 3,793                     | 707   |
| Vehicle maintenance                   | 4,600                   | 8,600           | 7,768                     | 832   |
| Workers compensation insurance        | 34,900                  | 34,900          | 25,209                    | 9,691   |
| Total Police Department               | <u>461,050</u>          | <u>461,050</u>  | <u>397,712</u>            | <u>63,338</u>   |
| <b>Other Public Safety</b>            |                         |                 |                           |   |
| Fire department contributions         | <u>1,800</u>            | <u>1,800</u>    | <u>1,800</u>              | <u>-</u>  |
| Total Other Public Safety             | <u>\$ 1,800</u>         | <u>\$ 1,800</u> | <u>\$ 1,800</u>           | <u>\$ -</u>   |

Continued

**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                   | <u>Budgeted Amounts</u> |                  | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|-----------------------------------|-------------------------|------------------|---------------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>     |                           | <u>(Negative)</u>   |
| <b>Parks and Recreation</b>       |                         |                  |                           |   |
| Salaries                          | \$ 50,400               | \$ -             | \$ -                      | \$ -  |
| Payroll taxes                     | 3,850                   | -                | -                         | -   |
| Insurance - workers compensation  | 200                     | 200              | -                         | 200   |
| Supplies                          | 1,500                   | 1,500            | 562                       | 938   |
| Class instructors                 | 2,000                   | 2,000            | 267                       | 1,733   |
| Recreation council holiday events | 6,500                   | 6,500            | 2,633                     | 3,867   |
| Rental expenses                   | 10,000                  | 10,000           | -                         | 10,000  |
| Total Parks and Recreation        | <u>74,450</u>           | <u>20,200</u>    | <u>3,462</u>              | <u>16,738</u>   |
| <b>Code Enforcement</b>           |                         |                  |                           |   |
| Salaries                          | 33,615                  | 44,835           | 44,831                    | 4   |
| Shared expenses                   | 4,900                   | -                | -                         | -   |
| Expenses                          | 1,000                   | 1,000            | 840                       | 160   |
| Parking permit program            | 1,000                   | 1,000            | 684                       | 316   |
| Total Code Enforcement            | <u>\$ 40,515</u>        | <u>\$ 46,835</u> | <u>\$ 46,355</u>          | <u>\$ 480</u>   |

Continued



**Town of Colmar Manor, Maryland  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2021**

|                                     | <u>Budgeted Amounts</u> |                     | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|-------------------------------------|-------------------------|---------------------|---------------------------|---|
|                                     | <u>Original</u>         | <u>Final</u>        |                           | <u>(Negative)</u>   |
| <b>Public Works</b>                 |                         |                     |                           |   |
| <b>Highways and Streets</b>         |                         |                     |                           |   |
| Salaries                            | \$ 113,500              | \$ 112,530          | \$ 106,179                | \$ 6,351  |
| Payroll taxes                       | 8,700                   | 8,700               | 8,601                     | 99  |
| CDBG - PY 43 Street work            | -                       | 107,138             | 107,008                   | 130   |
| Debt service - new vehicle          | 10,303                  | 10,303              | 10,302                    | 1   |
| Insurance - auto                    | 3,000                   | 3,000               | 2,494                     | 506   |
| Maintenance                         | 7,000                   | 10,970              | 10,869                    | 101   |
| Mosquito control                    | 1,000                   | 1,000               | -                         | 1,000   |
| Rain garden                         | 500                     | 500                 | -                         | 500   |
| Speed control measures              | -                       | 5,000               | 4,800                     | 200   |
| Street and sidewalk repairs         | -                       | 12,000              | 11,285                    | 715   |
| Street lighting                     | 25,000                  | 25,000              | 23,206                    | 1,794   |
| Tipping fees                        | 300                     | 300                 | 59                        | 241   |
| Tree service                        | 1,000                   | 1,000               | -                         | 1,000   |
| Trash containers                    | 4,500                   | 4,500               | 4,430                     | 70  |
| Gasoline - Town vehicles            | 4,300                   | 4,300               | 3,993                     | 307   |
| Vehicle maintenance                 | 4,000                   | 7,000               | 5,231                     | 1,769   |
| Workers compensation insurance      | 7,740                   | 7,740               | 7,238                     | 502   |
| Total Highways and Streets          | <u>190,843</u>          | <u>320,981</u>      | <u>305,695</u>            | <u>15,286</u>   |
| <b>Sanitation and Waste Removal</b> |                         |                     |                           |   |
| Waste collection                    | <u>82,000</u>           | <u>87,000</u>       | <u>84,415</u>             | <u>2,585</u>  |
| Total Sanitation and Waste Removal  | <u>82,000</u>           | <u>87,000</u>       | <u>84,415</u>             | <u>2,585</u>  |
| Total Public Works                  | <u>272,843</u>          | <u>407,981</u>      | <u>390,110</u>            | <u>17,871</u>   |
| <b>Total Expenditures</b>           | <u>\$ 1,751,567</u>     | <u>\$ 1,940,610</u> | <u>\$ 1,729,967</u>       | <u>\$ 210,643</u>   |

The accompanying notes are an integral part of this schedule.

**Town of Colmar Manor, Maryland  
Notes to Required Supplemental Information  
June 30, 2021**

**Note 1 – Summary of Significant Budget Policies**

The Town Council annually adopts a budget for the General Fund of the primary government. All appropriations are legally controlled at the departmental level for the General Fund. On June 2, 2020 the Town Council approved the original adopted budget for the fiscal year ended June 30, 2021. On October 5, 2021, the Town Council approved the revised budget reflected in the financial statements for fiscal year ended June 30, 2021.

The budget is integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

**Note 2 – Material Violations**

There were no material violations of the annual appropriated budgets for the General Fund for the fiscal year ended June 30, 2021. In addition, there were no excesses of budgetary expenditures for the period.

---

FREDERICK • ROCKVILLE

---

*[www.lswgcpa.com](http://www.lswgcpa.com)*

---