

Audited Financial Statements and  
Other Supplemental Information

County of York, Maine

June 30, 2015



*Proven Expertise and Integrity*

COUNTY OF YORK, MAINE

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JUNE 30, 2015

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## INDEPENDENT AUDITORS' REPORT

County Commissioners  
County of York  
Alfred, Maine

### Report on the Financial Statements

We have audited the accompanying 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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

3 Old Orchard Road, Buxton, Maine 04093  
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609  
www.rhrsmith.com

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

### Opinion

In our opinion, the 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 the County of York, Maine as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 4 through 11 and 46 through 49 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.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County of York, Maine's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Buxton, Maine  
December 21, 2015

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2015**

**(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, 2015. 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, 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). Most of the County's basic services are reported in governmental activities, which include general government services, jail, sheriff, courts, emergency management, probate, deeds, district attorney and other 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 are categorized as one fund type: governmental 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 fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

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

The general fund and the jail fund are the only funds 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 Fiduciary Fund Statement of Net Position.

### **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 and the Schedule of Contributions.

### **Other Supplementary Information**

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds.

### **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 \$1,407,583 from \$12,232,211 to \$13,639,794.

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 - increased to a balance of \$1,035,026 at the end of this year.

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

|  | <b>2015</b>   | <b>2014<br/>(Restated)</b> |
|--|---------------|----------------------------|
| <b>Assets:</b>                         |               |                            |
| Current Assets                         | \$ 9,626,923  | \$ 11,295,733              |
| Capital Assets                         | 19,027,529    | 19,421,743                 |
| Total Assets                           | 28,654,452    | 30,717,476                 |
| <b>Deferred Outflows of Resources:</b> |               |                            |
| Deferred Amount on Pensions            | 206,073       | 369,708                    |
| Total Deferred Outflows of Resources   | 206,073       | 369,708                    |
| <b>Liabilities:</b>                    |               |                            |
| Current Liabilities                    | 4,618,646     | 7,083,411                  |
| Long-Term Debt Outstanding             | 8,751,388     | 11,771,562                 |
| Total Liabilities                      | 13,370,034    | 18,854,973                 |
| <b>Deferred Inflows of Resources:</b>  |               |                            |
| Deferred Amount on Pensions            | 1,850,697     | -                          |
| Total Deferred Inflows of Resources    | 1,850,697     | -                          |
| <b>Net Position:</b>                   |               |                            |
| Net Investment in Capital Assets       | 11,297,270    | 10,382,347                 |
| Restricted                             | 1,307,498     | 1,217,618                  |
| Unrestricted                           | 1,035,026     | 632,246                    |
| Total Net Position                     | \$ 13,639,794 | \$ 12,232,211              |

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

|                                    | <u>2015</u>          | <u>2014</u>          |
|------------------------------------|----------------------|----------------------|
| <b>Revenues</b>                    |                      |                      |
| <i>Program revenues:</i>           |                      |                      |
| Charges for services               | \$ 3,329,097         | \$ 3,226,161         |
| Operating grants and contributions | 3,128,997            | 2,791,768            |
| <i>General revenues:</i>           |                      |                      |
| Taxes                              | 15,938,388           | 16,000,000           |
| Investment income                  | 3,141                | 5,921                |
| Miscellaneous revenues             | 292,154              | 151,972              |
| Total Revenues                     | <u>22,691,777</u>    | <u>22,175,822</u>    |
| <b>Expenses</b>                    |                      |                      |
| Commissioners/Governing body       | 65,496               | 55,320               |
| Management/administration          | 980,167              | 800,498              |
| Courthouse repair & maintenance    | 470,102              | 458,820              |
| Treasurer                          | 6,951                | 6,692                |
| District attorney                  | 1,030,665            | 1,018,798            |
| Deeds                              | 749,990              | 890,800              |
| Probate                            | 552,750              | 572,933              |
| Sheriff's/police services          | 2,376,469            | 2,476,606            |
| Communications/dispatch            | 544,553              | 490,808              |
| EMA                                | 397,489              | 357,430              |
| Juvenile fire prevention           | 28,800               | 27,430               |
| Retirement benefits                | 561,350              | 341,000              |
| Medical and dental insurance       | 727,958              | 731,181              |
| Public agencies                    | 116,000              | 112,400              |
| Jail                               | 11,440,215           | 11,225,781           |
| Special projects and reserves      | 889,192              | 1,780,825            |
| Unclassified                       | 14,462               | 12,807               |
| Interest on long-term debt         | 331,585              | 391,513              |
| Total Expenses                     | <u>21,284,194</u>    | <u>21,751,642</u>    |
| Change in Net Position             | 1,407,583            | 424,180              |
| Net Position - January 1, Restated | <u>12,232,211</u>    | <u>11,808,031</u>    |
| Net Position - June 30             | <u>\$ 13,639,794</u> | <u>\$ 12,232,211</u> |

## Revenues and Expenses

Revenues for the year ending June 30, 2015 increased over the previous year by \$515,955. All revenue items with the exception of taxes and investment income increased over the prior year. Expenses decreased from the prior year by \$467,448. The most significant decrease was in special projects and reserves. Other items that decreased were Deeds and Sheriff/police services.

### 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**

|                         | <b>June 30,<br/>2015</b> | <b>June 30,<br/>2014</b> |
|-------------------------|--------------------------|--------------------------|
| General Fund:           |                          |                          |
| Nonspendable            | \$ 69,628                | \$ 146,240               |
| Committed               | 1,005,106                | 787,830                  |
| Assigned                | 1,691,152                | 1,330,299                |
| Unassigned              | 2,367,240                | 2,082,241                |
| Total General Fund      | <u>\$ 5,133,126</u>      | <u>\$ 4,346,610</u>      |
| Jail Fund:              |                          |                          |
| Restricted              | \$ -                     | \$ -                     |
| Unassigned              | (58,594)                 | (10,469)                 |
| Deeds Preservation:     |                          |                          |
| Restricted              | 881,109                  | 829,569                  |
| Total Other Major Funds | <u>\$ 822,515</u>        | <u>\$ 819,100</u>        |
| Nonmajor Funds:         |                          |                          |
| Special Revenue Funds:  |                          |                          |
| Restricted              | \$ 426,389               | \$ 388,049               |
| Unassigned              | (49,261)                 | (32,300)                 |
| Total Nonmajor Funds    | <u>\$ 377,128</u>        | <u>\$ 355,749</u>        |

The general fund total fund balance increased by \$786,516 from the prior fiscal year. Fund balances for the jail fund decreased over the prior year by \$48,125. The Deeds surcharge fund increased by \$51,540. The other non-major fund balances increased by \$21,379 over the prior fiscal year.

## Budgetary Highlights

There was no significant difference between the original and final budget for the general fund, with the exception of the movement of internal transfers.

Actual revenues were over the general fund budget by \$363,065. This was the result of several over-received revenues such as Deeds, Probate and intergovernmental revenue.

General fund actual expenditures were under budget by \$465,324 for the fiscal year. Under expended medical and dental insurance, capital outlay, sheriff and contingency were the primary reasons for the favourable variance. The overspent items are disclosed in the notes to financial statements.

## Capital Asset and Debt Administration

### Capital Assets

As of June 30, 2015, the net book value of capital assets recorded by the County decreased by \$394,214 from the prior fiscal year. This was due to depreciation expense less capital additions and net disposals. Refer to Note 4 of Notes to Financial Statements for additional information.

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

|                                     | <b>June 30,<br/>2015</b> | <b>June 30,<br/>2014</b> |
|-------------------------------------|--------------------------|--------------------------|
| Land                                | \$ 741,856               | \$ 741,856               |
| Construction in progress            | 125,151                  | 63,445                   |
| Buildings and building improvements | 17,134,731               | 17,850,162               |
| Land improvements                   | 6,026                    | 6,313                    |
| Machinery and equipment             | 508,980                  | 405,631                  |
| Vehicles                            | 510,785                  | 354,336                  |
| Total                               | <u>\$ 19,027,529</u>     | <u>\$ 19,421,743</u>     |

### Debt

At June 30, 2015, the County had \$6.9 million in bonds outstanding vs. \$7.9 in 2014. This was a decrease of \$1.0 million. Other obligations include capital leases, accrued compensated time and net pension liability as shown in Note 5 of Notes to Financial Statements.

## **Currently Known Facts, Decisions, or Conditions**

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

The County has steadily maintained a sufficient unassigned fund balance to sustain government operations for a period of approximately two months, while also maintaining 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, and 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 Finance Department at, 45 Kennebunk Road, Alfred, Maine 04002.

COUNTY OF YORK, MAINE  
STATEMENT OF NET POSITION  
JUNE 30, 2015

|  | <u>Governmental<br/>Activities</u> |
|--|------------------------------------|
| <b>ASSETS</b>  |                                    |
| Current assets:  |                                    |
| Cash and cash equivalents  | \$ 5,740,622                       |
| Accounts receivable (net of allowance for uncollectibles)                    | 237,224                            |
| Due from other governments   | 255,978                            |
| Taxes receivable   | 3,314,143                          |
| Inventory  | 2,633                              |
| Prepaid items  | 76,323                             |
| Total current assets   | <u>9,626,923</u>                   |
| Noncurrent assets:   |                                    |
| Capital assets:  |                                    |
| Land, infrastructure, and other assets not being depreciated                 | 867,007                            |
| Buildings and equipment, net of accumulated depreciation                     | 18,160,522                         |
| Total noncurrent assets  | <u>19,027,529</u>                  |
| <b>TOTAL ASSETS</b>  | <u>28,654,452</u>                  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>  |                                    |
| Deferred amount on pensions  | 206,073                            |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>                                  | <u>206,073</u>                     |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                       | <u>\$ 28,860,525</u>               |
| <b>LIABILITIES</b>   |                                    |
| Current liabilities:   |                                    |
| Accounts payable   | \$ 680,255                         |
| Accrued payroll  | 329,729                            |
| Due to other governments   | 648,861                            |
| Accrued payroll liabilities  | 66,299                             |
| TAN payable  | 1,569,010                          |
| Current portion of long-term obligations                                     | 1,324,492                          |
| Total current liabilities  | <u>4,618,646</u>                   |
| Noncurrent liabilities:  |                                    |
| Noncurrent portion of long-term obligations:                                 |                                    |
| Bonds payable  | 5,900,000                          |
| Capital leases   | 505,767                            |
| Accrued compensated absences   | 704,520                            |
| Net pension liability  | 1,641,101                          |
| Total noncurrent liabilities   | <u>8,751,388</u>                   |
| <b>TOTAL LIABILITIES</b>   | <u>13,370,034</u>                  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                                    |
| Deferred amount on pensions  | 1,850,697                          |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>1,850,697</u>                   |
| <b>NET POSITION</b>  |                                    |
| Invested in capital assets, net of related debt                              | 11,297,270                         |
| Restricted   | 1,307,498                          |
| Unrestricted   | 1,035,026                          |
| <b>TOTAL NET POSITION</b>  | <u>13,639,794</u>                  |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES<br/>AND NET POSITION</b> | <u>\$ 28,860,525</u>               |

See accompanying independent auditors' report and notes to financial statements.

## STATEMENT B

COUNTY OF YORK, MAINE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

| Functions/Programs                                   | Expenses             | Program Revenues        |                                     |                                   | Net (Expense)<br>Revenue & Changes<br>in Net Position |
|--|----------------------|-------------------------|-------------------------------------|-----------------------------------|---|
|  |                      | Charges for<br>Services | Operating Grants<br>& Contributions | Capital Grants &<br>Contributions | Total<br>Governmental<br>Activities                   |
| Governmental activities:                             |                      |                         |                                     |                                   |   |
| Commissioners/Governing Body                         | \$ 65,496            | \$ -                    | \$ -                                | \$ -                              | \$ (65,496)   |
| Management/administration                            | 980,167              | 172,420                 | -                                   | -                                 | (807,747)   |
| Courthouse repair & maintenance                      | 470,102              | -                       | -                                   | -                                 | (470,102)   |
| Treasurer  | 6,951                | -                       | -                                   | -                                 | (6,951)   |
| District attorney                                    | 1,030,665            | -                       | -                                   | -                                 | (1,030,665)   |
| Deeds  | 749,990              | 2,152,462               | -                                   | -                                 | 1,402,472   |
| Probate  | 552,750              | 369,880                 | -                                   | -                                 | (182,870)   |
| Sheriff's/police services                            | 2,376,469            | 77,931                  | -                                   | -                                 | (2,298,538)   |
| Communications/dispatch                              | 544,553              | -                       | -                                   | -                                 | (544,553)   |
| EMA  | 397,489              | -                       | -                                   | -                                 | (397,489)   |
| York County juvenile fire prevention                 | 28,800               | -                       | -                                   | -                                 | (28,800)  |
| Retirement benefits                                  | 561,350              | -                       | -                                   | -                                 | (561,350)   |
| Medical and dental insurance                         | 727,958              | -                       | -                                   | -                                 | (727,958)   |
| Public agencies                                      | 116,000              | -                       | -                                   | -                                 | (116,000)   |
| Unclassified   | 14,462               | -                       | -                                   | -                                 | (14,462)  |
| Jail   | 11,440,215           | -                       | 2,039,323                           | -                                 | (9,400,892)   |
| Special projects and reserves                        | 889,192              | 556,404                 | 770,334                             | -                                 | 437,546   |
| Interest on long-term debt and tax anticipation note | 331,585              | -                       | -                                   | -                                 | (331,585)   |
| Total government                                     | <u>\$ 21,284,194</u> | <u>\$ 3,329,097</u>     | <u>\$ 2,809,657</u>                 | <u>\$ -</u>                       | <u>(15,145,440)</u>                                   |

STATEMENT B (CONTINUED)  
COUNTY OF YORK, MAINE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

|   | Governmental<br>Activities |
|---|----------------------------|
| Changes in net position:                    |                            |
| Net (expense) revenue                       | (15,145,440)               |
| General revenues:                           |                            |
| Property taxes, levied for general purposes | 15,938,388                 |
| Intergovernmental revenue                   | 319,340                    |
| Investment income                           | 3,141                      |
| Other                                       | 292,154                    |
| Total general revenues                      | 16,553,023                 |
| Change in net position                      | 1,407,583                  |
| NET POSITION - JULY 1, RESTATED             | 12,232,211                 |
| NET POSITION - JUNE 30                      | \$ 13,639,794              |

See accompanying independent auditors' report and notes to financial statements.

## STATEMENT C

## COUNTY OF YORK, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2015

|  | General<br>Fund     | Jail<br>Fund      | Deeds<br>Preservation<br>Fund | Other<br>Governmental<br>Funds | Totals<br>Governmental<br>Funds |
|--|---------------------|-------------------|-------------------------------|--------------------------------|---------------------------------|
| <b>ASSETS</b>  |                     |                   |                               |                                |                                 |
| Cash and cash equivalents                                    | \$ 4,665,410        | \$ -              | \$ 939,340                    | \$ 135,872                     | \$ 5,740,622                    |
| Accounts receivable (net of<br>allowance for uncollectibles) | 32,110              | -                 | -                             | 205,114                        | 237,224                         |
| Due from other governments                                   | 163,182             | 92,796            | -                             | -                              | 255,978                         |
| Taxes receivable   | 3,314,143           | -                 | -                             | -                              | 3,314,143                       |
| Inventory  | 2,633               | -                 | -                             | -                              | 2,633                           |
| Prepaid items  | 69,628              | 6,695             | -                             | -                              | 76,323                          |
| Due from other funds   | 259,897             | 397,788           | -                             | 284,271                        | 941,956                         |
| <b>TOTAL ASSETS</b>  | <b>\$ 8,507,003</b> | <b>\$ 497,279</b> | <b>\$ 939,340</b>             | <b>\$ 625,257</b>              | <b>\$ 10,568,879</b>            |
| <b>LIABILITIES</b>   |                     |                   |                               |                                |                                 |
| Accounts payable   | \$ 257,980          | \$ 406,869        | \$ -                          | \$ 15,406                      | \$ 680,255                      |
| Accrued payroll  | 149,668             | 149,004           | -                             | 31,057                         | 329,729                         |
| Due to other governments                                     | 648,861             | -                 | -                             | -                              | 648,861                         |
| Payroll related liabilities                                  | 66,299              | -                 | -                             | -                              | 66,299                          |
| Due to other funds   | 682,059             | -                 | 58,231                        | 201,666                        | 941,956                         |
| Tan payable  | 1,569,010           | -                 | -                             | -                              | 1,569,010                       |
| <b>TOTAL LIABILITIES</b>                                     | <b>3,373,877</b>    | <b>555,873</b>    | <b>58,231</b>                 | <b>248,129</b>                 | <b>4,236,110</b>                |
| <b>FUND BALANCES</b>   |                     |                   |                               |                                |                                 |
| Nonspendable   | 69,628              | -                 | -                             | -                              | 69,628                          |
| Restricted   | -                   | -                 | 881,109                       | 426,389                        | 1,307,498                       |
| Committed  | 1,005,106           | -                 | -                             | -                              | 1,005,106                       |
| Assigned   | 1,691,152           | -                 | -                             | -                              | 1,691,152                       |
| Unassigned   | 2,367,240           | (58,594)          | -                             | (49,261)                       | 2,259,385                       |
| <b>TOTAL FUND BALANCES</b>                                   | <b>5,133,126</b>    | <b>(58,594)</b>   | <b>881,109</b>                | <b>377,128</b>                 | <b>6,332,769</b>                |
| <b>TOTAL LIABILITIES AND FUND<br/>BALANCES</b>               | <b>\$ 8,507,003</b> | <b>\$ 497,279</b> | <b>\$ 939,340</b>             | <b>\$ 625,257</b>              | <b>\$ 10,568,879</b>            |

See accompanying independent auditors' 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, 2015

|   | <u>Total<br/>Governmental<br/>Funds</u> |
|---|---|
| Total Fund Balances   | \$ 6,332,769                            |
| 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 | 19,027,529                              |
| Deferred outflows of resources are not financial resources and therefore are not reported in the funds  | 206,073                                 |
| Long-term liabilities shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:               |   |
| Bonds payable   | (6,900,000)                             |
| Capital leases payable  | (830,259)                               |
| Accrued compensated absences  | (704,520)                               |
| Net pension liability   | (1,641,101)                             |
| Deferred inflows of resources are not financial resources and therefore are not reported in the funds   | <u>(1,850,697)</u>                      |
| Net position of governmental activities   | <u>\$ 13,639,794</u>                    |

See accompanying independent auditors' 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, 2015

|   | General<br>Fund     | Jail<br>Fund       | Deeds<br>Preservation<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|---------------------|--------------------|-------------------------------|--------------------------------|--------------------------------|
| <b>REVENUES</b>   |                     |                    |                               |                                |                                |
| Taxes   | \$ 15,938,388       | \$ -               | \$ -                          | \$ -                           | \$ 15,938,388                  |
| Charges for services                                    | 2,662,922           | -                  | 109,771                       | 556,404                        | 3,329,097                      |
| Intergovernmental revenues                              | 319,340             | 2,039,323          | -                             | 770,334                        | 3,128,997                      |
| Miscellaneous revenues                                  | 88,803              | 97,150             | -                             | 109,342                        | 295,295                        |
| <b>TOTAL REVENUES</b>                                   | <b>19,009,453</b>   | <b>2,136,473</b>   | <b>109,771</b>                | <b>1,436,080</b>               | <b>22,691,777</b>              |
| <b>EXPENDITURES</b>                                     |                     |                    |                               |                                |                                |
| Current:  |                     |                    |                               |                                |                                |
| Commissioners/Governing Body                            | 57,562              | -                  | -                             | -                              | 57,562                         |
| Management/administration                               | 885,790             | -                  | -                             | -                              | 885,790                        |
| Courthouse repair & maintenance                         | 373,467             | -                  | -                             | -                              | 373,467                        |
| Treasurer   | 6,951               | -                  | -                             | -                              | 6,951                          |
| District attorney                                       | 1,030,665           | -                  | -                             | -                              | 1,030,665                      |
| Deeds   | 691,759             | -                  | 58,231                        | -                              | 749,990                        |
| Probate   | 550,152             | -                  | -                             | -                              | 550,152                        |
| Sheriff's/police services                               | 2,367,303           | -                  | -                             | -                              | 2,367,303                      |
| Communications/dispatch                                 | 544,553             | -                  | -                             | -                              | 544,553                        |
| EMA   | 347,662             | -                  | -                             | -                              | 347,662                        |
| York County Juvenile Fire Prevention                    | 28,800              | -                  | -                             | -                              | 28,800                         |
| Retirement benefits                                     | 337,077             | -                  | -                             | -                              | 337,077                        |
| Medical and dental insurance                            | 727,958             | -                  | -                             | -                              | 727,958                        |
| Public agencies   | 116,000             | -                  | -                             | -                              | 116,000                        |
| Unclassified  | 14,462              | -                  | -                             | -                              | 14,462                         |
| Contingency   | -                   | -                  | -                             | -                              | -                              |
| Program expenditures                                    | 41,873              | 10,615,084         | -                             | 1,423,370                      | 12,080,327                     |
| Debt service:   |                     |                    |                               |                                |                                |
| Principal   | 1,270,207           | -                  | -                             | -                              | 1,270,207                      |
| Interest  | 331,585             | -                  | -                             | -                              | 331,585                        |
| Capital outlay  | 59,956              | -                  | -                             | -                              | 59,956                         |
| <b>TOTAL EXPENDITURES</b>                               | <b>9,783,782</b>    | <b>10,615,084</b>  | <b>58,231</b>                 | <b>1,423,370</b>               | <b>21,880,467</b>              |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | <b>9,225,671</b>    | <b>(8,478,611)</b> | <b>51,540</b>                 | <b>12,710</b>                  | <b>811,310</b>                 |
| <b>OTHER FINANCING SOURCES (USES)</b>                   |                     |                    |                               |                                |                                |
| Transfers in  | 2,800               | 8,433,286          | -                             | 8,669                          | 8,444,755                      |
| Transfers (out)   | (8,441,955)         | (2,800)            | -                             | -                              | (8,444,755)                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>             | <b>(8,439,155)</b>  | <b>8,430,486</b>   | <b>-</b>                      | <b>8,669</b>                   | <b>-</b>                       |
| <b>NET CHANGE IN FUND BALANCES</b>                      | <b>786,516</b>      | <b>(48,125)</b>    | <b>51,540</b>                 | <b>21,379</b>                  | <b>811,310</b>                 |
| <b>FUND BALANCES - JANUARY 1</b>                        | <b>\$ 4,346,610</b> | <b>(10,469)</b>    | <b>829,569</b>                | <b>355,749</b>                 | <b>5,521,459</b>               |
| <b>FUND BALANCES - JUNE 30</b>                          | <b>\$ 5,133,126</b> | <b>\$ (58,594)</b> | <b>\$ 881,109</b>             | <b>\$ 377,128</b>              | <b>\$ 6,332,769</b>            |

See accompanying independent auditors' 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, 2015

|   |                            |
|---|----------------------------|
| Net change in fund balances - total governmental funds (Statement E)  | <u>\$ 811,310</u>          |
| Amounts reported for governmental activities in the Statement of Activities<br>(Statement B) are different because:   |                            |
| Governmental funds report capital outlays as expenditures while governmental<br>activities report depreciation expense allocated to those expenditures over<br>the life of the assets:  |                            |
| Capital asset purchases capitalized   | 640,389                    |
| Capital asset disposals, net  | (4,922)                    |
| Depreciation expense  | <u>(1,029,681)</u>         |
|   | <u>(394,214)</u>           |
| Deferred outflows of resources are a consumption of net assets by the government<br>that are applicable to a future reporting period and therefore are not reported<br>in the funds     |                            |
|   | <u>(163,635)</u>           |
| Repayment of long-term debt principal is an expenditure in the governmental<br>funds, but the repayment reduces long-term liabilities in the Statement of<br>Net Position               |                            |
|   | <u>1,309,137</u>           |
| Some expenses reported in the Statement of Activities do not require the use<br>of current financial resources and therefore are not reported as expenditures in<br>governmental funds: |                            |
| Accrued compensated absences  | (94,377)                   |
| Net pension liability   | <u>1,790,059</u>           |
|   | <u>1,695,682</u>           |
| Deferred inflows of resources are a consumption of net assets by the government<br>that are applicable to a future reporting period and therefore are not reported<br>in the funds      |                            |
|   | <u>(1,850,697)</u>         |
| Change in net position of governmental activities (Statement B)   | <u><u>\$ 1,407,583</u></u> |

See accompanying independent auditors' report and notes to financial statements.

## COUNTY OF YORK, MAINE

STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2015

|                           | Agency<br>Funds        |                 |                      | Totals            |
|---------------------------|------------------------|-----------------|----------------------|-------------------|
|                           | Inmate<br>Benefit Fund | Work<br>Release | District<br>Attorney |                   |
| <b>ASSETS</b>             |                        |                 |                      |                   |
| Cash and cash equivalents | \$ 132,999             | \$ 4,237        | \$ 43,117            | \$ 180,353        |
| Investments               | 267,524                | -               | -                    | 267,524           |
| Accounts receivable       | -                      | -               | -                    | -                 |
| <b>TOTAL ASSETS</b>       | <u>\$ 400,523</u>      | <u>\$ 4,237</u> | <u>\$ 43,117</u>     | <u>\$ 447,877</u> |
| <b>LIABILITIES</b>        |                        |                 |                      |                   |
| Accounts payable          | \$ -                   | \$ -            | \$ -                 | \$ -              |
| Due to other governments  | -                      | -               | -                    | -                 |
| Deposits held for others  | 400,523                | 4,237           | 43,117               | 447,877           |
| <b>TOTAL LIABILITIES</b>  | <u>\$ 400,523</u>      | <u>\$ 4,237</u> | <u>\$ 43,117</u>     | <u>\$ 447,877</u> |

See accompanying independent auditors' report and notes to financial statements.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

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: general government services, sheriff, jail, telecommunications, deeds, probate, courts and other.

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.

***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 columns are (a) presented on a consolidated basis by column, and (b) are 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.). 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

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

**Measurement Focus - Basic Financial Statements & 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, liabilities, 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:

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

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The emphasis in fund financial statements is on the major funds in governmental activities categories. Non-major funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, 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.

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.

2. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency 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.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). 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 either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, 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.

**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 prepares a 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, 2015

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 deposits and other evidences 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.

**Inventories**

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 recorded at first in – first out at cost.

**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".

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Transactions Between Funds**

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

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2015.

**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. Contributed assets are reported at fair market value as of the date received. 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 fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

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

**Long-term Obligations**

The accounting treatment of long-term debt 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.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of notes or bonds payable, compensated absences 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 fund is the same in the fund statements as it is in the government-wide statements.

**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, 2015, the liability for any unpaid compensated absences was \$704,520.

**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.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Net Position/Fund Balances**

Net position represents the difference between assets and liabilities. Net investments in capital assets, net of related debt 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.

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 is the only fund 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, 2015

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 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 only one type of this item, deferred amount on pensions, which arises only under an accrual basis of accounting that qualifies for reporting in this category.

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. The County has only one type of item, deferred amounts on pensions that qualify for reporting in this category. Deferred amounts on pensions is reported in only 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 transitional year budget was and will be carried as receivables for any unpaid balances. The full amount of the current year assessment will be recognized in the current financial statements.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

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, 2015, the County's cash and cash equivalents amounting to \$5,921,375 were comprised of deposits of \$5,493,593. Of these deposits, \$625,020 was insured by federal depository insurance and consequently not exposed to custodial credit risk, and \$4,868,573 was collateralized with securities held by the financial institution in the County's name or fully covered by the Securities Investor Protection Corporation (SIPC).

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

| <u>Account Type</u>   | <u>Bank<br/>Balance</u> |
|-----------------------|-------------------------|
| Checking accounts     | \$ 5,136,542            |
| Savings accounts      | 57,051                  |
| Repurchase agreements | 300,000                 |
|                       | <u>\$ 5,493,593</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 possession of an outside party. Currently, the County does not have a policy for custodial credit risk for investments.

At June 30, 2015, the County had \$267,524 of investments. These investments were in mutual funds. The maturity of these is not applicable. These investments were fully covered by the Securities Investor Protection Corporation (SIPC).

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.

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.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 3 – INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2015 consisted of the following individual fund receivables and payables.

|                                | Receivables<br>(Due from) | Payables<br>(Due to) |
|--------------------------------|---------------------------|----------------------|
| General Fund                   | \$ 259,897                | \$ 682,059           |
| Jail Fund                      | 397,788                   | -                    |
| Deeds Preservation Fund        | -                         | 58,231               |
| Nonmajor Special Revenue Funds | 284,271                   | 201,666              |
|                                | <u>\$ 941,956</u>         | <u>\$ 941,956</u>    |

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at June 30, 2015:

|                                     | Balance,<br>7/1/14   | Additions           | Disposals         | Balance,<br>6/30/15  |
|-------------------------------------|----------------------|---------------------|-------------------|----------------------|
| <u>Governmental activities</u>      |                      |                     |                   |                      |
| Non-depreciated assets:             |                      |                     |                   |                      |
| Land                                | \$ 741,856           | \$ -                | \$ -              | \$ 741,856           |
| Art work and historical treasures   | 63,445               | 61,706              | -                 | 125,151              |
| Totals                              | <u>805,301</u>       | <u>61,706</u>       | <u>-</u>          | <u>867,007</u>       |
| Depreciated assets:                 |                      |                     |                   |                      |
| Buildings and building improvements | 28,848,903           | 178,437             | -                 | 29,027,340           |
| Land improvements                   | 138,149              | -                   | -                 | 138,149              |
| Furniture & fixtures                | 14,109               | -                   | -                 | 14,109               |
| Machinery & equipment               | 1,549,493            | 178,486             | -                 | 1,727,979            |
| Vehicles                            | 1,483,647            | 221,760             | (191,268)         | 1,514,139            |
|                                     | <u>32,034,301</u>    | <u>578,683</u>      | <u>(191,268)</u>  | <u>32,421,716</u>    |
| Less accumulated depreciation       | <u>(13,417,859)</u>  | <u>(1,029,681)</u>  | <u>186,346</u>    | <u>(14,261,194)</u>  |
|                                     | <u>18,616,442</u>    | <u>(450,998)</u>    | <u>(4,922)</u>    | <u>18,160,522</u>    |
| Net capital assets                  | <u>\$ 19,421,743</u> | <u>\$ (389,292)</u> | <u>\$ (4,922)</u> | <u>\$ 19,027,529</u> |

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Current period depreciation:

|                                 |                                |
|---------------------------------|--------------------------------|
| EMA                             | \$ 49,827                      |
| Management / administration     | 7,934                          |
| Courthouse repair / maintenance | 96,635                         |
| Jail                            | 825,131                        |
| Probate                         | 2,598                          |
| Sheriff / police services       | <u>47,556</u>                  |
| <br>Total depreciation expense  | <br><u><u>\$ 1,029,681</u></u> |

NOTE 5 – LONG TERM DEBT

The following is a summary of changes in the long-term debt for the six months ended June 30, 2015:

|                                 | Balance,<br>7/1/14<br>(Restated) | Additions         | Deletions             | Balance,<br>6/30/15 | Current<br>Year<br>Portion |
|---------------------------------|----------------------------------|-------------------|-----------------------|---------------------|----------------------------|
| Bonds payable                   | \$ 7,900,000                     | \$ -              | \$ (1,000,000)        | \$ 6,900,000        | \$ 1,000,000               |
| Capital leases payable          | 1,139,396                        | -                 | (309,137)             | 830,259             | 324,492                    |
| Accrued compensated<br>absences | 610,143                          | 94,377            | -                     | 704,520             | -                          |
| Net pension liability           | 3,431,160                        | 369,708           | (2,159,767)           | 1,641,101           | -                          |
| Totals                          | <u>\$ 13,080,699</u>             | <u>\$ 464,085</u> | <u>\$ (3,468,904)</u> | <u>\$ 8,434,779</u> | <u>\$ 1,324,492</u>        |

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 5 – LONG TERM DEBT (CONTINUED)

The following is a summary of the outstanding bond payable:

Bonds Payable:

|   |                            |
|---|----------------------------|
| \$6,000,000 2003 Capital Improvement Bond payable to TD Bank. Annual principal payments of \$300,000. Interest rate varies from 2.0% - 3.8% per annum. Matures December 2022. | \$ 2,400,000               |
| \$3,600,000 2011 Bond payable to Maine Municipal Bond Bank. Annual principal payments of \$400,000. Interest rate varies from 0.5% - 5.39% per annum. Matures November 2020.  | 2,400,000                  |
| \$3,000,000 2011 Bond payable to Maine Municipal Bond Bank. Annual principal payments of \$300,000. Interest rate varies from .5% - 5.5% per annum. Matures in November 2021. | 2,100,000                  |
| Total Bonds Payable   | <u><u>\$ 6,900,000</u></u> |

The following is a summary of the outstanding bond principal and interest requirements for the following fiscal years ending June 30:

| Year Ending<br>June 30, | Principal                  | Interest                 | Totals                     |
|-------------------------|----------------------------|--------------------------|----------------------------|
| 2016                    | \$ 1,000,000               | \$ 187,736               | \$ 1,187,736               |
| 2017                    | 1,000,000                  | 139,926                  | 1,139,926                  |
| 2018                    | 1,000,000                  | 95,854                   | 1,095,854                  |
| 2019                    | 1,000,000                  | 62,894                   | 1,062,894                  |
| 2020                    | 1,000,000                  | 50,825                   | 1,050,825                  |
| 2021-2024               | 1,900,000                  | 74,075                   | 1,974,075                  |
|                         | <u><u>\$ 6,900,000</u></u> | <u><u>\$ 611,310</u></u> | <u><u>\$ 7,511,310</u></u> |

The County has entered into various lease agreements for equipment. These leases qualify as capital leases for accounting purposes, and therefore, have been recorded in the government-wide financial statements at the present value of future minimum lease payments as of the date of inception. The value of the assets capitalized under these lease agreements as of June 30, 2015 was \$4,879,448. The following is a schedule of future minimum lease payments under capital lease and the present value of the minimum lease payment at June 30:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 5 – LONG TERM DEBT (CONTINUED)

|  |                          |
|--|--------------------------|
| 2016   | \$ 360,540               |
| 2017   | 360,540                  |
| 2018   | 168,666                  |
| 2019   | -                        |
| 2020   | -                        |
| Total minimum lease payments                   | <u>889,746</u>           |
| Less: amount representing interest             | <u>(59,687)</u>          |
| Present value of future minimum lease payments | <u><u>\$ 830,059</u></u> |

The County issues tax anticipation notes to cover anticipated cash flows during the year. Tax anticipation note activity for the six months June 30, 2015 was as follows:

|                        | <u>Balance<br/>7/1/14</u>  | <u>Draws</u>       | <u>Repayments</u>            | <u>Balance<br/>6/30/15</u> |
|------------------------|----------------------------|--------------------|------------------------------|----------------------------|
| Tax anticipation notes | <u>\$ 4,569,010</u>        | <u>\$ -</u>        | <u>\$ (3,000,000)</u>        | <u>\$ 1,569,010</u>        |
|                        |                            |                    | 1                            |                            |
| Totals                 | <u><u>\$ 4,569,010</u></u> | <u><u>\$ -</u></u> | <u><u>\$ (2,999,999)</u></u> | <u><u>\$ 1,569,010</u></u> |

NOTE 6 – NONSPENDABLE FUND BALANCES

At June 30, 2015, the County had the following nonspendable fund balances:

|               |                         |
|---------------|-------------------------|
| General fund: |                         |
| Prepaid items | \$ 69,628               |
| Inventory     | <u>2,633</u>            |
|               | <u><u>\$ 72,261</u></u> |

NOTE 7 – RESTRICTED FUND BALANCES

At June 30, 2015, the County had the following restricted fund balances:

|   |                            |
|---|----------------------------|
| Deeds preservation fund                     | \$ 881,109                 |
| Nonmajor special revenue funds (Schedule D) | <u>426,389</u>             |
|   | <u><u>\$ 1,307,498</u></u> |

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 8 – COMMITTED FUND BALANCES

At June 30, 2015, the County had the following committed fund balances:

|                        |                     |
|------------------------|---------------------|
| General fund:          |                     |
| EMA vehicle            | \$ 137,763          |
| SO vehicle             | 2,107               |
| Major capital projects | 265,236             |
| Insurance fund         | 600,000             |
|                        | <u>\$ 1,005,106</u> |

NOTE 9 – ASSIGNED FUND BALANCES

At June 30, 2015, the County had the following assigned fund balances:

|                                |                     |
|--------------------------------|---------------------|
| General fund:                  |                     |
| Capital improvement            | \$ 342,197          |
| New government building        | 365,370             |
| Wellness equipment             | 109,684             |
| Ergonomics                     | 5,342               |
| Tech upgrade                   | 201,397             |
| Personnel record storage       | 454                 |
| Dispatch                       | 50,000              |
| SO reserve                     | 127,000             |
| Special projects / grant match | 100,000             |
| Payroll liabilities            | 389,708             |
|                                | <u>\$ 1,691,152</u> |

NOTE 10 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

**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](http://www.maineopers.org) or by contacting the System at 1-800-451-9800.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**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. 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.

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 5.0%.

**Contributions**

The contribution requirements of plan members and the County are established and may be amended by the Maine State Legislature. The County's police department employees are part of special plan "2C" with cost-of-living adjustment and are required to contribute 6.5% of their annual salary. The County manager, department heads, office workers, highway, transfer station and sewer department employees are part of regular plan "AC" and are required to contribute 6.5% of their annual salary. The County is required to contribute 7.9% of special plan "2C" members' covered payroll and 6.5% of regular plan "AC" members' covered payroll annually to the system. The County's contributions to the plan including employee contributions for the fiscal years ended June 30, 2015, 2014 and 2013 were \$732,112, \$371,853 and \$163,666, respectively.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

At June 30, 2015, the County reported a liability of \$1,641,101 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2014, 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, 2014, the County's proportion was 1.066473%, which was a decrease of .046603% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the County recognized total pension expense of \$(224,273). At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | PLD Plan                                  |  |
|--|---|--|
|  | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
| Differences between expected and actual experience   | \$ 206,073                                | \$ -                                     |
| Changes of assumptions   | -   | -  |
| Net difference between projected and actual earnings on pension plan investments                     | -   | 1,742,954                                |
| Changes in proportion and differences between contributions and proportionate share of contributions | -   | 107,743                                  |
| Contributions subsequent to the measurement date   | <u>731,122</u>                            | <u>-</u>                                 |
| Total  | <u>\$ 937,195</u>                         | <u>\$ 1,850,697</u>                      |

\$731,122 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

|                     | PLD<br>Plan |
|---------------------|-------------|
| Year ended June 30: |             |
| 2016                | \$ 402,962  |
| 2017                | 402,962     |
| 2018                | 402,960     |
| 2019                | 435,738     |
| 2020                | -           |
| Thereafter          | -           |

**Actuarial Methods and Assumptions**

The collective total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2014 and 2013, using the following methods and assumptions applied to all periods included in the measurement:

*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, of his or her expected future salary. The normal cost for each employee is the product of his or her pay and his or her 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 dampens the swing 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.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**Actuarial Methods and Assumptions (Continued)**

*Amortization*

The net pension liability of the PLD Consolidated Plan is amortized on an open basis over a period of fifteen years.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2014 and June 30, 2013 are as follows:

*Investment Rate of Return* - For the PLD Plan, 7.25% per annum, compounded annually.

*Salary Increases, Merit and Inflation* - Members of the consolidated plan for PLDs, 3.50% to 9.50% per year.

*Mortality Rates* - For participating local districts, the RP2000 Tables projected forward to 2015 using Scale AA are used; for all recipients of disability benefits, the Revenue Ruling 96-7 Disabled Mortality Table for Males and Females is used.

*Cost of Living Benefit Increases* - 3.12% for Participating Local Districts.

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, 2014 are summarized in the following table.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

| Asset Class     | PLD Plan          |  |
|-----------------|-------------------|--|
|                 | Target Allocation | Long-term Expected Real Rate of Return |
| US equities     | 20%               | 5.2%                                   |
| Non-US equities | 20%               | 5.5%                                   |
| Private equity  | 10%               | 7.6%                                   |
| Real assets:    |                   |  |
| Real estate     | 10%               | 3.7%                                   |
| Infrastructure  | 10%               | 4.0%                                   |
| Hard assets     | 5%                | 4.8%                                   |
| Fixed income    | 25%               | 0.0%                                   |

**Actuarial Methods and Assumptions (Continued)**

*Discount Rate*

The discount rate used to measure the collective total pension liability was 7.25% for 2014 and 2013. 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.

The following table shows how the collective net pension liability/(asset) as of June 30, 2014 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 7.25% for the PLD Consolidated Plan.

|  | 1%<br>Decrease | Discount<br>Rate | 1%<br>Increase |
|--|----------------|------------------|----------------|
| <u>PLD Plan:</u>   |                |                  |                |
| Discount rate  | 6.25%          | 7.25%            | 8.25%          |
| City's proportionate share of<br>the net pension liability | \$ 5,119,752   | \$ 1,641,101     | \$ (1,266,618) |

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**Changes in Net Pension Liability**

Changes in net pension liability are recognized in pension expense for the year ended June 30, 2014 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. For 2014, this was 4 years for the PLD Consolidated Plan.

*Differences between Projected and Actual Investment Earnings*

Differences between projected and actual investment earnings were recognized in pension expense using a straight-line amortization method over a closed five-year period.

*Changes in Assumptions*

Differences due to changes in assumptions about future economic or demographic factors or other inputs 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. There were no changes in assumptions for the PLD Consolidated Plan.

*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 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. 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' 2014 Comprehensive Annual Financial Report available online at [www.maineopers.org](http://www.maineopers.org) or by contacting the System at 1-800-451-9800.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 11 - 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, or financial hardship, unforeseen emergency.

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%.

NOTE 12 – EXPENDITURES OVER APPROPRIATIONS

The following expenditures were over appropriations at June 30, 2015:

|                                   |    |                |
|-----------------------------------|----|----------------|
| Management / administration       | \$ | 22,289         |
| Courthouse repair and maintenance |    | 1,786          |
| Communications / dispatch         |    | 29,744         |
| Public agencies                   |    | 1,800          |
| Unclassified                      |    | 4,462          |
| Debt service                      |    | 52,494         |
|                                   | \$ | <u>112,575</u> |

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 13 – DEFICIT FUND BALANCES

The following fund balances have a deficit fund balance as of June 30, 2015:

|                                     |    |                |
|-------------------------------------|----|----------------|
| Major funds:                        |    |                |
| Jail fund                           | \$ | 58,594         |
| Nonmajor special revenue funds:     |    |                |
| Arundel contract officer            |    | 4,035          |
| Cops Hiring Program - Limington     |    | 38,225         |
| Local emergency planning commission |    | 145            |
| Seabrook telephone stipend          |    | 6,856          |
|                                     | \$ | <u>107,855</u> |

NOTE 14 – RISK MANAGEMENT

The County faces a full realm of risks typical of a thriving entity. Liabilities associated with torts and protections against damage of loss of assets are the general categories of risk for which the County either carries commercial insurance or is in a risk pool. Specific insurance related to these categories includes general, police and public officials' liability coverage, workers compensation, and automobile insurance. The County is liable for deductibles ranging up to \$10,000 for settlements exceeding the limits of coverage, which range from \$400,000 to \$3,000,000. The amount of settlements has not exceeded insurance coverage for each of the past three years.

NOTE 15 – CONTINGENCIES

With regard to pending legal claims or 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 a risk pool for its insurances. The County may be liable for any unfunded liability resulting from participation in this risk pool. Any amount of unfunded liability is not determined at this time.

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.

COUNTY OF YORK, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 16 – 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 2015 county and jail annual audit. 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 asset balances (deficits) have not been specifically addressed in this Act. However, we have included a liability and offsetting receivable from the State of Maine for accrued compensated absences that are expected to be paid by the State. If the State decides not to cover these amounts, the jail will be liable for them. 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. The funding status and future of the relationship between the State and the jail remains uncertain at the present time.

NOTE 17 – RESTATEMENT

The governmental activities beginning net position as of July 1, 2014 has been restated for the effects of GASB No. 68. The beginning balance has been restated by (\$3,061,452) to a balance of \$12,232,211.

### Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government 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

## COUNTY OF YORK, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2015

|  | Budgeted Amounts  |                   | Actual<br>Amounts | Variance<br>Positive<br>(Negative) |
|--|-------------------|-------------------|-------------------|------------------------------------|
|  | Original          | Final             |                   |                                    |
| Budgetary Fund Balance, July 1         | \$ 4,346,610      | \$ 4,346,610      | \$ 4,346,610      | \$ -                               |
| Resources (Inflows):                   |                   |                   |                   |                                    |
| Taxes - municipalities                 | 15,938,388        | 15,938,388        | 15,938,388        | -                                  |
| Intergovernmental:                     |                   |                   |                   |                                    |
| EMPG 50% EMA reimbursement             | 170,000           | 170,000           | 233,861           | 63,861                             |
| FEMA reimbursement                     | -                 | -                 | 13,846            | 13,846                             |
| Other intergovernmental revenues       | -                 | -                 | 71,633            | 71,633                             |
|  | <u>170,000</u>    | <u>170,000</u>    | <u>319,340</u>    | <u>149,340</u>                     |
| Charges for services:                  |                   |                   |                   |                                    |
| Register of Deeds                      | 1,875,000         | 1,875,000         | 2,042,691         | 167,691                            |
| Register of Probate                    | 350,000           | 350,000           | 369,880           | 19,880                             |
| Sheriff                                | 8,300             | 8,300             | 5,431             | (2,869)                            |
| Finance / Administration reimbursement | 159,000           | 159,000           | 159,000           | -                                  |
| Prerelease center                      | 70,000            | 70,000            | 72,500            | 2,500                              |
| IT reimbursement                       | 12,000            | 12,000            | 12,000            | -                                  |
| Other                                  | -                 | -                 | 1,420             | 1,420                              |
|  | <u>2,474,300</u>  | <u>2,474,300</u>  | <u>2,662,922</u>  | <u>188,622</u>                     |
| Miscellaneous:                         |                   |                   |                   |                                    |
| Interest on investments                | 2,000             | 2,000             | 3,141             | 1,141                              |
| Other revenues                         | 64,500            | 64,500            | 85,662            | 21,162                             |
|  | <u>66,500</u>     | <u>66,500</u>     | <u>88,803</u>     | <u>22,303</u>                      |
| Transfers in from other funds          | -                 | -                 | 2,800             | 2,800                              |
| Amounts Available for Appropriation    | <u>22,995,798</u> | <u>22,995,798</u> | <u>23,358,863</u> | <u>363,065</u>                     |

SCHEDULE 1 (CONTINUED)  
COUNTY OF YORK, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
BUDGET AND ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

|   | Budgeted Amounts    |                     | Actual<br>Amounts   | Variance<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|------------------------------------|
|   | Original            | Final               |                     |                                    |
| Charges to Appropriations (Outflows):       |                     |                     |                     |                                    |
| Commissioners/Governing Body                | 59,494              | 59,494              | 57,562              | 1,932                              |
| Management/administration                   | 863,501             | 863,501             | 885,790             | (22,289)                           |
| Courthouse repair & maintenance             | 371,681             | 371,681             | 373,467             | (1,786)                            |
| Treasurer                                   | 6,922               | 6,922               | 6,951               | (29)                               |
| District attorney                           | 1,120,740           | 1,088,740           | 1,030,665           | 58,075                             |
| Deeds                                       | 745,058             | 745,058             | 691,759             | 53,299                             |
| Probate                                     | 598,722             | 598,722             | 550,152             | 48,570                             |
| Sheriff's/police services                   | 2,534,049           | 2,534,049           | 2,367,303           | 166,746                            |
| Communications/dispatch                     | 514,809             | 514,809             | 544,553             | (29,744)                           |
| EMA   | 352,505             | 352,505             | 347,662             | 4,843                              |
| York County Juvenile Fire Prevention        | 28,800              | 28,800              | 28,800              | -                                  |
| Retirement benefits                         | 364,451             | 364,451             | 337,077             | 27,374                             |
| Medical and dental insurance                | 811,043             | 811,043             | 727,958             | 83,085                             |
| Public agencies                             | 114,200             | 114,200             | 116,000             | (1,800)                            |
| Unclassified                                | 10,000              | 10,000              | 14,462              | (4,462)                            |
| Contingency                                 | 50,000              | 50,000              | -                   | 50,000                             |
| Debt service:                               |                     |                     |                     |                                    |
| Principal                                   | 1,263,732           | 1,263,732           | 1,270,207           | (6,475)                            |
| Interest                                    | 285,566             | 285,566             | 331,585             | (46,019)                           |
| Capital outlay                              | 167,100             | 167,100             | 59,956              | 107,144                            |
| Transfers to Other funds                    | 8,386,815           | 8,418,815           | 8,441,955           | (23,140)                           |
| Total Charges to Appropriations             | <u>18,649,188</u>   | <u>18,649,188</u>   | <u>18,183,864</u>   | <u>465,324</u>                     |
| Budgetary Fund Balance, June 30             | <u>\$ 4,346,610</u> | <u>\$ 4,346,610</u> | <u>\$ 5,174,999</u> | <u>\$ 828,389</u>                  |
| Paid from assigned / committed fund balance | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ 41,873</u>    | <u>\$ (41,873)</u>                 |
| Fund balance June 30                        | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ 5,133,126</u> | <u>\$ 5,133,126</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\*

|  | <u>2015</u>  | <u>2014</u>  |
|--|--------------|--------------|
| <u>PLD Plan:</u>   |              |              |
| Proportion of the net pension liability (asset)  | 0.11%        | 0.12%        |
| Proportionate share of the net pension liability (asset)   | \$ 1,641,101 | \$ 3,431,160 |
| Covered-employee payroll   | \$ 4,521,957 | \$ -         |
| Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 36.29%       | 0.00%        |
| Plan fiduciary net position as a percentage of the total pension liability                               | 94.10%       | 87.50%       |

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

COUNTY OF YORK, MAINE

SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS\*

|  | <u>2015</u>      | <u>2014</u>      |
|--|------------------|------------------|
| <u>PLD Plan:</u>   |                  |                  |
| Contractually required contribution                                  | \$ 731,122       | \$ 371,853       |
| Contributions in relation to the contractually required contribution | <u>(731,122)</u> | <u>(371,853)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      |
| Covered-employee payroll   | \$ 4,521,957     | \$ -             |
| Contributions as a percentage of covered-employee payroll            | 16.17%           | #DIV/0!          |

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

## Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government 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, 2015

|                                 | Original<br>Budget | Budget<br>Adjustments | Final<br>Budget | Expenditures   | Variance<br>Positive/(Negative) |
|---------------------------------|--------------------|-----------------------|-----------------|----------------|---------------------------------|
| Commissioners / Gov Body        |                    |                       |                 |                |                                 |
| Wages                           | \$ 46,348          | \$ -                  | \$ 46,348       | \$ 46,885      | \$ (537)                        |
| Taxes / benefits                | 3,746              | -                     | 3,746           | 4,060          | (314)                           |
| Travel                          | 8,000              | -                     | 8,000           | 3,203          | 4,797                           |
| Other                           | 1,400              | -                     | 1,400           | 3,414          | (2,014)                         |
|                                 | <u>59,494</u>      | <u>-</u>              | <u>59,494</u>   | <u>57,562</u>  | <u>1,932</u>                    |
| Management / Administration     |                    |                       |                 |                |                                 |
| Wages                           | 628,585            | -                     | 628,585         | 632,650        | (4,065)                         |
| Taxes / benefits                | 68,516             | -                     | 68,516          | 68,493         | 23                              |
| Legal                           | 60,000             | -                     | 60,000          | 83,788         | (23,788)                        |
| Contracted services             | 25,000             | -                     | 25,000          | 19,609         | 5,391                           |
| Dues and memberships            | 16,000             | -                     | 16,000          | 17,609         | (1,609)                         |
| Equipment                       | 30,000             | -                     | 30,000          | 26,743         | 3,257                           |
| Postage / office supplies       | 8,500              | -                     | 8,500           | 7,656          | 844                             |
| Telephone                       | 10,000             | -                     | 10,000          | 7,515          | 2,485                           |
| Insurance                       | 4,000              | -                     | 4,000           | 3,644          | 356                             |
| Other                           | 12,900             | -                     | 12,900          | 18,083         | (5,183)                         |
|                                 | <u>863,501</u>     | <u>-</u>              | <u>863,501</u>  | <u>885,790</u> | <u>(22,289)</u>                 |
| Courthouse repair / maintenance |                    |                       |                 |                |                                 |
| Wages                           | 120,214            | -                     | 120,214         | 99,159         | 21,055                          |
| Taxes / benefits                | 15,267             | -                     | 15,267          | 13,131         | 2,136                           |
| Electricity                     | 65,000             | -                     | 65,000          | 77,703         | (12,703)                        |
| Property and casualty           | 25,000             | -                     | 25,000          | 21,597         | 3,403                           |
| General repairs and maintenance | 10,000             | -                     | 10,000          | 15,173         | (5,173)                         |
| Heating repairs                 | 20,000             | -                     | 20,000          | 33,102         | (13,102)                        |
| Electrical repairs              | 10,000             | -                     | 10,000          | 17,191         | (7,191)                         |
| Contracted services             | 15,000             | -                     | 15,000          | 19,560         | (4,560)                         |
| Minor equipment                 | 7,000              | -                     | 7,000           | 14,185         | (7,185)                         |
| Cleaning supplies               | 10,000             | -                     | 10,000          | 6,758          | 3,242                           |
| Plowing / sanding / mowing      | 42,000             | -                     | 42,000          | 28,156         | 13,844                          |
| Propane / heating fuel          | 9,000              | -                     | 9,000           | 6,027          | 2,973                           |
| Other                           | 23,200             | -                     | 23,200          | 21,725         | 1,475                           |
|                                 | <u>371,681</u>     | <u>-</u>              | <u>371,681</u>  | <u>373,467</u> | <u>(1,786)</u>                  |

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

|                               | Original<br>Budget | Budget<br>Adjustments | Final<br>Budget  | Expenditures     | Variance<br>Positive/(Negative) |
|-------------------------------|--------------------|-----------------------|------------------|------------------|---------------------------------|
| <b>Treasurer</b>              |                    |                       |                  |                  |                                 |
| Wages                         | 6,400              | -                     | 6,400            | 6,428            | (28)                            |
| Taxes / benefits              | 522                | -                     | 522              | 523              | (1)                             |
|                               | <u>6,922</u>       | <u>-</u>              | <u>6,922</u>     | <u>6,951</u>     | <u>(29)</u>                     |
| <b>District Attorney</b>      |                    |                       |                  |                  |                                 |
| Wages                         | 735,122            | -                     | 735,122          | 702,398          | 32,724                          |
| Taxes / benefits              | 68,568             | -                     | 68,568           | 64,130           | 4,438                           |
| General repairs / maintenance | 80,000             | -                     | 80,000           | 63,786           | 16,214                          |
| Telephone                     | 35,000             | -                     | 35,000           | 28,478           | 6,522                           |
| Rental                        | 32,000             | -                     | 32,000           | 23,886           | 8,114                           |
| Travel                        | 22,000             | -                     | 22,000           | 24,973           | (2,973)                         |
| Professional services         | 20,000             | -                     | 20,000           | 12,148           | 7,852                           |
| Equipment                     | 17,500             | -                     | 17,500           | 42,029           | (24,529)                        |
| Witness fees                  | 14,000             | -                     | 14,000           | 7,689            | 6,311                           |
| Postage                       | 14,000             | -                     | 14,000           | 12,124           | 1,876                           |
| Other                         | 50,550             | -                     | 50,550           | 49,024           | 1,526                           |
| Interfund transfers           | 32,000             | (32,000)              | -                | -                | -                               |
|                               | <u>1,120,740</u>   | <u>(32,000)</u>       | <u>1,088,740</u> | <u>1,030,665</u> | <u>58,075</u>                   |
| <b>Deeds</b>                  |                    |                       |                  |                  |                                 |
| Wages                         | 488,153            | -                     | 488,153          | 471,049          | 17,104                          |
| Taxes / benefits              | 46,605             | -                     | 46,605           | 43,453           | 3,152                           |
| Records management            | 160,000            | (10,000)              | 150,000          | 130,600          | 19,400                          |
| Postage                       | 16,000             | -                     | 16,000           | 12,522           | 3,478                           |
| Office supplies               | 10,000             | -                     | 10,000           | 6,809            | 3,191                           |
| Equipment                     | 8,200              | 10,000                | 18,200           | 9,592            | 8,608                           |
| Telephone                     | 6,500              | -                     | 6,500            | 4,081            | 2,419                           |
| Insurance                     | 3,000              | -                     | 3,000            | 2,880            | 120                             |
| Travel                        | 2,000              | -                     | 2,000            | 770              | 1,230                           |
| Other                         | 4,600              | -                     | 4,600            | 10,003           | (5,403)                         |
|                               | <u>745,058</u>     | <u>-</u>              | <u>745,058</u>   | <u>691,759</u>   | <u>53,299</u>                   |

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

|                             | Original<br>Budget | Budget<br>Adjustments | Final<br>Budget  | Expenditures     | Variance<br>Positive/(Negative) |
|-----------------------------|--------------------|-----------------------|------------------|------------------|---------------------------------|
| Probate                     |                    |                       |                  |                  |                                 |
| Wages                       | 389,739            | -                     | 389,739          | 381,949          | 7,790                           |
| Taxes / benefits            | 36,593             | -                     | 36,593           | 35,552           | 1,041                           |
| Professional fees           | 80,000             | -                     | 80,000           | 53,921           | 26,079                          |
| Advertising                 | 48,000             | -                     | 48,000           | 35,011           | 12,989                          |
| Postage                     | 17,000             | -                     | 17,000           | 19,694           | (2,694)                         |
| Equipment                   | 6,400              | -                     | 6,400            | 5,739            | 661                             |
| Telephone                   | 5,000              | -                     | 5,000            | 3,088            | 1,912                           |
| Other                       | 15,990             | -                     | 15,990           | 15,198           | 792                             |
|                             | <u>598,722</u>     | <u>-</u>              | <u>598,722</u>   | <u>550,152</u>   | <u>48,570</u>                   |
| Sheriff / police services   |                    |                       |                  |                  |                                 |
| Wages                       | 1,846,515          | -                     | 1,846,515        | 1,673,894        | 172,621                         |
| Taxes / benefits            | 260,152            | -                     | 260,152          | 234,477          | 25,675                          |
| Gas and oil                 | 130,000            | -                     | 130,000          | 91,956           | 38,044                          |
| Vehicle / auto insurance    | 40,000             | -                     | 40,000           | 38,334           | 1,666                           |
| Telephone                   | 35,000             | -                     | 35,000           | 31,213           | 3,787                           |
| Vehicle repair              | 35,000             | -                     | 35,000           | 46,421           | (11,421)                        |
| Uniforms / safety equipment | 20,000             | -                     | 20,000           | 25,109           | (5,109)                         |
| Equipment                   | 52,372             | -                     | 52,372           | 86,748           | (34,376)                        |
| Professional services       | 20,000             | -                     | 20,000           | 16,609           | 3,391                           |
| Insurance                   | 31,500             | -                     | 31,500           | 28,881           | 2,619                           |
| Software                    | 10,000             | -                     | 10,000           | 10,688           | (688)                           |
| Office supplies             | 7,000              | -                     | 7,000            | 5,845            | 1,155                           |
| Other                       | 46,510             | -                     | 46,510           | 77,128           | (30,618)                        |
|                             | <u>2,534,049</u>   | <u>-</u>              | <u>2,534,049</u> | <u>2,367,303</u> | <u>166,746</u>                  |
| Communications / Dispatch   |                    |                       |                  |                  |                                 |
| Contracted services         | 25,000             | -                     | 25,000           | 23,577           | 1,423                           |
| Software / repairs          | 9,000              | -                     | 9,000            | 3,996            | 5,004                           |
| Sanford contract            | 480,809            | -                     | 480,809          | 516,980          | (36,171)                        |
|                             | <u>514,809</u>     | <u>-</u>              | <u>514,809</u>   | <u>544,553</u>   | <u>(29,744)</u>                 |

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

|                               | Original<br>Budget | Budget<br>Adjustments | Final<br>Budget | Expenditures   | Variance<br>Positive/(Negative) |
|-------------------------------|--------------------|-----------------------|-----------------|----------------|---------------------------------|
| EMA Department                |                    |                       |                 |                |                                 |
| Wages                         | 178,269            | -                     | 178,269         | 182,854        | (4,585)                         |
| Taxes / benefits              | 18,311             | -                     | 18,311          | 22,271         | (3,960)                         |
| Rental of land                | 35,000             | -                     | 35,000          | 33,000         | 2,000                           |
| Telephone                     | 12,000             | -                     | 12,000          | 9,359          | 2,641                           |
| Insurances                    | 13,200             | -                     | 13,200          | 9,701          | 3,499                           |
| Rental of other equipment     | 7,500              | -                     | 7,500           | 7,269          | 231                             |
| Medical testing               | 7,000              | -                     | 7,000           | 4,998          | 2,002                           |
| Office / other supplies       | 10,100             | -                     | 10,100          | 3,637          | 6,463                           |
| Gas and oil                   | 6,500              | -                     | 6,500           | 2,519          | 3,981                           |
| Meals and lodging             | 4,000              | -                     | 4,000           | 1,348          | 2,652                           |
| Vehicle repair                | 7,000              | -                     | 7,000           | 16,814         | (9,814)                         |
| Internet                      | 5,000              | -                     | 5,000           | 4,627          | 373                             |
| Repairs                       | 6,000              | -                     | 6,000           | 3,064          | 2,936                           |
| Equipment                     | 5,875              | -                     | 5,875           | 11,820         | (5,945)                         |
| Other                         | 36,750             | -                     | 36,750          | 34,381         | 2,369                           |
|                               | <u>352,505</u>     | <u>-</u>              | <u>352,505</u>  | <u>347,662</u> | <u>4,843</u>                    |
| York County Juvenile Fire     |                    |                       |                 |                |                                 |
| Contracted                    | 28,800             | -                     | 28,800          | 28,800         | -                               |
|                               | <u>28,800</u>      | <u>-</u>              | <u>28,800</u>   | <u>28,800</u>  | <u>-</u>                        |
| Retirement benefits           |                    |                       |                 |                |                                 |
| ICMA 457 deferred comp        | 115,616            | -                     | 115,616         | 97,936         | 17,680                          |
| Maine State retirement        | 248,835            | -                     | 248,835         | 239,141        | 9,694                           |
|                               | <u>364,451</u>     | <u>-</u>              | <u>364,451</u>  | <u>337,077</u> | <u>27,374</u>                   |
| Medical / dental insurance    |                    |                       |                 |                |                                 |
| Health insurance              | 739,529            | -                     | 739,529         | 636,099        | 103,430                         |
| Dental insurance              | 45,514             | -                     | 45,514          | 41,311         | 4,203                           |
| H.S.A / F.S.A. employer contr | 25,000             | -                     | 25,000          | 50,548         | (25,548)                        |
| Other Employee benefits       | 1,000              | -                     | 1,000           | -              | 1,000                           |
|                               | <u>811,043</u>     | <u>-</u>              | <u>811,043</u>  | <u>727,958</u> | <u>83,085</u>                   |

COUNTY OF YORK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

|                            | Original<br>Budget   | Budget<br>Adjustments | Final<br>Budget      | Expenditures         | Variance<br>Positive/(Negative) |
|----------------------------|----------------------|-----------------------|----------------------|----------------------|---------------------------------|
| Public agencies            |                      |                       |                      |                      |                                 |
| Southern Maine Reg         | 30,000               | -                     | 30,000               | 30,000               | -                               |
| York County Soil           | 7,200                | -                     | 7,200                | 9,000                | (1,800)                         |
| York County Extension      | 77,000               | -                     | 77,000               | 77,000               | -                               |
|                            | <u>114,200</u>       | <u>-</u>              | <u>114,200</u>       | <u>116,000</u>       | <u>(1,800)</u>                  |
| Unclassified               |                      |                       |                      |                      |                                 |
| Pre release center         | -                    | -                     | -                    | 8,352                | (8,352)                         |
| Payroll liabilities        | 10,000               | -                     | 10,000               | 6,110                | 3,890                           |
|                            | <u>10,000</u>        | <u>-</u>              | <u>10,000</u>        | <u>14,462</u>        | <u>(4,462)</u>                  |
| Debt service               |                      |                       |                      |                      |                                 |
| Principal                  | 1,263,732            | -                     | 1,263,732            | 1,270,207            | (6,475)                         |
| Interest                   | 285,566              | -                     | 285,566              | 274,400              | 11,166                          |
| Tan interest               | -                    | -                     | -                    | 57,185               | (57,185)                        |
|                            | <u>1,549,298</u>     | <u>-</u>              | <u>1,549,298</u>     | <u>1,601,792</u>     | <u>(52,494)</u>                 |
| Capital outlay             |                      |                       |                      |                      |                                 |
| Major capital projects     | 63,000               | -                     | 63,000               | -                    | 63,000                          |
| Building repairs - capital | 63,000               | -                     | 63,000               | 39,223               | 23,777                          |
| Equipment tech upgrade     | 40,000               | -                     | 40,000               | 20,733               | 19,267                          |
| Real estate tax            | 1,100                | -                     | 1,100                | -                    | 1,100                           |
|                            | <u>167,100</u>       | <u>-</u>              | <u>167,100</u>       | <u>59,956</u>        | <u>107,144</u>                  |
| Contingency                | 50,000               | -                     | 50,000               | -                    | 50,000                          |
|                            | <u>50,000</u>        | <u>-</u>              | <u>50,000</u>        | <u>-</u>             | <u>50,000</u>                   |
| Transfers                  |                      |                       |                      |                      |                                 |
| Jail                       | 8,386,815            | -                     | 8,386,815            | 8,386,815            | -                               |
| Special revenues           | -                    | 32,000                | 32,000               | 55,140               | (23,140)                        |
|                            | <u>8,386,815</u>     | <u>32,000</u>         | <u>8,418,815</u>     | <u>8,441,955</u>     | <u>(23,140)</u>                 |
| Totals                     | <u>\$ 18,649,188</u> | <u>\$ -</u>           | <u>\$ 18,649,188</u> | <u>\$ 18,183,864</u> | <u>\$ 465,324</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 - SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

|   | Fund | 7/1/2014<br>Balance | Revenues                |                   |                   | Expenditures        | Transfers       | 6/30/2015<br>Balance |
|---|------|---------------------|-------------------------|-------------------|-------------------|---------------------|-----------------|----------------------|
|   |      |                     | Charges<br>for Services | Intergovernmental | Other             |                     |                 |                      |
| MCAA Convention                                 | 1050 | \$ (170)            | \$ -                    | \$ -              | \$ 9,821          | \$ 9,651            | \$ -            | \$ -                 |
| District Attorney:                              |      |                     |                         |                   |                   |                     |                 |                      |
| Victim of crimes act                            | 2110 | (3,174)             | -                       | 42,000            | -                 | 75,393              | 36,567          | -                    |
| VWA Advocate - Biddeford                        | 2112 | -                   | -                       | 37,746            | -                 | 51,071              | 13,325          | -                    |
| Admin/supervision                               | 2120 | 64,708              | 80,396                  | -                 | -                 | 48,043              | (14,331)        | 82,730               |
| Domestic violence prosecution                   | 2150 | -                   | -                       | 77,260            | -                 | 77,260              | -               | -                    |
| Probate:  |      |                     |                         |                   |                   |                     |                 |                      |
| Probate preservation                            | 2310 | 19,577              | 12,314                  | -                 | -                 | 27,852              | -               | 4,039                |
| Sheriff:  |      |                     |                         |                   |                   |                     |                 |                      |
| Civil process                                   | 2500 | (5,680)             | 463,694                 | -                 | -                 | 436,787             | -               | 21,227               |
| MSAD 57 resource officer                        | 2510 | 28,809              | -                       | 89,547            | -                 | 87,923              | -               | 30,433               |
| Arundel contract officer                        | 2514 | (1,169)             | -                       | 84,500            | -                 | 87,366              | -               | (4,035)              |
| Waterboro contract officer                      | 2516 | 32,416              | -                       | 109,671           | -                 | 120,078             | -               | 22,009               |
| Reimbursable sheriff services                   | 2520 | (7,261)             | -                       | -                 | 27,862            | 28,344              | 7,743           | -                    |
| Jag Byrne grant LLBEG                           | 2525 | 8,043               | -                       | 27,355            | -                 | 12,929              | (8,043)         | 14,426               |
| Cops Hiring Program - Limington                 | 2537 | 23,426              | -                       | 17,000            | -                 | 78,651              | -               | (38,225)             |
| COPS Hiring Prog - Acton/Shapleigh/Parsonsfield | 2539 | 43,646              | -                       | 176,771           | -                 | 140,928             | -               | 79,489               |
| DEA - OCDEF                                     | 2546 | (2,015)             | -                       | -                 | -                 | -                   | 2,015           | -                    |
| Seatbelt enforcement                            | 2550 | -                   | -                       | 5,218             | -                 | 1,968               | (731)           | 2,519                |
| Impaired driving                                | 2552 | 1,767               | -                       | -                 | -                 | -                   | (1,767)         | -                    |
| Speed enforcement program                       | 2554 | (2,046)             | -                       | 4,030             | -                 | 4,482               | 2,498           | -                    |
| NAMI grant                                      | 2558 | 6,857               | -                       | -                 | -                 | -                   | -               | 6,857                |
| Sheriff forfeiture                              | 2590 | 39,598              | -                       | -                 | 46,659            | -                   | 17,863          | 104,120              |
| Jail:   |      |                     |                         |                   |                   |                     |                 |                      |
| State criminal alien assist                     | 2630 | 42,376              | -                       | 4,096             | -                 | -                   | (46,472)        | -                    |
| RSAT  | 2640 | -                   | -                       | 11,250            | -                 | 11,250              | -               | -                    |
| EMA:  |      |                     |                         |                   |                   |                     |                 |                      |
| York county operations                          | 2710 | 17,783              | -                       | 960               | -                 | 960                 | -               | 17,783               |
| Hazmat professional development                 | 2715 | 20,643              | -                       | -                 | -                 | -                   | -               | 20,643               |
| HS exercise grant                               | 2720 | 20,186              | -                       | 51,557            | -                 | 51,557              | (72)            | 20,114               |
| HS town grant                                   | 2722 | -                   | -                       | -                 | -                 | 6,358               | 6,358           | -                    |
| Com emergency response team                     | 2740 | 5,779               | -                       | -                 | -                 | -                   | (5,779)         | -                    |
| Local emergency planning com                    | 2750 | (316)               | -                       | 13,521            | -                 | 13,350              | -               | (145)                |
| Code red program                                | 2755 | 138                 | -                       | 17,852            | -                 | 17,852              | (138)           | -                    |
| Incident mgmt assistance team                   | 2770 | 367                 | -                       | -                 | -                 | -                   | (367)           | -                    |
| Petroleum by rail                               | 2775 | -                   | -                       | -                 | 25,000            | 25,000              | -               | -                    |
| Seabrook telephone stipend                      | 2780 | 1,461               | -                       | -                 | -                 | 8,317               | -               | (6,856)              |
| Total Special Revenue General Reserves          |      | <u>\$ 355,749</u>   | <u>\$ 556,404</u>       | <u>\$ 770,334</u> | <u>\$ 109,342</u> | <u>\$ 1,423,370</u> | <u>\$ 8,669</u> | <u>\$ 377,128</u>    |

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