

Federal Compliance Audit

County of York, Maine

June 30, 2023

Revised April 24, 2024



Proven Expertise & Integrity

COUNTY OF YORK, MAINE

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JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

County Commissioners
County of York
Alfred, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of York, Maine, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the County of York, Maine's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of County of York, Maine as of June 30, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of York, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County of York, Maine's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the County of York, Maine's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension and OPEB information on pages 5 through 12 and 61 through 68 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of York, Maine's basic financial statements. The Schedule of Departmental Operations - General Fund and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2024, on our consideration of the County of York, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County of York, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of York, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
April 24, 2024

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

(UNAUDITED)

The following management's discussion and analysis of the County of York, Maine's financial performance provides an overview of the County's financial activities for the year ended June 30, 2023. Please read this discussion and analysis in conjunction with the County's financial statements.

Financial Statement Overview

The County of York's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule, pension and OPEB information and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the County's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the County's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have one column for the County's type of activity. The type of activity presented for the County of York is:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the County's basic services are reported in governmental activities, which include commissioners/governing body, management/administration, facilities repair and maintenance, treasurer, district attorney, deeds, probate, sheriff's/police services, communications/dispatch, EMA, juvenile fire prevention, retirement benefits, medical and dental insurance, public agencies, jail, special projects and reserves and unclassified.

Fund Financial Statements

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

Governmental funds: All of the basic services provided by the County are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the County's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the County.

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

The County of York presents six columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The County's major governmental funds are the general fund, jail fund, deeds preservation fund, Layman's Way fund and ARPA grant fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund is the only fund for which the County legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget for the general fund and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Changes in Net Position - Fiduciary Funds.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions - Pension, Schedule of Changes in Net OPEB Liability, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the County's governmental activities. The County's total net position increased by \$560,963 from \$64,792,961 to \$65,353,924.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased to a balance of \$6,531,501 at the end of this year.

Table 1
County of York, Maine
Net Position
June 30,

	<u>2023</u>	<u>2022</u> <u>(Restated)</u>
Assets:		
Current Assets	\$ 50,452,977	\$ 53,414,259
Noncurrent Assets:		
Capital Assets	20,949,130	16,947,074
Total Assets	<u>71,402,107</u>	<u>70,361,333</u>
Deferred Outflows of Resources:		
Deferred Amount on OPEB	244,156	333,055
Deferred Amount on Pensions	1,648,635	1,838,748
Total Deferred Outflows of Resources	<u>1,892,791</u>	<u>2,171,803</u>
Liabilities:		
Current Liabilities	2,929,412	2,274,676
Noncurrent Liabilities	3,737,100	1,119,631
Total Liabilities	<u>6,666,512</u>	<u>3,394,307</u>
Deferred Inflows of Resources:		
Deferred Amount on OPEB	234,719	191,053
Deferred Amount on Pensions	1,039,743	4,154,815
Total Deferred Inflows of Resources	<u>1,274,462</u>	<u>4,345,868</u>
Net Position:		
Net Investment in Capital Assets	20,949,130	16,947,074
Restricted	37,123,293	39,293,519
Unrestricted	7,281,501	8,552,368
Total Net Position	<u>\$ 65,353,924</u>	<u>\$ 64,792,961</u>

Table 2
County of York, Maine
Change in Net Position
For the Years Ended June 30,

	<u>2023</u>	<u>2022</u>
Revenues		
<i>Program revenues:</i>		
Charges for services	\$ 3,661,581	\$ 4,251,975
Operating grants and contributions	3,413,370	26,751,611
<i>General revenues:</i>		
Taxes	18,669,743	18,130,534
Investment income	229,178	134,575
Miscellaneous revenues	4,151,647	753,463
Total Revenues	<u>30,125,519</u>	<u>50,022,158</u>
Expenses		
Commissioners/governing body	72,513	66,034
Management/administration	1,366,487	1,177,130
Facilities repair and maintenance	676,578	593,702
Treasurer	670	594
District attorney	1,539,663	1,486,235
Deeds	576,185	589,814
Probate	628,049	589,857
Sheriff's/police services	3,868,746	3,122,933
Communications/dispatch	719,318	668,393
EMA	1,420,545	1,678,204
Juvenile fire prevention	17,236	30,298
Retirement benefits	197,565	(367,269)
Medical and dental insurance	1,167,960	1,110,035
Public agencies	134,035	128,700
Jail	12,643,363	11,977,028
Special projects and reserves	4,336,046	6,366,452
Unclassified	146,305	32,746
Contingency	53,292	8,600
Interest on long-term debt	-	17,775
Total Expenses	<u>29,564,556</u>	<u>29,277,261</u>
Change in Net Position	560,963	20,744,897
Net Position - July 1, Restated	<u>64,792,961</u>	<u>44,048,064</u>
Net Position - June 30	<u>\$ 65,353,924</u>	<u>\$ 64,792,961</u>

Revenues and Expenses

Revenues for the year ending June 30, 2023 decreased over the previous year by 39.78%. All revenue items with the exception of charges for services and operating grants and contributions decreased over the prior year. Expenses increased from the prior year by 0.98%. All expense categories saw increases over the previous year with the exception of deeds, EMA, Juvenile fire prevention, special projects and reserves and interest on long-term debt.

Financial Analysis of the County's Fund Statements

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

Table 3
County of York, Maine
Fund Balances - Governmental Funds
June 30,

	<u>2023</u>	<u>2022</u>	<u>Increase/ (Decrease)</u>
General Fund:			
Nonspendable	\$ 97,079	\$ 94,410	\$ 2,669
Committed	1,465,528	1,566,651	(101,123)
Assigned	3,495,307	3,584,471	(89,164)
Unassigned	3,066,013	3,114,415	(48,402)
Total General Fund	<u>\$ 8,123,927</u>	<u>\$ 8,359,947</u>	<u>\$ (236,020)</u>
Jail Fund:			
Nonspendable	\$ 11,875	\$ 12,213	\$ (338)
Committed	170,016	170,016	-
Assigned	2,080,927	1,821,576	259,351
Unassigned	1,359,620	1,517,479	(157,859)
Deeds Preservation:			
Restricted	688,800	634,949	53,851
Layman's Way:			
Assigned	130,281	104,073	26,208
ARPA Grant Fund:			
Restricted	33,522,482	37,986,220	(4,463,738)
Total Other Major Funds	<u>\$ 37,964,001</u>	<u>\$ 42,246,526</u>	<u>\$ (4,282,525)</u>
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 1,552,391	\$ 672,350	\$ 880,041
Unassigned	(27,110)	(12,989)	(14,121)
Total Nonmajor Funds	<u>\$ 1,525,281</u>	<u>\$ 659,361</u>	<u>\$ 865,920</u>

The changes to total fund balances for the general fund, jail fund, deeds preservation fund, layman’s way fund and the nonmajor special revenue funds occurred due to the regular activity of operations. The changes in the ARPA grant fund was due to major construction project expenses under the grant award.

Budgetary Highlights

The difference between the original and final budget for the general fund was amounts utilized from assigned and/or committed fund balance.

Actual revenues were over the general fund budget by \$284,949. This was the result of all revenue categories being receipted at or in excess of budgeted amounts with the exception of EMPG 50% EMA reimbursement.

General fund actual expenditures were under budgeted amounts by \$570,100 for the fiscal year. All expenditure categories were within or under budgeted amounts with the exception of management/administration, treasurer, sheriff’s/police services and public agencies. The overspent items are disclosed in the notes to financial statements.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2023, the net book value of capital assets recorded by the County increased by \$4,002,056 from the prior fiscal year. This was due to net capital additions of \$5,402,321 less net disposals of \$16,953 and current year depreciation expense of \$1,383,312. Refer to Note 5 of Notes to Financial Statements for additional information.

**Table 4
County of York, Maine
Capital Assets (Net of Depreciation)
June 30,**

	2023	2022 (Restated)
Land	\$ 741,856	\$ 741,856
Art work and historical treasures	1,042,366	1,042,366
Construction in progress	2,853,603	794,164
Buildings and building improvements	13,166,107	12,745,180
Land improvements	3,730	4,017
Furniture and fixtures	89,763	100,974
Machinery and equipment	489,659	518,205
Vehicles	2,562,046	1,000,312
Total	\$20,949,130	\$ 16,947,074

Debt

At June 30, 2023, the County had \$0 debt.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

Currently, the County's unassigned fund balance has decreased to \$3,066,013 for the year ended June 30, 2023 from \$3,114,415 for the same period in 2022. The County continues to maintain reserve accounts for future capital and program needs.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County's Finance Department at 45 Kennebunk Road, Alfred, Maine 04002.

COUNTY OF YORK, MAINE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 47,820,019
Accounts receivable (net of allowance for uncollectibles)	2,524,004
Inventory	6,582
Prepaid items	102,372
Total current assets	50,452,977
Noncurrent assets:	
Capital assets:	
Land, infrastructure and other assets not being depreciated	4,637,825
Buildings and equipment, net of accumulated depreciation	16,311,305
Total noncurrent assets	20,949,130
TOTAL ASSETS	71,402,107
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	244,156
Deferred outflows related to pensions	1,648,635
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,892,791
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 73,294,898

STATEMENT A (CONTINUED)
COUNTY OF YORK, MAINE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 2,422,395
Accrued payroll	92,107
Due to other governments	180,865
Accrued payroll liabilities	144,401
Current portion of long-term obligations	89,644
Total current liabilities	2,929,412
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Accrued compensated absences	806,793
Net OPEB liability	665,148
Net pension liability	2,265,159
Total noncurrent liabilities	3,737,100
TOTAL LIABILITIES	6,666,512
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	234,719
Deferred inflows related to pensions	1,039,743
TOTAL DEFERRED INFLOWS OF RESOURCES	1,274,462
NET POSITION	
Net Investment in capital assets	20,949,130
Restricted	37,123,293
Unrestricted	7,281,501
TOTAL NET POSITION	65,353,924
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 73,294,898

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental activities:					
Commissioners/governing body	\$ 72,513	\$ -	\$ -	\$ -	\$ (72,513)
Management/administration	1,366,487	-	-	-	(1,366,487)
Facilities repair and maintenance	676,578	-	-	-	(676,578)
Treasurer	670	-	-	-	(670)
District attorney	1,539,663	-	-	-	(1,539,663)
Deeds	576,185	2,622,182	-	-	2,045,997
Probate	628,049	523,667	-	-	(104,382)
Sheriff's/police services	3,868,746	9,309	-	-	(3,859,437)
Communications/dispatch	719,318	-	-	-	(719,318)
EMA	1,420,545	-	-	-	(1,420,545)
York County juvenile fire prevention	17,236	-	-	-	(17,236)
Retirement benefits*	197,565	-	-	-	(197,565)
Medical and dental insurance*	1,167,960	-	-	-	(1,167,960)
Public agencies	134,035	-	-	-	(134,035)
Unclassified	146,305	-	-	-	(146,305)
Contingency	53,292	-	-	-	(53,292)
Jail	12,643,363	-	149,154	-	(12,494,209)
Special projects and reserves	4,336,046	506,423	1,845,428	-	(1,984,195)
Total governmental activities	<u>\$ 29,564,556</u>	<u>\$ 3,661,581</u>	<u>\$ 1,994,582</u>	<u>\$ -</u>	<u>(23,908,393)</u>

* Refer to Note 7 in Notes to Financial Statements for more detail.

STATEMENT B (CONTINUED)
COUNTY OF YORK, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(23,908,393)
General revenues:	
Property taxes, levied for general purposes	18,669,743
Intergovernmental revenue	1,418,788
Investment income	229,178
Other	4,151,647
Total general revenues	24,469,356
Change in net position	560,963
NET POSITION - JULY 1, RESTATED	64,792,961
NET POSITION - JUNE 30	\$ 65,353,924

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Jail Fund	Deeds Preservation Fund	Layman's Way	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 46,956,460	\$ -	\$ 762,531	\$ -	\$ -	\$ 101,028	\$ 47,820,019
Accounts receivable (net of allowance for uncollectibles)	975,990	356,663	-	-	-	1,191,351	2,524,004
Inventory	6,582	-	-	-	-	-	6,582
Prepaid items	90,497	11,875	-	-	-	-	102,372
Due from other funds	1,075,383	4,251,752	-	140,355	33,522,482	1,274,905	40,264,877
TOTAL ASSETS	\$ 49,104,912	\$ 4,620,290	\$ 762,531	\$ 140,355	\$ 33,522,482	\$ 2,567,284	\$ 90,717,854
LIABILITIES							
Accounts payable	\$ 1,466,225	\$ 905,745	\$ 5,980	\$ 10,074	\$ -	\$ 34,371	\$ 2,422,395
Accrued payroll	-	92,107	-	-	-	-	92,107
Due to other governments	180,865	-	-	-	-	-	180,865
Payroll related liabilities	144,401	-	-	-	-	-	144,401
Due to other funds	39,189,494	-	67,751	-	-	1,007,632	40,264,877
TOTAL LIABILITIES	40,980,985	997,852	73,731	10,074	-	1,042,003	43,104,645
FUND BALANCES							
Nonspendable	97,079	11,875	-	-	-	-	108,954
Restricted	-	1,359,620	688,800	-	33,522,482	1,552,391	37,123,293
Committed	1,465,528	170,016	-	-	-	-	1,635,544
Assigned	3,495,307	2,080,927	-	130,281	-	-	5,706,515
Unassigned	3,066,013	-	-	-	-	(27,110)	3,038,903
TOTAL FUND BALANCES	8,123,927	3,622,438	688,800	130,281	33,522,482	1,525,281	47,613,209
TOTAL LIABILITIES AND FUND BALANCES	\$ 49,104,912	\$ 4,620,290	\$ 762,531	\$ 140,355	\$ 33,522,482	\$ 2,567,284	\$ 90,717,854

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

RECONCILIATION OF THE GENERAL FUND BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Total Governmental Funds
Total Fund Balances	\$ 47,613,209
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	20,949,130
Deferred outflows of resources are not financial resources and therefore are not reported in the funds	
OPEB	244,156
Pension	1,648,635
Long-term obligations shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Accrued compensated absences	(896,437)
Net OPEB liability	(665,148)
Net pension liability/(asset)	(2,265,159)
Deferred inflows of resources are not financial resources and therefore are not reported in the funds	
OPEB	(234,719)
Pension	(1,039,743)
	\$ 65,353,924
Net position of governmental activities	\$ 65,353,924

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Jail Fund	Deeds Preservation Fund	Layman's Way	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 18,669,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,669,743
Charges for services	3,049,555	-	105,603	-	-	506,423	3,661,581
Intergovernmental revenues	1,008,656	149,154	-	-	410,132	1,845,428	3,413,370
Miscellaneous revenues	292,862	3,093,370	3,495	-	166,522	824,576	4,380,825
TOTAL REVENUES	23,020,816	3,242,524	109,098	-	576,654	3,176,427	30,125,519
EXPENDITURES							
Current:							
Commissioners/governing body	72,513	-	-	-	-	-	72,513
Management/administration	1,239,665	-	-	-	-	-	1,239,665
Facilities repair and maintenance	532,650	-	-	-	-	-	532,650
Treasurer	670	-	-	-	-	-	670
District attorney	1,536,510	-	-	-	-	-	1,536,510
Deeds	570,276	-	-	-	-	-	570,276
Probate	625,962	-	-	-	-	-	625,962
Sheriffs/police services	3,632,169	-	-	-	-	-	3,632,169
Communications/dispatch	719,318	-	-	-	-	-	719,318
EMA	1,355,553	-	-	-	-	-	1,355,553
York County juvenile fire prevention	17,236	-	-	-	-	-	17,236
Retirement benefits	568,172	-	-	-	-	-	568,172
Medical and dental insurance	1,063,647	-	-	-	-	-	1,063,647
Public agencies	134,035	-	-	-	-	-	134,035
Unclassified	267,982	-	-	-	-	-	267,982
Contingency	53,292	-	-	-	-	-	53,292
Program expenditures	-	11,788,757	55,247	967,992	1,027,300	2,285,507	16,124,803
Capital outlay	569,795	680,804	-	-	4,013,092	-	5,263,691
TOTAL EXPENDITURES	12,959,445	12,469,561	55,247	967,992	5,040,392	2,285,507	33,778,144
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,061,371	(9,227,037)	53,851	(967,992)	(4,463,738)	890,920	(3,652,625)
OTHER FINANCING SOURCES (USES)							
Transfers in	29,200	9,332,391	-	994,200	-	-	10,355,791
Transfers (out)	(10,326,591)	(4,200)	-	-	-	(25,000)	(10,355,791)
TOTAL OTHER FINANCING SOURCES (USES)	(10,297,391)	9,328,191	-	994,200	-	(25,000)	-
NET CHANGE IN FUND BALANCES	(236,020)	101,154	53,851	26,208	(4,463,738)	865,920	(3,652,625)
FUND BALANCES - JULY 1	8,359,947	3,521,284	634,949	104,073	37,986,220	659,361	51,265,834
FUND BALANCES - JUNE 30	\$ 8,123,927	\$ 3,622,438	\$ 688,800	\$ 130,281	\$ 33,522,482	\$ 1,525,281	\$ 47,613,209

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds (Statement E) \$ (3,652,625)

Amounts reported for governmental activities in the Statement of
 Activities (Statement B) are different because:

Governmental funds report capital outlays as expenditures while
 governmental activities report depreciation expense allocated to
 those expenditures over the life of the assets:

Capital asset acquisitions	5,402,321
Capital asset disposals, net	(16,953)
Depreciation expense	<u>(1,383,312)</u>
	<u>4,002,056</u>

Deferred outflows of resources are a consumption of net position
 by the government that are applicable to a future reporting period
 and therefore are not reported in the funds:

OPEB	(88,899)
Pension	<u>(190,113)</u>
	<u>(279,012)</u>

Some expenses reported in the Statement of Activities do not
 require the use of current financial resources and therefore are
 not reported as expenditures in governmental funds:

Accrued compensated absences	(54,762)
Net OPEB liability	28,252
Net pension liability/(asset)	<u>(2,554,352)</u>
	<u>(2,580,862)</u>

Deferred inflows of resources are an acquisition of net position
 by the government that are applicable to a future reporting
 period and therefore are not reported in the funds:

OPEB	(43,666)
Pension	<u>3,115,072</u>
	<u>3,071,406</u>

Change in net position of governmental activities (Statement B) \$ 560,963

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2023

	Custodial Funds				Total
	Inmate Benefit Fund	Inmate Cash	Work Release	District Attorney	
ASSETS					
Cash and cash equivalents	\$ 379,596	\$ 82,290	\$ 5,024	\$ 106,281	\$ 573,191
Accounts receivable	-	-	-	133,910	133,910
TOTAL ASSETS	<u>\$ 379,596</u>	<u>\$ 82,290</u>	<u>\$ 5,024</u>	<u>\$ 240,191</u>	<u>\$ 707,101</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION					
Restricted	379,596	82,290	5,024	240,191	707,101
TOTAL NET POSITION	<u>379,596</u>	<u>82,290</u>	<u>5,024</u>	<u>240,191</u>	<u>707,101</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 379,596</u>	<u>\$ 82,290</u>	<u>\$ 5,024</u>	<u>\$ 240,191</u>	<u>\$ 707,101</u>

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Custodial Funds				Total
	Inmate Benefit Fund	Inmate Cash	Work Release	District Attorney	
ADDITIONS					
Investment earnings:					
Interest	\$ 1,462	\$ 37	\$ 2	\$ 14	\$ 1,515
Other	1,648	24,018	-	80,917	106,583
Total additions	<u>3,110</u>	<u>24,055</u>	<u>2</u>	<u>80,931</u>	<u>108,098</u>
DEDUCTIONS					
Other	58,300	-	-	3,043	61,343
Total deductions	<u>58,300</u>	<u>-</u>	<u>-</u>	<u>3,043</u>	<u>61,343</u>
CHANGE IN NET POSITION	(55,190)	24,055	2	77,888	46,755
NET POSITION - JULY 1	<u>434,786</u>	<u>58,235</u>	<u>5,022</u>	<u>162,303</u>	<u>660,346</u>
NET POSITION - JUNE 30	<u>\$ 379,596</u>	<u>\$ 82,290</u>	<u>\$ 5,024</u>	<u>\$ 240,191</u>	<u>\$ 707,101</u>

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of York was incorporated under the laws of the State of Maine. The County provides the following services: commissioners/governing body, management/administration, facilities repair and maintenance, treasurer, district attorney, deeds, probate, sheriff's/police services, communications/dispatch, EMA, juvenile fire prevention, retirement benefits, medical and dental insurance, public agencies, jail, special projects and reserves and unclassified.

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The County's combined financial statements include all accounts and all operations of the County. We have determined that the County has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2023, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 94 "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services and the prices or rates that can be charged for the services and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. Management has determined the impact of this Statement is not material to the financial statements.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 96 "Subscription-Based Information Technology Arrangements". This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 99 "Omnibus 2022". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are to provide clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset and identification of lease incentives, clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset, clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA and recognition and measurement of a subscription liability, extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt, accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP), disclosures related to nonmonetary transactions, pledges of future revenues when resources are not received by the pledging government, clarification of provisions in Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended, related to the focus of the government-wide financial statements, terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and terminology used in Statement 53 to refer to resource flows statements. Management has determined the impact of this Statement is not material to the financial statements.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental. The County categorizes all activities as governmental.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column and (b) is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts - net investment in capital assets, restricted net position and unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions (general government services, courts, jail, sheriff, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The County does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the County are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the County:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:

Major Funds

- a. The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Jail Fund is used to account for the operations of the York County Jail. Revenue sources are primarily from the transfer of tax revenue from the general fund and other intergovernmental revenues.
- c. The Deeds Preservation Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Revenue sources include intergovernmental revenues.
- d. The Layman's Way Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Revenue sources are from transfers from the general fund.
- e. The ARPA Grant Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Revenue sources include intergovernmental revenues.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonmajor Fund

- f. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

2. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support County programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

The County's fiduciary funds are presented in the fiduciary fund financial statements by type (custodial). Since by definition these assets are being held for the benefit of a third-party (other local governments, private-parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

The emphasis in fund financial statements is on the major funds in governmental activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The annual budget is the financial plan for the operation of the County of York, Maine for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the government.

The County Commissioners submit itemized financial estimates in the form of a budget to the budget committee no later than sixty days before the end of the County's fiscal year. The budget committee reviews the itemized estimated budget prepared by the County commissioners, together with any supplementary material prepared by the head of each County department or provided by an independent board or institution or another governmental agency.

The budget committee reviews the proposed budget and may increase, decrease or alter the estimated budget based on certain guidelines or restrictions. Statutes require the budget committee to hold a public hearing in the County on the proposed budget before the end of the County's fiscal year and before the final adoption of the budget.

After the public hearing is completed, the budget committee adopts a final budget and transmits that budget to the County Commissioners. The County Commissioners may not further increase, decrease, alter or revise the budget adopted by the budget committee, except by unanimous vote of the County Commissioners. If the adopted budget is changed by the County Commissioners; the budget committee may reject that change by a 2/3 vote of its membership. Those actions are final and are not subject to further action by either the County Commissioners or the budget committee.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

An annual budget is adopted for the general fund and jail fund. No budgets are officially adopted for the special revenue funds, although budgets are generally prepared as part of the oversight procedures in regards to these funds.

Deposits and Investments

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

It is the County's policy to value investments at fair value. None of the County's investments are reported at amortized cost. The County Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

The County of York's investment policy does not conflict with the State of Maine Statutes. The policy is comprehensive and is applicable to all County funds.

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2023. Accounts receivable netted with allowances for uncollectible accounts were \$2,524,004 for the year ended June 30, 2023.

Inventories and Prepaid Items

Inventories of supplies are considered to be expenditures at the time of purchase and are not included in the general fund balance sheet, with the exception of certain products bought in bulk. Inventories are valued and recorded at cost which approximates market, using the first-in/first-out (FIFO) method.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Certain insurance and other payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as “internal balances”.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds (if applicable).

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values. Records and books preservation have been capitalized as art and historical items. These items are categorized as non-depreciable assets as they are considered inexhaustible.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. The County has no recorded infrastructure.

Estimated useful lives are as follows:

Buildings and improvements	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The long-term obligations consist of accrued compensated absences, net OPEB liability and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Pensions

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

OPEB

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the County's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investments in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the County Commissioners. Please refer to the budgeting process for the authority for committing items within the budget.

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the County Commissioners.

Unassigned - This includes all other spendable amounts. The general fund and jail fund are the only funds that can report a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the County Commissioners meeting vote has provided otherwise in its commitment or assignment actions.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two types of this item, deferred outflows related to OPEB and deferred outflows related to pensions, which arise only under an accrual basis of accounting that qualifies for reporting in this category. These items are reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times 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. Deferred inflows related to OPEB and deferred inflows related to pensions qualify for reporting in this category. These items are reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The County's property tax for the current period was voted on the assessed value for all real and personal property located in the County. Property taxes for the current year budget was and will be carried as receivables for any unpaid balances. The full amount of the current year's assessment will be recognized in the current financial statements.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The County does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the County's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The County's investment policies, which follow state statutes, authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other States and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all County funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the County will not be able to recover its deposits. The County does not have a policy covering custodial credit risk for deposits. However, the County maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes.

At June 30, 2023, the County's cash and cash equivalents amounting to \$48,393,210 were comprised of bank deposits of \$48,624,899. Bank deposits and cash equivalents are adjusted primarily by outstanding checks and deposits in transit to reconcile to the County's cash and cash equivalents balance. Of these deposits, \$48,013,257 was fully insured by federal depository insurance and consequently not exposed to custodial credit risk and \$611,642 was uninsured and uncollateralized.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Account Type	Bank Balance
Checking accounts	\$ 702,886
Savings accounts	180,895
Money market accounts	367,879
ICS accounts	47,373,239
	<u>\$ 48,624,899</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Currently, the County does not have a policy for custodial credit risk for investments.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

At June 30, 2023, the County had no investments.

Credit risk - Statutes for the State of Maine authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other States and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The County does not have an investment policy on credit risk.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2023 consisted of the following individual fund receivables and payables.

	Receivables (Due from)	Payables (Due to)
General fund	\$ 1,075,383	\$ 39,189,494
Jail fund	4,251,752	-
Deeds preservation Fund	-	67,751
Layman's Way	140,355	-
ARPA grant fund	33,522,482	-
Nonmajor special revenue funds	1,274,905	1,007,632
	<u>\$ 40,264,877</u>	<u>\$ 40,264,877</u>

The result of amounts owed between funds are considered to be in the course of normal operations by the County. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

NOTE 4 - INTERFUND TRANSFERS

The County had the following interfund transfers at June 30, 2023:

	Transfers From	Transfers To
General fund	\$ 10,326,591	\$ 29,200
Jail fund	4,200	9,332,391
Layman's Way	-	994,200
Nonmajor special revenue funds	25,000	-
	<u>\$ 10,355,791</u>	<u>\$ 10,355,791</u>

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2023:

	Balance, 7/1/22 (Restated)	Additions	Disposals/ (Transfers)	Balance, 6/30/23
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 741,856	\$ -	\$ -	\$ 741,856
Art work and historical treasures	1,042,366	-	-	1,042,366
Construction in progress	794,164	2,454,835	(395,396)	2,853,603
Totals	<u>2,578,386</u>	<u>2,454,835</u>	<u>(395,396)</u>	<u>4,637,825</u>
Depreciated assets:				
Buildings and building improvements	31,260,335	1,410,479	-	32,670,814
Land improvements	138,149	-	-	138,149
Furniture and fixtures	124,397	-	-	124,397
Machinery and equipment	2,312,543	59,646	-	2,372,189
Vehicles	2,471,077	1,872,757	(243,931)	4,099,903
	<u>36,306,501</u>	<u>3,342,882</u>	<u>(243,931)</u>	<u>39,405,452</u>
Less accumulated depreciation	<u>(21,937,813)</u>	<u>(1,383,312)</u>	<u>226,978</u>	<u>(23,094,147)</u>
	<u>14,368,688</u>	<u>1,959,570</u>	<u>(16,953)</u>	<u>16,311,305</u>
Net capital assets	<u>\$16,947,074</u>	<u>\$ 4,414,405</u>	<u>\$ (412,349)</u>	<u>\$20,949,130</u>
<u>Current period depreciation:</u>				
EMA				\$ 64,992
Management/Administration				72,060
Courthouse repair and maintenance				143,928
Jail				854,606
Probate				2,087
District attorney				3,153
Deeds				5,909
Sheriff's/Police services				236,577
				<u>\$ 1,383,312</u>

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2023 is as follows:

	Balance, 7/1/22	Additions	Deletions	Balance, 6/30/23	Current Year Portion
Accrued compensated absences	\$ 841,675	\$ 54,762	\$ -	\$ 896,437	\$ 89,644
Net OPEB liability	693,400	60,514	(88,766)	665,148	-
Net pension liability/(asset)	(289,193)	3,507,445	(953,093)	2,265,159	-
Totals	<u>\$ 1,245,882</u>	<u>\$ 3,622,721</u>	<u>\$ (1,041,859)</u>	<u>\$ 3,826,744</u>	<u>\$ 89,644</u>

Please see Notes 7, 15 and 17 for detailed information on each of the other long-term obligations.

NOTE 7 - ACCRUED COMPENSATED ABSENCES

In accordance with GASB Statement No. 16 Accounting for Compensated Absences, vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the foreseeable future.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date and reduced to the maximum payment allowed by contract and/or statute, plus any applicable additional salary related payments.

As of June 30, 2023, the liability for any unpaid compensated absences was \$896,437.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the County at June 30, 2023:

Invested in capital assets	\$ 44,043,277
Accumulated depreciation	<u>(23,094,147)</u>
	<u>\$ 20,949,130</u>

NOTE 9 - RESTRICTED NET POSITION AND FUND BALANCES

At June 30, 2023, the County had the following restricted net position and fund balances:

Jail fund	\$ 1,359,620
Deeds preservation	688,800
ARPA grant fund	33,522,482
Nonmajor special revenue funds:	
Administration:	
LATCF federal grant	50,000
Settlement-Opioid impact	549,405
Monsanto settlement	27,414
District Attorney	302,806
Probate preservation	12,498
Civil process	118,694
Jag Byrne grant LLBEG	5,449
Impaired driving grant	2,258
K9 grant, Stanton Foundation	16,038
YCSO federal forfeiture	51,929
YCSO property	27,293
State criminal alien assist	74,811
York County operations	56,191
FY '15 HSGP	42,500
Homeland security grants	33,210
Local emergency planning com	9,616
Vaccine center	138,499
OJP grant	33
YC fire admin	5,952
Seabrook stipend	26,921
Cart donation	874
	<u>\$37,123,293</u>

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - NONSPENDABLE FUND BALANCES

At June 30, 2023, the County had the following nonspendable fund balances:

General fund:	
Prepaid items	\$ 90,497
Inventory	6,582
Jail fund:	
Prepaid items	11,875
	<u>\$ 108,954</u>

NOTE 11 - COMMITTED FUND BALANCES

At June 30, 2023, the County had the following committed fund balances:

General fund:	
EMA vehicle	\$ 247,017
SO vehicle	139,052
Major capital projects	294,731
Insurance fund	784,728
Jail fund:	
Jail vehicle	170,016
	<u>\$ 1,635,544</u>

NOTE 12 - ASSIGNED FUND BALANCES

At June 30, 2023, the County had the following assigned fund balances:

General fund:	
Capital improvement	\$ 288,648
New government building	350,837
Wellness equipment and programs	39,929
Ergonomics	550
Tech upgrade	115,952
Personnel record storage	455
Employee training and development	31,023
Special projects	4,641
Special projects/grant match	1,938,424
EMA/facilities garage	77,431
Payroll liabilities	487,914
Maine200 committee	11,195
Contingency	148,308

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 12 - ASSIGNED FUND BALANCES (CONTINUED)

Jail fund:	
Capital improvement	1,950,609
Debt payment reserve	130,318
Layman's Way fund	130,281
	<u>\$ 5,706,515</u>

NOTE 13 - DEFICIT FUND BALANCES

The following funds have a deficit fund balance as of June 30, 2023:

Nonmajor special revenue funds:	
Waterboro contract officer	\$ 5,000
Reimbursable Sheriff services	7,241
Ride team program	2,335
Distracted driving	223
Speed enforcement program	1,937
NAMI peer group	5,208
YCSO state forfeiture	882
Hazmat professional development	3,502
Subscription/Code Red	782
	<u>\$ 27,110</u>

Management may be asking the Board of Commissioners in fiscal year 2024 to consider a transfer from the general fund's unassigned fund balance to cover some of these nonmajor special revenue funds deficit fund balances.

NOTE 14 - EXPENDITURES OVER APPROPRIATIONS

The following expenditures were over appropriations at June 30, 2023:

Management/administration	\$ 2,054
Treasurer	44
Sheriff's/Police services	156,721
Public agencies	110
	<u>\$ 156,875</u>

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

PARTICIPATING LOCAL DISTRICT CONSOLIDATED PLAN

Plan Description

County employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.maineopers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60, 62 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with PLD employers under applicable statutory provisions. As of June 30, 2022, there were 311 employers in the plan.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 1.52%.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. All County plan members are required to contribute either 6.85% or 7.60% of their annual covered salary for the AC plan, 9.70% for the 1C plan and 8.20% for 2C plan and the County is required to contribute at an actuarially determined rate. The current rate is 10.20% of covered payroll for all County employees in plan AC, 14.70% for law enforcement employees in special plan 1C (future only from January 1, 2009), 11.40% for corrections officers and certain law enforcement employees in special plan 2C and 5.0% for PLD retirees returned to work. The contribution rates of plan members and the County are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The County's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2023 was \$762,980.

Pension Liabilities

PLD Consolidated Plan

At June 30, 2023, the County reported a liability of \$2,265,159 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2022 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The County's proportion of the net pension liabilities were based on a projection of the County's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2022, the County's proportion was 0.852091%, which was a decrease of 0.118037% from its proportion measured as of June 30, 2021.

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

For the year ended June 30, 2023, the County recognized pension revenue of \$370,607. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

	PLD Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 420,965	\$ -
Changes of assumptions	459,749	-
Net difference between projected and actual earnings on pension plan investments	-	950,700
Changes in proportion and differences between contributions and proportionate share of contributions	4,941	89,043
Contributions subsequent to the measurement date	<u>762,980</u>	<u>-</u>
Total	<u>\$ 1,648,635</u>	<u>\$ 1,039,743</u>

\$762,980 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PLD Plan
Plan year ended June 30:	
2023	\$ 246,031
2024	(256,024)
2025	(590,628)
2026	446,532
2027	-
Thereafter	-

Actuarial Methods and Assumptions

The collective total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2022, using the following methods and assumptions applied to all periods included in the measurement:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age and the member's expected future salary. The normal cost for each member is the product of the member's pay and their normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2022 are as follows:

Investment Rate of Return - 6.50% per annum for the year ended June 30, 2022 and 2021, compounded annually.

Salary Increases, Merit and Inflation - 2.75% to 11.48% per year

Mortality Rates - For the plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Cost of Living Benefit Increases - 1.91%

The long-term expected rate of return on pension plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as June 30, 2022 are summarized in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.00%	6.00%
US Government	7.50%	2.30%
Private equity	15.00%	7.60%
Real assets:		
Real estate	10.00%	5.20%
Infrastructure	10.00%	5.30%
Natural resources	5.00%	5.00%
Traditional credit	7.50%	3.20%
Alternative credit	5.00%	7.40%
Diversifiers	10.00%	5.90%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2022 for the Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

The following table shows how the collective net pension liability as of June 30, 2021 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for each of the Plans.

	1% Decrease	Discount Rate	1% Increase
<u>PLD Plan:</u>			
Discount rate	5.50%	6.50%	7.50%
County's proportionate share of the net pension liability/(asset)	\$ 6,691,925	\$ 2,265,159	\$ (1,393,720)

Changes in Net Pension Liability

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2022 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2022 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resource. For 2022 and 2020, this was three years for the PLD Consolidated Plan. For 2019, this was four years for the PLD Consolidated Plan. For 2018 and 2017, this was three years; prior to 2017, this was four years for the PLD Consolidated Plan.

Differences between Expected and Actual Investment Earnings

Differences between projected and actual investment earnings are recognized in pension expense using a straight-line amortization method over a closed five-year period. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2022 valuation were based on the results of an actuarial experience study for the period of June 30, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Please refer to the *Actuarial Methods and Assumptions* section for information relating to the use of assumptions.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2022 Annual Comprehensive Financial Report available online at www.maineopers.org or by contacting the System at (207) 512-3100.

NOTE 16 - DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457. The plan is available to County employees as part of a collective bargaining agreement and/or County policy. The deferred compensation is not available to employees until termination, retirement, death, financial hardship or unforeseen emergency.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 16 - DEFERRED COMPENSATION PLAN (CONTINUED)

Participants' rights under the plan are equal to those of the County's in an amount equal to the fair market value of the deferred amount for each participant. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

It is in the opinion of the County's management that the County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

The plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan has provisions for employees to borrow or take plan assets. The plan is being maintained by The Equitable Life Assurance Society of the United States.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

Under the plan the County is required to contribute on behalf of each participant a pre-determined percentage determined by contract of the participants' earnings for the plan year or up to 10%. For the twelve months ended June 30, 2023, the County's contributions to the plan totaled \$279,155.

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

Plan Description

The County and County retirees contribute to the County's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the County and/or the County retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the County concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criteria of paragraph 4

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of \$2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

Employees Covered by Benefit Terms

At January 1, 2023, the following employees were covered by the benefit terms:

Active members	71
Retirees and spouses	<u>-</u>
Total	<u><u>71</u></u>

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
PPO 2500	\$842	\$1,889
<u>Medicare</u> Medicare-Eligible Retirees	\$600	\$1,201

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the County reported a liability of \$665,148 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2023 and was determined by an actuarial valuation as of that date. The County's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2023, the County recognized OPEB expense of \$104,313. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 124,746	\$ 119,466
Changes of assumptions	112,943	115,253
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	6,467	-
Total	<u>\$ 244,156</u>	<u>\$ 234,719</u>

\$6,467 were reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	<u>MMEHT</u>
Plan year ended December 31:	
2024	\$ 50,266
2025	50,268
2026	(17,520)
2027	(10,352)
2028	(26,336)
Thereafter	(43,356)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2023. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.72% per annum for June 30, 2023 was based upon a measurement date of December 29, 2022. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	2.72%	3.72%	4.72%
Total OPEB liability	\$ 780,454	\$ 665,148	\$ 570,974
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 780,454</u>	<u>\$ 665,148</u>	<u>\$ 570,974</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 556,748	\$ 665,148	\$ 803,217
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 556,748</u>	<u>\$ 665,148</u>	<u>\$ 803,217</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2023, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2021. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Assumptions

The actuarial assumptions used in the January 1, 2023 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. As of January 1, 2023, they are as follows:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Amortization

The total OPEB liability of this Plan is amortized on an open 30-year period. The amortization method is a level dollar amortization method.

Discount Rate - 3.72% per annum for year end 2023 reporting. 2.06% per annum for year end 2022 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2023_fL was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	3.00%
Rate of Growth in Real Income/GDP per capital 2032+	1.50%
Extra Trend due to Taste/Technology 2032+	0.80%
Expected Health Share of GDP 2032	19.80%
Health Share of GDP Resistance Point	19.00%
Year for Limiting Cost Growth to GDP Growth	2043

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

The trends selected from 2023 to 2026 were based on plan design, population weighting, renewal projections and market analysis. For the years 2027 to 2031, these are interpolated from 2026 to 2032 (which is the product of the inflation, GDP and extra trend rate assumptions).

Deductibles, Co-payments and Out of Pocket Maximums are assumed to increase at the above trend rates. The ultimate trend rate reflects an assumed nominal per capital GDP growth.

Administrative and claims expense: 3% per annum

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Future plan changes: It is assumed that the current Plan and cost-sharing structure remains in place for all future years.

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2021.

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims. A constant cost sharing in plan design between employer and employees is assumed.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost.

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

Rate of Mortality:

Healthy Annuitant - Based on 112.1% and 118.5% of the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The proposed rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95 and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Active Employees - Rates of mortality are based on 83.5% and 88.6% of the 2010 Public Plan General Benefits - Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected.

Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible.

Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible.

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2023 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The net difference between expected and actual experience as of January 1, 2023 was \$5,280.

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2023 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the County's Finance Office at 45 Kennebunk Road, Alfred, Maine 04002.

NOTE 18 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the County either carries commercial insurance or participates in a self-insured risk pool sponsored by the Maine County Commissioners Association. The Maine County Commissioners Association Group Risk Pool is a state-chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at June 30, 2023.

The County's participation in the public entity risk pool is limited to the Maine Municipal Association - Worker Compensation Trust Fund ("Fund"). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain lower costs for worker's compensation coverage and develop a comprehensive loss control program. The County pays an annual premium to the fund for its worker's compensation coverage. The County's agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies' reinsurance contracts, coverage for claims in excess of \$1,000,000.

Based on the coverage provided by the insurance purchased, the County is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2023. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - CONTINGENCIES

With regard to any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the County's financial position.

The County participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the County's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 20 - JAIL OPERATIONS

During its 2007 Fiscal Year, the State of Maine enacted legislation known as LD 2080 "An Act to Better Coordinate and Reduce the Cost of the Delivery of State and County Correctional Services", located in Public Laws 2007, Chapter 653. This Act has in essence capped what Counties can assess their municipalities for taxes to fund their corrections budgets and will also establish the annual growth limitations for future corrections expenditures. A Board of Overseers at the State of Maine has been appointed to supervise county correction operations. The Act has raised many accounting and auditing issues regarding both financial and budgetary reporting. It is the position of the County that it has addressed, to the best of its ability, these issues in its County annual audit report and the jail annual audit.

During the 2016 fiscal year the State of Maine enacted legislation known as LD 186. This bill repeals the changes that were made by Public Law 2007, chapter 653, eliminating the State Board of Corrections and all of its duties and returns the law to the form it was in prior to jail consolidation. This bill requires that the State continue to provide funding to the counties in the same amount that it did in fiscal year 2014-15.

At the present time, issues such as the funding of accrued benefits; ownership and maintenance of correction assets; external funding of certain corrections operations; corrections capital/reserve funding and ownership and the treatment of net position balances (deficits) have not been specifically addressed in this Act. Any financial and/or other impact on the County and the Jail Department cannot be determined at the time of the issuance of this report.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 21 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the County's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

NOTE 22 - RESTATEMENT

In 2023, the County determined that certain transactions were recorded omitted, therefore, a restatement to the beginning net position of the governmental activities was necessary. The capital assets were restated as of July 1, 2022 by \$827,224. The resulting restatement increased the governmental activities beginning net position from \$63,965,737 to \$64,792,961.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pension
- Schedule of Changes in Net OPEB Liability
- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

COUNTY OF YORK, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,359,947	\$ 8,359,947	\$ 8,359,947	\$ -
Resources (Inflows):				
Taxes - municipalities	18,669,743	18,669,743	18,669,743	-
Intergovernmental:				
EMPG 50% EMA reimbursement	262,539	262,539	219,071	(43,468)
Other intergovernmental revenues	25,000	789,585	789,585	-
	<u>287,539</u>	<u>1,052,124</u>	<u>1,008,656</u>	<u>(43,468)</u>
Charges for services:				
Register of Deeds	2,500,000	2,500,000	2,516,579	16,579
Register of Probate	375,000	375,000	523,667	148,667
Sheriff	6,000	6,000	9,309	3,309
	<u>2,881,000</u>	<u>2,881,000</u>	<u>3,049,555</u>	<u>168,555</u>
Miscellaneous:				
Interest on investments	100,000	100,000	229,178	129,178
Rent income	30,000	30,000	30,000	-
Other revenues	3,000	3,000	33,684	30,684
	<u>133,000</u>	<u>133,000</u>	<u>292,862</u>	<u>159,862</u>
Transfers from other funds	29,200	29,200	29,200	-
Amounts Available for Appropriation	<u>30,360,429</u>	<u>31,125,014</u>	<u>31,409,963</u>	<u>284,949</u>

SCHEDULE 1 (CONTINUED)
COUNTY OF YORK, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Charges to Appropriations (Outflows):				
Commissioners/governing body	78,297	78,297	72,513	5,784
Management/administration	1,237,611	1,237,611	1,239,665	(2,054)
Facilities repair and maintenance	664,680	664,680	532,650	132,030
Treasurer	626	626	670	(44)
District attorney	1,698,347	1,698,347	1,536,510	161,837
Deeds	664,859	664,859	570,276	94,583
Probate	728,207	728,207	625,962	102,245
Sheriff's/police services	3,475,448	3,475,448	3,632,169	(156,721)
Communications/dispatch	735,175	735,175	719,318	15,857
EMA	753,092	1,517,677	1,355,553	162,124
York County juvenile fire prevention	39,663	39,663	17,236	22,427
Retirement benefits	592,951	592,951	568,172	24,779
Medical and dental insurance	1,071,010	1,071,010	1,063,647	7,363
Public agencies	133,925	133,925	134,035	(110)
Unclassified	-	267,982	267,982	-
Contingency	-	53,292	53,292	-
Capital outlay	-	569,795	569,795	-
Transfers to other funds	10,326,591	10,326,591	10,326,591	-
Total Charges to Appropriations	<u>22,200,482</u>	<u>23,856,136</u>	<u>23,286,036</u>	<u>570,100</u>
 Budgetary Fund Balance, June 30	 <u>\$ 8,159,947</u>	 <u>\$ 7,268,878</u>	 <u>\$ 8,123,927</u>	 <u>\$ 855,049</u>
 Paid from assigned/committed fund balance	 \$ -	 \$ 891,069	 \$ -	 \$ (891,069)
Paid from unassigned fund balance	200,000	200,000	-	(200,000)
	<u>\$ 200,000</u>	<u>\$ 1,091,069</u>	<u>\$ -</u>	<u>\$ (1,091,069)</u>
 Fund Balance, June 30			 <u>\$ 8,123,927</u>	

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>PLD Plan:</u>										
Proportion of the net pension liability/(asset)	0.85%	0.90%	0.90%	1.01%	1.10%	1.04%	1.10%	1.05%	1.07%	1.11%
Proportionate share of the net pension liability/(asset)	\$ 2,265,159	\$ (289,193)	\$ 3,558,685	\$ 3,098,584	\$ 3,006,650	\$ 4,266,199	\$ 5,834,824	\$ 3,339,494	\$ 1,641,101	\$ 3,431,160
Covered payroll	\$ 5,758,715	\$ 5,198,675	\$ 4,937,321	\$ 5,319,825	\$ 5,440,470	\$ 4,996,958	\$ 4,895,906	\$ 4,437,860	\$ 3,747,793	\$ -
Proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	39.33%	-5.56%	72.08%	58.25%	55.26%	85.38%	119.18%	75.25%	43.79%	0.00%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	86.40%	81.61%	88.30%	94.10%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST 10 FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>PLD Plan:</u>										
Contractually required contribution	\$ 762,980	\$ 671,062	\$ 615,679	\$ 578,568	\$ 620,116	\$ 609,865	\$ 534,054	\$ 515,304	\$ 427,858	\$ 371,853
Contributions in relation to the contractually required contribution	<u>(762,980)</u>	<u>(671,062)</u>	<u>(615,679)</u>	<u>(578,568)</u>	<u>(620,116)</u>	<u>(609,865)</u>	<u>(534,054)</u>	<u>(515,304)</u>	<u>(427,858)</u>	<u>(371,853)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,418,615	\$ 5,758,715	\$ 5,198,675	\$ 4,937,321	\$ 5,319,825	\$ 5,440,470	\$ 4,996,958	\$ 4,895,906	\$ 4,437,860	\$ 3,747,793
Contributions as a percentage of covered payroll	11.89%	11.65%	11.84%	11.72%	11.66%	11.21%	10.69%	10.53%	9.64%	9.92%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/22 (Reporting December 31, 2022)	\$ 693,400	\$ -	\$ 693,400
Changes for the year:			
Service cost	45,333	-	45,333
Interest	15,181	-	15,181
Changes of benefits	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(85,119)	-	(85,119)
Contributions - employer	-	3,647	(3,647)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(3,647)	(3,647)	-
Administrative expense	-	-	-
Net changes	<u>(28,252)</u>	<u>-</u>	<u>(28,252)</u>
Balances at 1/1/23 (Reporting December 31, 2023)	<u>\$ 665,148</u>	<u>\$ -</u>	<u>\$ 665,148</u>

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS
LAST 10 FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
<u>Total OPEB liability</u>						
Service cost (BOY)	\$ 45,333	\$ 50,489	\$ 43,690	\$ 28,960	\$ 32,281	\$ -
Interest (includes interest on service cost)	15,181	18,111	20,201	22,988	19,706	-
Changes of benefit terms	-	-	-	(13,886)	-	-
Differences between expected and actual experience	-	(150,923)	-	(12,545)	-	498,984
Changes of assumptions	(85,119)	(25,693)	51,055	140,416	(57,345)	43,298
Benefit payments, including refunds of member contributions	(3,647)	(4,785)	(4,601)	(3,569)	(3,432)	-
Net change in total OPEB liability	<u>\$ (28,252)</u>	<u>\$ (112,801)</u>	<u>\$ 110,345</u>	<u>\$ 162,364</u>	<u>\$ (8,790)</u>	<u>\$ 542,282</u>
Total OPEB liability - beginning	\$ 693,400	\$ 806,201	\$ 695,856	\$ 533,492	\$ 542,282	\$ -
Total OPEB liability - ending	<u>\$ 665,148</u>	<u>\$ 693,400</u>	<u>\$ 806,201</u>	<u>\$ 695,856</u>	<u>\$ 533,492</u>	<u>\$ 542,282</u>
<u>Plan fiduciary net position</u>						
Contributions - employer	3,647	4,785	4,601	3,569	3,432	-
Contributions - member	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(3,647)	(4,785)	(4,601)	(3,569)	(3,432)	-
Administrative expense	-	-	-	-	-	-
Net change in fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending	<u>\$ 665,148</u>	<u>\$ 693,400</u>	<u>\$ 806,201</u>	<u>\$ 695,856</u>	<u>\$ 533,492</u>	<u>\$ 542,282</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered payroll	\$ 4,483,526	\$ 4,483,526	\$ 4,899,168	\$ 4,899,168	\$ 4,262,906	\$ 4,262,906
Net OPEB liability as a percentage of covered payroll	14.8%	15.5%	16.5%	14.2%	12.5%	12.7%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
<u>MMEHT:</u>						
Employer contributions	\$ 3,647	\$ 4,785	\$ 4,601	\$ 3,569	\$ 3,432	\$ -
Benefit payments	(3,647)	(4,785)	(4,601)	(3,569)	(3,432)	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,483,526	\$ 4,483,526	\$ 4,899,168	\$ 4,899,168	\$ 4,262,906	\$ 4,262,906
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

Changes of Assumptions

MMEHT OPEB Plan:

There was a change in the discount rate from 2.06% to 3.72% per GASB 75 discount rate selection. Ultimate medical trends were aligned to the higher inflation environment for the roll forward as of this measurement date.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Departmental Operations - General Fund
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/(Negative)
Commissioners/Governing Body					
Wages	\$ 66,207	\$ -	\$ 66,207	\$ 66,416	\$ (209)
Taxes/benefits	5,390	-	5,390	5,486	(96)
Travel	4,000	-	4,000	611	3,389
Other	2,700	-	2,700	-	2,700
	<u>78,297</u>	<u>-</u>	<u>78,297</u>	<u>72,513</u>	<u>5,784</u>
Management/Administration					
Wages	935,046	-	935,046	883,995	51,051
Taxes/benefits	91,567	-	91,567	78,514	13,053
Legal	80,000	-	80,000	67,170	12,830
Contracted services	20,000	-	20,000	48,323	(28,323)
Dues and memberships	18,000	-	18,000	19,530	(1,530)
Equipment	49,000	-	49,000	73,767	(24,767)
Postage/office supplies	9,500	-	9,500	11,188	(1,688)
Telephone	13,000	-	13,000	14,788	(1,788)
Insurance	3,600	-	3,600	3,840	(240)
Other	17,898	-	17,898	38,550	(20,652)
	<u>1,237,611</u>	<u>-</u>	<u>1,237,611</u>	<u>1,239,665</u>	<u>(2,054)</u>
Facilities Repair and Maintenance					
Wages	314,797	-	314,797	258,650	56,147
Taxes/benefits	37,183	-	37,183	30,748	6,435
Electricity	80,000	-	80,000	46,194	33,806
Property and casualty	22,000	-	22,000	22,757	(757)
Electrical repairs	18,000	-	18,000	7,116	10,884
Heating repairs	30,000	-	30,000	27,273	2,727
Plumbing repairs	10,000	-	10,000	9,575	425
Plowing/sanding/mowing	41,000	-	41,000	36,085	4,915
Contracted services	25,000	-	25,000	32,145	(7,145)
Cleaning supplies	7,000	-	7,000	6,116	884
Propane/heating fuel	15,800	-	15,800	17,402	(1,602)
General repairs	10,500	-	10,500	9,517	983
Major and minor equipment	22,000	-	22,000	3,555	18,445
Other	31,400	-	31,400	25,517	5,883
	<u>664,680</u>	<u>-</u>	<u>664,680</u>	<u>532,650</u>	<u>132,030</u>

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/(Negative)
Treasurer					
Wages	582	-	582	620	(38)
Taxes/benefits	44	-	44	50	(6)
	<u>626</u>	<u>-</u>	<u>626</u>	<u>670</u>	<u>(44)</u>
District Attorney					
Wages	1,284,709	-	1,284,709	1,142,749	141,960
Taxes/benefits	123,558	-	123,558	103,993	19,565
General repairs/maintenance	65,000	-	65,000	65,512	(512)
Telephone	44,500	-	44,500	72,496	(27,996)
Travel	32,500	-	32,500	16,767	15,733
Contracted services	18,000	-	18,000	28,344	(10,344)
Office supplies	20,500	-	20,500	13,410	7,090
Equipment	17,500	-	17,500	20,352	(2,852)
Witness fees	6,500	-	6,500	6,220	280
Postage	12,500	-	12,500	7,112	5,388
Other	73,080	-	73,080	59,555	13,525
	<u>1,698,347</u>	<u>-</u>	<u>1,698,347</u>	<u>1,536,510</u>	<u>161,837</u>
Deeds					
Wages	496,539	-	496,539	429,894	66,645
Taxes/benefits	45,180	-	45,180	37,629	7,551
Records management	83,000	-	83,000	81,600	1,400
Postage	7,000	-	7,000	4,530	2,470
Office supplies	7,000	-	7,000	1,003	5,997
Equipment	10,500	-	10,500	4,153	6,347
Telephone	6,000	-	6,000	6,310	(310)
Insurance	2,900	-	2,900	3,034	(134)
Travel	2,000	-	2,000	741	1,259
Other	4,740	-	4,740	1,382	3,358
	<u>664,859</u>	<u>-</u>	<u>664,859</u>	<u>570,276</u>	<u>94,583</u>

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/(Negative)
Probate					
Wages	505,202	-	505,202	489,827	15,375
Taxes/benefits	46,030	-	46,030	45,123	907
Professional fees	84,000	-	84,000	14,819	69,181
Advertising	40,000	-	40,000	28,456	11,544
Postage	20,000	-	20,000	21,336	(1,336)
Equipment	10,000	-	10,000	9,006	994
Telephone	5,000	-	5,000	5,737	(737)
Other	17,975	-	17,975	11,658	6,317
	<u>728,207</u>	<u>-</u>	<u>728,207</u>	<u>625,962</u>	<u>102,245</u>
Sheriffs/Police Services					
Wages	2,049,858	-	2,049,858	2,344,702	(294,844)
Taxes/benefits	684,890	-	684,890	311,380	373,510
Gas and oil	85,000	-	85,000	111,028	(26,028)
Insurances	66,700	-	66,700	50,388	16,312
Telephone	50,000	-	50,000	70,256	(20,256)
Vehicle repair	44,000	-	44,000	86,831	(42,831)
Uniforms/safety equipment	30,000	-	30,000	59,807	(29,807)
Equipment	346,500	-	346,500	366,272	(19,772)
Professional services	20,000	-	20,000	24,806	(4,806)
Software	26,000	-	26,000	51,099	(25,099)
Training	16,000	-	16,000	74,644	(58,644)
Other	56,500	-	56,500	80,956	(24,456)
	<u>3,475,448</u>	<u>-</u>	<u>3,475,448</u>	<u>3,632,169</u>	<u>(156,721)</u>
Communications/Dispatch					
Sanford contract	690,275	-	690,275	690,275	-
Contracted services	27,500	-	27,500	27,841	(341)
Other	17,400	-	17,400	1,202	16,198
	<u>735,175</u>	<u>-</u>	<u>735,175</u>	<u>719,318</u>	<u>15,857</u>

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/(Negative)
EMA Department					
Wages	461,668	764,585	1,226,253	1,051,785	174,468
Taxes/benefits	101,699	-	101,699	120,869	(19,170)
Rental of land	35,000	-	35,000	30,000	5,000
Contracted services	20,000	-	20,000	2,446	17,554
Insurances	12,000	-	12,000	10,222	1,778
Rental of other equipment	7,500	-	7,500	6,000	1,500
Telephone	23,000	-	23,000	23,680	(680)
Office/other supplies	10,600	-	10,600	16,434	(5,834)
Internet services	10,000	-	10,000	12,981	(2,981)
Meals and lodging	4,000	-	4,000	-	4,000
Travel	11,000	-	11,000	4,077	6,923
Vehicle repair	8,000	-	8,000	14,722	(6,722)
Equipment	12,275	-	12,275	12,277	(2)
Repairs and maintenance	3,500	-	3,500	7,366	(3,866)
Other	32,850	-	32,850	42,694	(9,844)
	<u>753,092</u>	<u>764,585</u>	<u>1,517,677</u>	<u>1,355,553</u>	<u>162,124</u>
York County Juvenile Fire					
Wages	32,683	-	32,683	14,953	17,730
Taxes/benefits/other	6,980	-	6,980	2,283	4,697
	<u>39,663</u>	<u>-</u>	<u>39,663</u>	<u>17,236</u>	<u>22,427</u>
Retirement Benefits					
ICMA 457 deferred comp	214,104	-	214,104	140,473	73,631
Maine State retirement	378,847	-	378,847	427,699	(48,852)
	<u>592,951</u>	<u>-</u>	<u>592,951</u>	<u>568,172</u>	<u>24,779</u>
Medical/Dental Insurance					
Health insurance	987,325	-	987,325	855,844	131,481
Dental insurance	83,685	-	83,685	62,185	21,500
HRA costs	-	-	-	145,618	(145,618)
	<u>1,071,010</u>	<u>-</u>	<u>1,071,010</u>	<u>1,063,647</u>	<u>7,363</u>

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/(Negative)
Public Agencies					
Southern Maine Planning	38,000	-	38,000	38,110	(110)
York County Soil	7,200	-	7,200	7,200	-
York County Extension	88,725	-	88,725	88,725	-
	<u>133,925</u>	<u>-</u>	<u>133,925</u>	<u>134,035</u>	<u>(110)</u>
Unclassified					
Special/grant reserve	-	261,576	261,576	261,576	-
EE training/dev reserve	-	6,406	6,406	6,406	-
	<u>-</u>	<u>267,982</u>	<u>267,982</u>	<u>267,982</u>	<u>-</u>
Capital Outlay					
Major capital projects	-	101,123	101,123	101,123	-
Technology upgrades	-	56,459	56,459	56,459	-
Minor equipment	-	73,791	73,791	73,791	-
Capital improvement	-	118,190	118,190	118,190	-
Government building upgrades	-	152,240	152,240	152,240	-
Wellness equipment	-	19,119	19,119	19,119	-
Special projects	-	9,075	9,075	9,075	-
EMA/Facilities reserve	-	2,522	2,522	2,522	-
Payroll accrual	-	37,276	37,276	37,276	-
	<u>-</u>	<u>569,795</u>	<u>569,795</u>	<u>569,795</u>	<u>-</u>
Contingency	-	53,292	53,292	53,292	-
	<u>-</u>	<u>53,292</u>	<u>53,292</u>	<u>53,292</u>	<u>-</u>
Transfers					
Jail	9,332,391	-	9,332,391	9,332,391	-
Layman's Way	994,200	-	994,200	994,200	-
	<u>10,326,591</u>	<u>-</u>	<u>10,326,591</u>	<u>10,326,591</u>	<u>-</u>
Total Departmental Operations	<u>\$ 22,200,482</u>	<u>\$ 1,655,654</u>	<u>\$ 23,856,136</u>	<u>\$ 23,286,036</u>	<u>\$ 570,100</u>

See accompanying independent auditor's report and notes to financial statements.

COUNTY OF YORK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	Fund	7/1/22	Revenues			Expenditures	Transfers	6/30/23
		Fund Balance	Charges for Services	Intergovernmental	Other			Fund Balance
Administration:								
LATCF federal grant	2040	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Settlement-Opioid impact	4450	-	-	-	549,405	-	-	549,405
Monsanto settlement	4495	-	-	-	27,414	-	-	27,414
District Attorney:								
Admin/supervision	2120	308,319	87,045	-	-	67,558	(25,000)	302,806
Probate:								
Probate preservation	2310	16,494	6,430	93	-	10,519	-	12,498
Sheriff:								
Civil process	2500	-	412,948	-	-	294,254	-	118,694
RSU 57 resource officer	2510	-	-	73,822	-	73,822	-	-
Parsonsfield contract officer	2512	-	-	97,609	36,700	134,309	-	-
Arundel contract officer	2514	-	-	164,698	-	164,698	-	-
Waterboro contract officer	2516	-	-	209,166	36,700	250,866	-	(5,000)
Reimbursable Sheriff services	2520	-	-	35,653	-	42,894	-	(7,241)
Jag Byrne grant LLBEG	2525	2,327	-	8,218	4,809	9,905	-	5,449
Acton/Shapleigh contract officer	2539	-	-	132,463	-	132,463	-	-
Ride team program	2543	-	-	-	-	2,335	-	(2,335)
Distracted driving	2544	450	-	8,367	-	9,040	-	(223)
US Gov't Agency Assist.	2546	-	-	-	-	-	-	-
Impaired driving grant	2552	-	-	7,439	-	5,181	-	2,258
Speed enforcement program	2554	152	-	9,559	-	11,648	-	(1,937)
DV investigator	2556	-	-	87,596	-	87,596	-	-
NAMI peer group	2559	(450)	-	19,642	-	24,400	-	(5,208)
K9 grant - Stanton Foundation	2565	2,906	-	-	19,900	6,768	-	16,038
YCSO state forfeiture	2593	(1,387)	-	-	505	-	-	(882)
YCSO federal forfeiture	2596	47,354	-	-	4,575	-	-	51,929
YCSO property	2597	27,198	-	-	95	-	-	27,293
Jail:								
State criminal alien assist	2630	61,561	-	14,383	-	1,133	-	74,811
EMA:								
York county operations	2710	53,950	-	15,000	-	12,759	-	56,191
Hazmat professional development	2715	-	-	-	-	3,502	-	(3,502)
FY '15 HSGP	2720	42,500	-	-	-	-	-	42,500
Homeland security grants	2723	48,044	-	64,450	-	79,284	-	33,210
Local emergency planning com	2750	18,885	-	-	22,830	32,099	-	9,616
Subscription/Code Red	2755	-	-	-	99,397	100,179	-	(782)
Vaccine center	2765	(11,152)	-	845,470	-	695,819	-	138,499
OJP grant	2775	33	-	-	-	-	-	33
YC fire admin	2778	15,087	-	1,800	21,541	32,476	-	5,952
Seabrook stipend	2780	26,921	-	-	-	-	-	26,921
Cart donation	2790	169	-	-	705	-	-	874
Total Special Revenue General Reserves		\$ 659,361	\$ 506,423	\$ 1,845,428	\$ 824,576	\$ 2,285,507	\$ (25,000)	\$ 1,525,281

See accompanying independent auditor's report and notes to financial statements.

Federal Compliance

Federal compliance includes financial information and reports that are required in accordance with *Government Auditing Standards* and/or the Uniform Guidance in accordance with 2 CFR § 515. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Independent Auditor's Report on Compliance of Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

COUNTY OF YORK, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor Pass-Through Grantor Program Title	Federal AL Number	Pass-through Grantor Number	Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF JUSTICE				
Direct Program:				
State Criminal Alien Assistance Program	16.606	N/A	\$ 1,133	\$ -
Public Safety Partnership and Community Policing Grants	16.710	N/A	24,400	-
Passed through Town of Old Orchard Beach				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0031	9,905	-
Passed through Caring Unlimited				
Rural Domestic Violence, Dating Violence, Sexual Assault and Stalking Assistance Program	16.589	2020-WR-AX-0046	87,596	-
Total U.S. Department of Justice			123,034	-
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through State of Maine Department of Transportation:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	PT23-013	11,649	-
National Priority Safety Programs	20.616	DD23-013	9,039	-
National Priority Safety Programs	20.616	ID23-040	5,181	-
Passed through Town of York:				
National Priority Safety Programs	20.616	N/A	2,335	-
Subtotal Highway Safety Cluster			28,204	-
Passed through State of Maine Emergency Management Agency:				
Planning Grants	20.703	MEMA	32,099	-
Total U.S. Department of Transportation			60,303	-
U.S. DEPARTMENT OF TREASURY				
Direct Program				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	4,630,259	-
Total U.S. Department of Treasury			4,630,259	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through State of Maine Department of Health and Human Services:				
Opioid STR	93.788	N/A	119,106	-
Total U.S. Department of Health and Human Services			119,106	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Federal Emergency Management Agency and Maine Emergency Management Agency in the Department of Defense and Veteran's Services:				
Emergency Management Performance Grants	97.042	EMB-2022-EP-00002	262,539	-
Emergency Management Performance Grants	97.042	MEMA	350,993	-
			613,532	-
Homeland Security Grant Program	97.067	EMB-2022-EP-00032	70,609	-
Total U.S. Department of Homeland Security			684,141	-
Total Federal Assistance			\$ 5,616,843	\$ -

COUNTY OF YORK, MAINE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of York, Maine under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of York, Maine, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County of York, Maine.

2. Summary of Significant Accounting Policies

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. The County of York, Maine has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

County Commissioners
County of York
Alfred, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of York, Maine, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the County of York, Maine's basic financial statements and have issued our report thereon dated April 24, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of York, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of York, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these

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limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of York, Maine's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the County of York, Maine in a separate letter dated April 1, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
April 24, 2024



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
County of York
Alfred, Maine

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of York, Maine's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the County of York, Maine's major federal programs for the year ended June 30, 2023. the County of York, Maine's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County of York, Maine complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*) and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibility section of our report.

We are required to be independent of the County of York, Maine and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County of York, Maine's compliance with the compliance requirements referred to above.

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Management's Responsibility

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County of York, Maine's federal programs.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error and express an opinion on the County of York, Maine's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County of York, Maine's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County of York, Maine's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County of York, Maine's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County of York, Maine's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibility section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
April 24, 2024

COUNTY OF YORK, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditor's Results

• *Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no
- Noncompliance material to financial statements noted? yes no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported
in accordance with §200.516 of Uniform Guidance? yes no

Identification of major programs:

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and B: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II - Financial Statement Findings

None

Section III - Federal Awards Findings and Questioned Costs

None