

Maine
Cumberland **County**



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2021

County of Cumberland, Maine



Cumberland County Government
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County of Cumberland, Maine

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
December 31, 2021**

Issued by:
County Executive Department

James H. Gailey
County Manager

COUNTY OF CUMBERLAND, MAINE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

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Introductory Section

Cumberland County Government

142 Federal Street, Portland, Maine 04101
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James H. Gailey, County Manager

Alex Kimball, Deputy Manager, Finance & Administration



June 29, 2022

Dear Commissioners, Finance Committee and Citizens:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the County of Cumberland, Maine for the 2021 fiscal year. This ACFR has been prepared as part of a continuing effort to produce quality financial information and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the County.

This report will provide the taxpayers of the County of Cumberland, Maine with comprehensive financial data in a format that enables them to gain a clearer understanding of the County's finances. In addition please see attached Management's Discussion and Analysis for more details. Copies of this report will be made available to financial rating services and other interested parties. The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Cumberland, Maine for its comprehensive annual financial report since the fiscal year ended December 31, 1996.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The County of Cumberland is the first County in Maine to have received the Certificate of Achievement.

We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA. Comments on the report are respectfully requested.

THE COUNTY OF CUMBERLAND

General

The County of Cumberland, Maine is located in the southwestern section of the State of Maine. The County is comprised of twenty-five towns and three cities.

The southwestern border to the County is formed by the County of York and the eastern and northern borders are formed by the County of Oxford, with the Saco River providing a natural separation for various portions of these lines. The Counties of Androscoggin and Sagadahoc are each contiguous to the County in the northeast with the Androscoggin River being part of the boundary. The Atlantic Ocean forms the County's eastern border as Casco Bay, noted for its size, the number of its islands and havens, and the unchangeable nature of its shores, islands and bottoms.

Four of the twenty-eight towns that make up Cumberland County are island communities. Long Island is located in Casco Bay accessible by a year round ferry service. Frye Island is located in Sebago Lake and is Maine's only seasonally inhabited municipality. Long Island receives both emergency communications and law enforcement services through the County Regional Communications Center and the County Sheriff's Office. Chebeague Island is the latest island community to incorporate as a municipal government and also receives law enforcement and emergency communication services from the County.

Convenient access to Cumberland County is provided by U.S. Interstate Route 95, being also the Maine Turnpike in the County's southern section. The Turnpike and Interstate 95 separate north of Portland with the Turnpike continuing northward through the remainder of the County; U.S. Interstate Route 95 connects to the U.S. Interstate Route 295 Portland connector, at Falmouth, to follow the County's coastal plain through Brunswick.

U.S. Route 1 follows the County's coastal plain, from Scarborough to Brunswick. U.S. Route 202 intersects the County's mid-region in a north-south direction, from Gorham to New Gloucester, and U.S. Route 302 transverses the County southeast to northwest, from Portland to Bridgton. Many State highways flow through the County. The Portland International Jetport, located in Portland, provides air traffic to the region. Portland Harbor is experiencing a significant increase in cruise ship traffic, as the port becomes a popular destination point for the summer and fall cruise trade.

The original name for the area from Piscataqua River to the Kennebec River, and area encompassing the County, was New Somersetshire. In 1639 the area was included in the Great Charter from King Charles II to Gorges and the entire Province received the name of Maine. In 1658, when Massachusetts assumed and enforced its jurisdiction over the territory, the name became the County of Yorkshire. On June 19, 1760 the counties of Cumberland and Lincoln each separated from the County of York with the county originally embracing the current counties of Androscoggin and Franklin, and parts of Kennebec, Oxford, and Somerset. The current land area of the County is comprised of 875.19 square miles, or 2.7% of the landmass of the State, while the population of 294,520 represents 22% of Maine's people.

THE REPORTING ENTITY AND SERVICES PROVIDED

The County of Cumberland's financial report includes all funds, agencies, boards, commissions, and authorities that are controlled by or dependent upon the executive body of the Board of Commissioners. This determination is based on the

degree of oversight responsibility that the commissioners may exercise as reflected in the commissioners' ability to select the governing authority, designate management, or otherwise significantly influence operations. Other factors include the extent of the entity's financial dependency on the county, and whether the entity serves the same geographic area as the county. The Cumberland County Civic Center operation is not a part of this report.

The County's five commissioners, with the approval of a County Charter in November of 2010, comprise the Board of Commissioners, and serve as the legislative body of the county. Each is elected from one of the five districts within the county. With the exception of 2012 when one of the two new Commissioners is serving a one year term as prescribed by Charter, the commissioners serve a four-year term being elected on staggered terms on each even numbered year. One of the members is elected chairperson for one year. The Board of Commissioners appoints the county manager who oversees the functions of the County's thirteen departments: Regional Assessing, Facilities, District Attorney's Office, Executive Office, Registry of Deeds, Registry of Probate, Emergency Management, Emergency Communications, Sheriff's Office, Finance, Human Resources, Information Technology, and Community Development. The following is a list of the County's officials:

Elected and Appointed County Officials

<u>Office</u>	<u>Name</u>	<u>Elected</u>		
		<u>Manner of Selection</u>	<u>Term</u>	<u>Expires Dec. 31,</u>
Board of Commissioners	Susan E. Witonis	Election	4 years	2024
Board of Commissioners	Thomas Coward	Election	4 years	2022
Board of Commissioners	James Cloutier	Election	4 years	2022
Board of Commissioners	Neil Jamieson	Election	4 years	2024
Board of Commissioners	Steve Gorden	Election	4 years	2022
District Attorney	Jonathan Sahrbeck	Election	4 years	2022
Judge of Probate Court	Paul Aranson	Election	4 years	2022
Register of Probate	Nadeen Daniels	Election	4 years	2024
Sheriff	Kevin J. Joyce	Election	4 years	2022

APPOINTED EMPLOYEES

County Manager/Clerk	James Gailey	Appointed by Commissioners
Deputy County Manager of Finance & Administration	Alex Kimball	County Manager Appointment
Treasurer	Alex Kimball	Appointed by Commissioners
Director of Public Affairs	Travis Kennedy	County Manager Appointment
Director of Emergency Management	Matthew Mahar	County Manager Appointment
Director of Communications	Melinda Dyer	County Manager Appointment
Director of Community Development	Kristin Styles	County Manager Appointment
Director of Facilities	William Trufant	County Manager Appointment
Director of Human Resources	Donald Brewer	County Manager Appointment
Director of Information Technology	Aaron Gilpatric	County Manager Appointment
Register of Deeds	Jessica Spaulding	County Manager Appointment
Regional Assessor	Ben Thompson	County Manager Appointment
Deputy Clerk - Executive Admin	Katharine Cahoon	County Manager Appointment
Sheriff - Chief Deputy	Naldo Gagnon	Sheriff Appointment
Deputy District Attorney	Jennifer Ackerman	District Attorney Appointment
Deputy Register of Deeds	Mandy Reynolds	*Register of Deeds Appointment
Deputy Register of Probate	Erica Rickards	*Register of Probate Appointment
Jail Administrator - Major	Tim Kortes	Sheriff Appointment
CIA - Compliance Manager	James Gailey	Appointed by Commissioners

*Appointed by Department Head with final approval by Board of Commissioners.

County Services

Cumberland County Government is charged with the responsibility for operating and maintaining several buildings and providing for the effective operation of the Cumberland County Jail, the Registry of Deeds, the Registry of Probate, and 13 departments overall. The Sheriff's Office is the largest department of the County with the Sheriff the chief county law enforcement officer. The Sheriff's duties and responsibilities include administering and directing the Sheriff's Office, which includes the operation of a 600 bed jail facility. The County also operates the District Attorney's Office, which prosecutes all civil and criminal proceedings within the jurisdiction of the county.

In addition, the County provides value added services to our constituent municipalities on a contractual basis by providing police, regional assessing, and dispatch services. One of the most unique services that we provide is the County's community development program. As the only entitlement county in New England, we have the distinction of having a nationally certified (CDBG) Community Development Block Grant Program and Housing Alliance that provides annual funding to participating communities and agencies with 25 municipalities represented on a municipal oversight committee. Over the past twelve years this program has provided over \$18 million in federal funding to municipalities.

The County's facilities include the main courthouse, constructed in 1906; a 66,000 square foot courthouse annex, constructed in 1991; the county jail, constructed in 1993; and a 378-space parking garage, constructed in 1988. These facilities are all located on or around Federal Street in Portland. The County's Emergency Management Agency office, constructed in 1962, is located in the Town of Windham. Directly above the EMA office is the Cumberland County Regional Communications Center, which was completed in 2007. The County maintains approximately 121 vehicles.

ECONOMIC CONDITION AND OUTLOOK

The Greater Portland area is the largest metropolitan area northeast of Boston and is the region's leading industrial, commercial and cultural hub. The City of Portland is the largest city in the state and is the seat of government for the county. The Maine Mall in South Portland forms the nucleus of the largest shopping mall in the State. L.L. Bean, in Freeport, continues to remain one of the world's largest mail order catalog merchandisers. In addition to numerous public beaches and parks along the ocean, Sebago Lake, located in the northwestern portion of the County, provides drinking water and recreational activities.

Higher educational institutions include Kaplan College in Portland, Bowdoin College in Brunswick, Casco Bay College as well as the Portland School of Art in Portland, Southern Maine Technical College in South Portland, St. Joseph's College in Windham, University of New England with campuses in Portland and Biddeford in neighboring York County, and the University of Southern Maine with campuses in Portland, Gorham and Lewiston. These institutions provide several professional schools with the Osteopathic School of Medicine located on the Biddeford campus of the University of New England, as well as the Maine School of Law and the Muskie School of Public Service on the Portland campus of the University of Southern Maine.

Hospitals in the county include Maine Medical Center, Mercy Hospital, Parkview Memorial and Mid-Coast Hospital in Brunswick, and Northern Cumberland Memorial Hospital in Bridgton.

The City of Portland derives its economic strength and stability from its role as a regional center for medical care, finance, commerce and distribution for northern New England. The local economy is heavily tied to the medical and financial service sector, with Maine Medical Center the largest medical facility in northern New England and a major regional employer. Bath Iron Works in neighboring Sagadahoc County is also a major regional employer.

Unemployment in Cumberland County averaged 2.9% in December 2021, down from 4.2% a year earlier. The statewide average was 4.1% in December 2021, also down from 4.9% a year earlier. The unemployment rates for both the county and the state are below national averages. While not at the pre-pandemic historic lows, Cumberland Counties unemployment rate is still reflective of a labor shortage rather than a job shortage.

FINANCIAL INFORMATION

Fund Accounting: The County's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Records of general governmental operations are reported on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Records of the fiduciary operations are reported on the accrual basis in which revenues are recognized when earned and expenses recorded when the related liability is incurred.

Accounting System and Budgetary Control: In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The County utilizes a fully automated accounting system, as well as an automated system of control for payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

The County Commissioners adopt the annual budget for the County in the last quarter of the prior fiscal year. All disbursements and transfers of cash between funds require appropriation authority from the commissioners. All purchase order requests must be approved by the department head; purchase orders are then released to vendors. Those requests which exceed the available appropriation are rejected until additional funds are secured. The County's current accounting system provides interim financial reports which detail year-to-date expenditures

versus appropriations, and are available for review prior to authorizing additional purchases.

In addition to interim financial statements, each department head is currently furnished with monthly reports showing the status of the accounts for which they are responsible. The reports detail monthly revenue and expenditure transactions.

As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and various funds the county utilizes are fully described in Note 1 to the Basic Financial Statements. Additional information on the County's budgetary accounting can also be found in Note 1.

General Government Functions: The following schedule presents a summary of general fund, special revenue fund, and capital projects fund revenues and expenditures for the fiscal year ended December 31, 2021 and the percent of the total of each. These figures are compared to the prior year.

County of Cumberland
Comparison

<u>Revenues</u>	<u>2021 Amount</u>	<u>2020 Amount</u>	<u>Difference</u>	<u>% Change</u>
Taxes	\$ 34,065,186	\$ 33,642,918	\$ 422,268	1.26%
Intergovernmental revenues	37,975,120	9,461,263	\$ 28,513,857	301.37%
Charges for services	12,654,104	12,270,573	\$ 383,531	3.13%
Miscellaneous Revenues	424,278	566,740	\$ -142,462	-25.14%
Total	<u>\$ 85,118,688</u>	<u>\$ 55,941,494</u>	<u>\$ 29,177,194</u>	<u>52.16%</u>

<u>Expenditures</u>	<u>2021 Amount</u>	<u>2020 Amount</u>	<u>Difference</u>	<u>% Change</u>
Executive Department	715,696	667,883	47,813	7.16%
Finance	583,724	572,328	11,397	1.99%
Register of Deeds	980,262	839,186	141,077	16.81%
Register of Probate	683,322	584,082	99,240	16.99%
Emergency Management	773,426	668,432	104,995	15.71%
Sheriff-County Services	9,992,814	10,656,405	-663,592	-6.23%

Jail	18,736,852	19,844,711	-1,107,859	-5.58%
District Attorney	2,010,044	1,937,624	72,419	3.74%
Human Resources	580,171	485,188	94,982	19.58%
Facilities	2,141,521	2,174,293	-32,774	-1.51%
Management System	843,615	858,126	-14,511	-1.69%
Agency Grants	153,000	144,000	9,000	6.25%
Parking Garage	113,652	95,708	17,944	18.75%
Communications	3,209,328	3,255,615	-46,287	-1.42%
Cross Insurance Arena**	3,911,683	3,070,081	841,602	27.41%
Principal	611,580	815,000	-203,420	-24.96%
Interest on Long Term Debt	193,002	336,215	-143,213	-42.60%
Capital Expenditures	2,031,598	2,718,471	-686,873	-25.27%
Other	5,624,382	2,861,832	2,762,550	96.53%
Total	\$ 53,889,672	\$ 52,585,198	\$1,581,159	2.48%
Excess Over (Under) Exp	\$ 31,229,016	\$ 3,356,296		
<i>*Reference Statement E</i>				
<i>**Formerly labeled Civic Center Debt Allocation</i>				

Much like in 2020, it is impossible to discuss the financial performance of the County of Cumberland in 2021 without also mentioning Covid-19. The global pandemic affected every department in the County, although not always in ways that anyone could have foreseen. As a result, there will be many large variations in revenues and expenses this year, not always in the directions that one might have expected.

Revenues: In the area of general governmental revenues.

Intergovernmental Revenues increased by \$28,513,857, or 301.37%. This increase was almost entirely due to the arrival of the 1st Tranche of ARPA funds in the amount of \$28,650,437. Intergovernmental Revenues in other areas were quite similar when compared against 2020.

Taxes increased 1.26%, for a dollar increase of \$422,268. COLA's, benefits, and rising inmate medical expenses were the primary reasons for the increase.

Charges for services had the smallest increase of \$383,531, or 3.13%. Like in 2020, this is actually a result of large offsetting factors. General Fund Charges for Services increased by \$1,209,595 over the prior year, largely due to the busiest

year on record for the Registry of Deeds, vastly eclipsing 2020, which was also a record year. However, this increase was mostly offset by a decline of \$960,133 in the jail fund as the number of inmates housed for other entities declined through the year. Other Governments Funds increased \$134,067 as some areas rebounded from 2020 pandemic related decreases.

Miscellaneous Revenue decreased \$142,462. Revenues related to a 2020 bond issuance did not occur again in 2021, accounting for most of the decrease.

Expenditures: In the area of general government expenditures, the following areas showed substantial increases and decreases by percentage or dollars in their levels of expenditure.

The “Other” category showed the largest increase of \$2,593,706 or 90.63%. This is caused by a number of factors. \$809,774 was spent in ARPA funds, against no expenses in the prior year. The Accrued Compensated Balances fund was reclassified from Sheriff-County Services to this category, and spent \$1,036,551 during the year. This was also a larger amount due to a one-time Covid-19 employee vaccination incentive expensed out of the fund. Increases to other grant expenses as they rebounded from Covid-19 related slowdowns accounted for the remainder of the increases.

Funds transferred to the Cross Insurance Arena increased \$841,602, or 27.41%. This was due to two factors. First, the arena was nearly completely shut down for much of 2021, and in particular required extra funding in the early part of the year. The Commissioners also authorized \$400,000 of 2021 Fund Balance to be transferred to the CIA to fund and upcoming replacement of the dasher boards throughout the facility.

Expenses at the Register of Deeds increased \$141,077, 16.81%. \$136,046 of this increase occurred in their Surcharge Funds, and was the result of the continuation of a major records retention project.

The Emergency Management Department saw the next largest increase of \$104,995, or 15.71%. This occurred because the Maine Emergency Management Agency authorized an increase in the amount of County EMA expenses that would be reimbursed for 2021, in response to the Covid-19 pandemic. Accordingly, County EMA made a number of purchases that otherwise would not have been budgeted.

Register of Probate expenses increased \$99,240, or 16.99%. This is a department that has been seeing significant increases in overall activity over the past few years. As a result, their expenses have seen a corresponding increase in order to meet the extra demand for Probate services.

Human Resources expenses increased \$94,982 or 19.58%, as a result of a full year of a Safety Coordinator in 2021, and other increased expenses related to ongoing management of the Covid-19 Pandemic.

Expenses at the District Attorney department increased \$72,419, or 3.74%. This was due to Cost of Living and benefit increases, and not the result of any major changes within the department.

The Executive Department returned to full staffing levels in 2021, and thus saw an expense increase of \$47,813, or 7.16%

The Parking Garage, Finance, Agency Grants, IT and Facilities departments all saw increases or decreases in expenses of less than \$35,000. In most cases, this was due to a combination of occasional staffing shortages combined with continued expense decreases as a result of the pandemic.

Expenses decreased by \$46,287, or 1.42% at Cumberland County Regional Communications. In the fall of 2021, the department lost a number of Dispatchers in rapid succession, which caused a corresponding decrease in payroll expenses relative to 2020, which ran much closer to full staffing levels.

Combined Principal and Interest on Debt Services decreased by \$346,633 from the prior year, as principal due for multiple bonds decreased from as bonded purchases with a shorter useful life span came off the books.

Sheriff- County Services decreased by \$494,748 or 4.64% from the prior year. The bulk of this decrease was due to the reclassification of the Accrued Compensated Balances fund from this category to the "Other" category. Excluding that change, expenses in this area decreased \$167,643 from the prior year, largely due to continued staffing shortages and difficulties in procuring many items in a timely fashion.

Capital Expenditures showed the next largest decrease of \$686,873, or 25.27%. This decrease occurred as the County finished up delayed projects related to a 2018 bond, and did not undertake as many internally funded projects largely due to a shortage of contractor availability. This decrease will not last long, as Capital Expenditures will increase rapidly in 2022 due to ARPA related projects.

Expenses at the Jail declined the most of any area in the County, \$1,107,859 for a 5.58% decrease. Covid 19 played a role in this decrease as the jail reduced inmate counts as much as possible and closed down the Community Corrections building, which in turn reduced the number of shifts needed. However, the extreme staffing shortage at the jail played the largest role in this decline. While many shifts were filled by overtime hours from existing employees, the staffing levels at the jail were so low at the jail that they had a significant impact on overall spending.

Fiduciary Funds: The County utilizes expendable trust funds to account for monies that are to benefit various employee groups and the jail inmates.

County Departments – Functions and 2021 Requests

There are thirteen departments within the County, with 10 appointed and 3 elected department heads.

Community Development – In 2007 Cumberland County became a direct recipient of Community Development Block Grant (CDBG) program funds from the U.S. Department of Housing & Urban Development (HUD). As a result, the County has also formed a HOME Consortium with the City of Portland and Brunswick that has generated increased federal funding to meet the affordable housing needs of the region. This year marks the seventh year since the inception of the Cumberland County Community Development Office and its programs. Now after eight years of operation the CDBG program together with the Home Alliance has been extremely successful by bringing in and distributing over \$18 million in federal funding. The Community Development Director is Kristin Styles.

District Attorney - This office prosecutes criminal, civil, and traffic charges for the County through the state court system. There are 47 attorneys and staff who work in the DA's Office who handle about 15,000 cases per year. There are four divisions: 1) The Misdemeanor Division; 2) the Felony Division; 3) The Domestic Violence Unit; and 4) the Juvenile Justice Division. The DA's Office also administers pre and post-conviction Diversion Programs for adult offenders, as well as a few public awareness initiatives. *Key Budget Issue:* Having the appropriate number of staff to carry out the increase in demands as the office works with the State Courts to process the backlog of cases as a result of the pandemic.

Emergency Communications – In recent years two singular events have occurred that have positioned the Cumberland County Regional Communications Center as an increasingly successful provider of emergency communications services to the county's municipalities. First, in 2004 a nationally respected firm called Kimball & Associates was hired by the County with municipal involvement to conduct an independent analysis to review and recommend how the County could achieve a consolidated regional communications center. One outcome was the establishment of a funding formula for being able to charge municipalities for emergency communications services. Secondly, in 2007 an expanded center was constructed utilizing capital reserve funds that were derived from non-tax revenues generated by the Registry of Deeds. The County has contracts with 19 municipalities for emergency and non-emergency dispatching services and serves as the Public Safety Answering Point (PSAP) for 19 of the 28 communities within the County. *Key Budget Issue:* Starting in 2022 the CCRC will use ARPA funds to expand the footprint of their facility, update workstations, and become better prepared both for future growth and future health emergencies

Emergency Management Agency – The EMA department provides assistance to the 28 municipalities in the County on all emergency operations ranging from ice storms to chemical spill emergencies. The Department has put a major focus of late on updating Plans and providing important trainings for the regions first responders. *Key Budget Issues:* The department has been very creative in attracting and maintaining federal and state funding to help sustain the CCCEMA's operations.

Executive Department - The Executive Department is headed by the County Manager who works under the direction of the Commissioners to oversee the implementation of county policy and the day-to-day administration of county operations, including the development of the county's annual budget. The Department in 2021 created the Public Health Division, the first for the County. *Key Budget Issues:* The Executive Department expanded to include a Compliance & Audit Manager, a Public Health Manager and a recruiter, all funded through ARPA funds. With Public Health taking off and quickly being a regional player (go-to), we will have to begin to explore hiring a second employee within the office.

Facilities - The Facilities Department is responsible for the physical operations of the County's seven buildings over five campuses, including the jail. *Key Budget Issues:* The budget provides funding for the department's ongoing maintenance program for the Courthouses, the County Garage, the Law Enforcement Center, the County Emergency Management Agency, and the Cumberland County Regional Communications Center. The Facilities Department also consists of the Fleet Maintenance garage which is responsible for the care and maintenance of all county vehicles and equipment. The Department has formed a strong team with the Cross Insurance Arena Ops providing additional capacity when they need it.

Finance - The Finance Office is responsible for managing the fiscal affairs of the County including preparation of the budget, managing payroll, and providing fiscal analysis of revenue and expenditure trends. *Key Budget Issues:* The cost of the software required to manage countywide accounting has been increasing rapidly in recent years, and will continue to do so.

Human Resources - This Department administers the County's human resource programs, employee services, and employee benefits, as well as recruits and retains the best employees. Cumberland County Government is an Equal Opportunity/Affirmative Action Employer which employs over 400 full-time employees. *Key Budget Issues:* Helping to attract new employees to the County remains a critical function of HR department, with numerous vacancies throughout the organization.

Information Technology - The Cumberland County IT Department provides for the County's IT needs and has employees in three different locations for on-site professional IT help. As well as working daily on County IT needs, the staff diligently works to bring the most current technology to the County ranging from ongoing maintenance, to our state-of-the-art communications center, to the "Mobile Offices" in the deputies' cars, to the Cumberland County website. *Key Budget Issue:* The cost of annual software maintenance contracts has been increasing rapidly in recent years, and this trend will continue into 2021.

Registry of Deeds - The Deeds office serves the public by recording documents, such as mortgages, deeds, liens, and mapping plans. *Key Budget Issues:*

Revenues in 2021 once again drastically exceeded expectations, but the County expects this to be a short-term pandemic related change and with increased interest rates on the horizon, this could put revenues back to normal times.

Registry of Probate - This department operates the Probate Court, which includes proceedings such as adoptions, guardian petitions, wills, and name changes. *Key Budget Issues:* Usage of the Probate Court continues to increase, and is expected to continue to do so for at least the next few years.

Sheriff - The Sheriff's Office is responsible for operating a direct supervision County jail, as well as managing a full-service public safety and patrol organization. *Key Budget Issues:* Hiring and retaining law enforcement employees continues to be a major challenge for these departments.

Major Changes to the Adopted Budget and Future Impacts

The following changes represent the most significant changes to the 2021 budget.

Staff brought forward a request of 2.34% needs from taxes in September of 2020. This was a result of significant scrutiny of the budget and cutting some funding that would have allowed the County to pursue some worthwhile projects/services. In the end, the budget went from 2.34% down to 2.30% a reduction of \$13,401. Through the Finance Committee and Commissioner process from September to December, the budget was further reduced down to a 1.26% needs from taxes increase.

Continuing to live through the Covid-19 pandemic, the County continue to explore ways to bring value to the services the County offered to its residents. One of the County's Manager's goals in 2021 was to finally establish a Public Health Department. This was made easy by the infusion of Federal ARPA funding the County received, which will allow the County to slowly build the costs into the general fund budget over a number of years.

The beginning of 2020 gave us a quick lesson on how a global pandemic can impact the economy and individuals personal lives. The County's General Fund Budget, being on a calendar year cycle, was setup better than our partner municipalities who found themselves working on their 2020/21 budgets, while trying to close out 2019/20 with minimal revenue loss. The County has two budgets on the fiscal year (July – June) cycle. The Jail budget finished the year okay, while the Cross Insurance Arena budget saw a significant decrease in revenue due to over fifteen large events being canceled from March to June.

Knowing how the pandemic was impacting our partner towns, in May, I gave guidance to staff to limit their budget requests for the 2021 budget. My request

was an attempt to reduce the County's impact on the tax rate, knowing there is great uncertainty moving forward. County staff responded in a positive way.

Budget Process

Cumberland County is a unique situation as it relates to development of budgets. I refer to the budget process as developing three large cost centers, which meet and are blended together each fall. The uniqueness comes in that the Jail and Cross Insurance Arena budgets are on a July to June fiscal year, while the County General Fund budget is on a January to December calendar year. County staff begin the budgeting process in March and continue the effort right up to the December Commissioners meeting when the budget package is approved. On a good year, this process is no easy feat keeping track of it all, but add in the uncertainty of a global pandemic, the budget was not pinned down until late in the process.

In a nut shell, there were no new initiatives, many reductions to line items, no new positions and a significantly scaled back capital program. To their credit, many department heads took deep cuts to some of their budget line items. Though appreciative, I restored portions of those cuts as I fear the return to normal in a year or two would result in larger increases to the budget making it harder to recover without a large budget increase.

Last Minute Budget Changes – Reducing Tax Rate

In late November, staff began to feel confident that we were going to finish 2020 on a strong financial foot. Having been on a spending freeze since March and Registry of Deeds revenues never slowing down as was expected, the County experienced a significant end-of-year surplus. With low interest rates that made refinancing attractive and strong home sales across the region, the Registry of Deeds processed 87,683 documents in 2020 (compared to 67,992 in 2019 and 65,755 in 2018), which translated in revenues far exceeding annual projections. With other revenues holding their own, the County was in a position to think creatively to address the tax rate impact to the citizens.

In September, when I delivered the County Manager's budget to the County Commissioners, we were proposing a 2.30% Needs from Taxes (tax rate impact). The impact was largely based on the General Fund increasing by \$286,570 and the Jail \$546,045 (CIA was already showing a decrease).

Staff presented the County Commissioners in late November a plan to use 2020 estimated year end surplus to off-set some expenditures in 2021. The following gives a quick snap-shot on how we did it. We removed \$104,375 in non-debt CIP from 2021 and paid for the one-time costs in 2020. We cut \$40,000 in Public Referendum line; \$11,000 in Grants and \$2,275 in ID card purchase. We created a \$400,000 Tax Stabilization Account. Used \$200,000 from this account in 2021.

Proposed a sliding proration's over three years to eliminate the reliance on the account.

The result of the budget exercise resulted in the County's General Fund decreasing down to a -\$66,057. The new 2021 Needs from Taxes is now 1.26%, which is down from the proposed 2.30% in September.

Revenues

General Fund Revenues is one area we constantly monitor right up to the Commissioners final review in December. Since March of 2020, we have been watching revenue associated with Deeds, Probate, Civil, Garage and District Attorney. Surprisingly, the majority of the revenues held their own and we did not see huge decreases in our two largest revenue streams (Garage and Deeds).

Debt/Capital/Tax Anticipated Note

The 2021 General Fund Budget includes allocations to cover the costs of previous bonds, a new 2.15 M bond in 2021 and a reduction in the non-debt capital reserve. We opted not to go through with the 2.15M bond for a variety of reasons. We are also proposed a reduction in the Tax Anticipated Note budgeted amount to cover the short-term loan in 2021.

In February, County staff hit, at the time, an all-time low in interest rates in the refinancing of the 2012 County Bond and the Cross Insurance Renovation Bond. Due to the new Federal Laws around refinancing tax-exempt bonds, the Law forced the County to transition these bonds from tax-exempt to taxable. The change ultimately save the County taxpayers \$1,714,000 million over the next 20 years. The County and the Cross Insurance Arena both received an AA+/stable bonding rating from Standard & Poors for the refinancing of the two General Obligation Bonds.

Capital Projects

This year we are proposing a smaller than normal bond for larger priced capital projects. Many of the capital items were shifted out of the 2021 budget and paid for through the use of 2020 year end fund balance. A 2.15M bond was proposed, but later staff opted not to pursue this bond for a variety of reasons. Overall, capital was handled in many different ways in an attempt to reduce the impact on the tax rate for the upcoming year.

Grants & Human Services

Each year the County tries to do their part in supporting non-profits throughout the county. Two years ago, the County Commissioners, at the recommendation of staff, moved towards greater accountability and data sharing by partnering with the Thrive2021 Goal allocation process (United Way). Even though we contribute to Thrive, some agencies fall outside the qualifications; hence, the County works with those independent organizations on some level of funding.

Jail Budget

The Jail budget was under development during the beginning of the COVID outbreak. Staff through developing this budget were hopeful for LD#793 to make its way through the State Legislature. This Bill would have brought additional revenue to the counties in support of their jail functions. Unfortunately, the Legislature recessed due to the pandemic and did not return. Staff worked to keep the impacts of the jail on a needs based basis. Staff still found itself up against the 4.00% allowance per State Statute for new funding in support of county jails. Revenues were projected to remain flat year over year, though expenses went up. With a budget that is primarily salary/benefits and fixed costs, there was little room to adjust downwards.

Cross Insurance Arena

Similar to the Jail's budgeting process, the Arena's budget is developed from March to June. The Trustees make an annual budget recommendation to the County Commissioners. The Arena's budget, much like the jail budget, is included in the General Fund Budget discussion as it affects the bottom line of any increase for the 2021 budget year.

The 2019/2020 CIA Budget ended on a disappointing note. As of March 1, 2019, the Arena's budget was in the red, but the remaining three months left in the budget year looking very promising. A total of 15 shows, three hockey games plus playoffs and graduation season were all canceled due to the pandemic. Unfortunately on March 16, 2020 everything came to a standstill and the arena went dark for the remainder of the budget year.

We started the 2020/21 budget as we left the 2019/20 budget. Dark and shows pushing dates and Mariners hockey season canceled. It is an interesting time in the entertainment and professional sports world and we are experiencing it first hand at the Cross Insurance Arena. The Arena budget does account for the first three months of having the majority of its employees out on furlough. These employees (13 employees) were laid off in October of 2020. Starting the first of 2021, the remaining six employees took a 20% salary cut. We are in unfortunate times, and tough personnel decisions needed to happen to reduce the County's costs with no revenue events in the building.

The Cross Insurance Arena budget is a unique budget, as it does not follow the typical government budgeting process. The Arena's budget is based on projected number of events (ticket sales), suite seating, concessions and sponsorships at the Arena. Shortfalls at the Arena are passed onto the tax rate.

Conclusion

Initially working with Departments to come to a 2.40% budget increase was very commendable based on the type of expense increases and flat revenues we were experiencing. At the tail-end of the budget process, the County Commissioners allowed staff to get creative in an attempt to push the budget impact lower. The

Commissioner's trust in staff paid off and the Commissioners were able to further reduce the 2021 budget and pass a budget with a 1.26% needs from taxes.

Future Projects:

The County will continue its efforts to think with an entrepreneurial attitude and act strategically on opportunities to provide affordable and effective new regional services. In a world where cost efficient and effective public services is increasingly the goal, the County intends to utilize its economies of scale and the advent of new technology to achieve taxpayer savings and the delivery of quality services whenever possible.

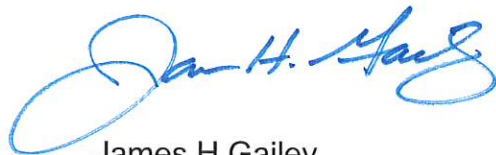
INDEPENDENT AUDIT

State statute requires the county to submit to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the County's accounting and budgetary controls. The certified public accounting firm of RHR Smith & Company issued an unmodified opinion on the county's financial statements as of December 31, 2021.

ACKNOWLEDGMENTS

The publication of this report is a continuation of Cumberland County Government's commitment to excellence in financial reporting and the recognition that the County is accountable to the taxpayers of the county. My sincere thanks to all involved in accomplishing this audit.

Sincerely,



James H Gailey
County Manager

COUNTY OF CUMBERLAND, MAINE
PRINCIPAL OFFICIALS
DECEMBER 31, 2021

County Commissioners

Neil D. Jamieson, Jr.	District 1
Susan E. Witonis	District 2
Steve Gorden	District 3
Tom Coward	District 4
James F. Cloutier	District 5

Administration

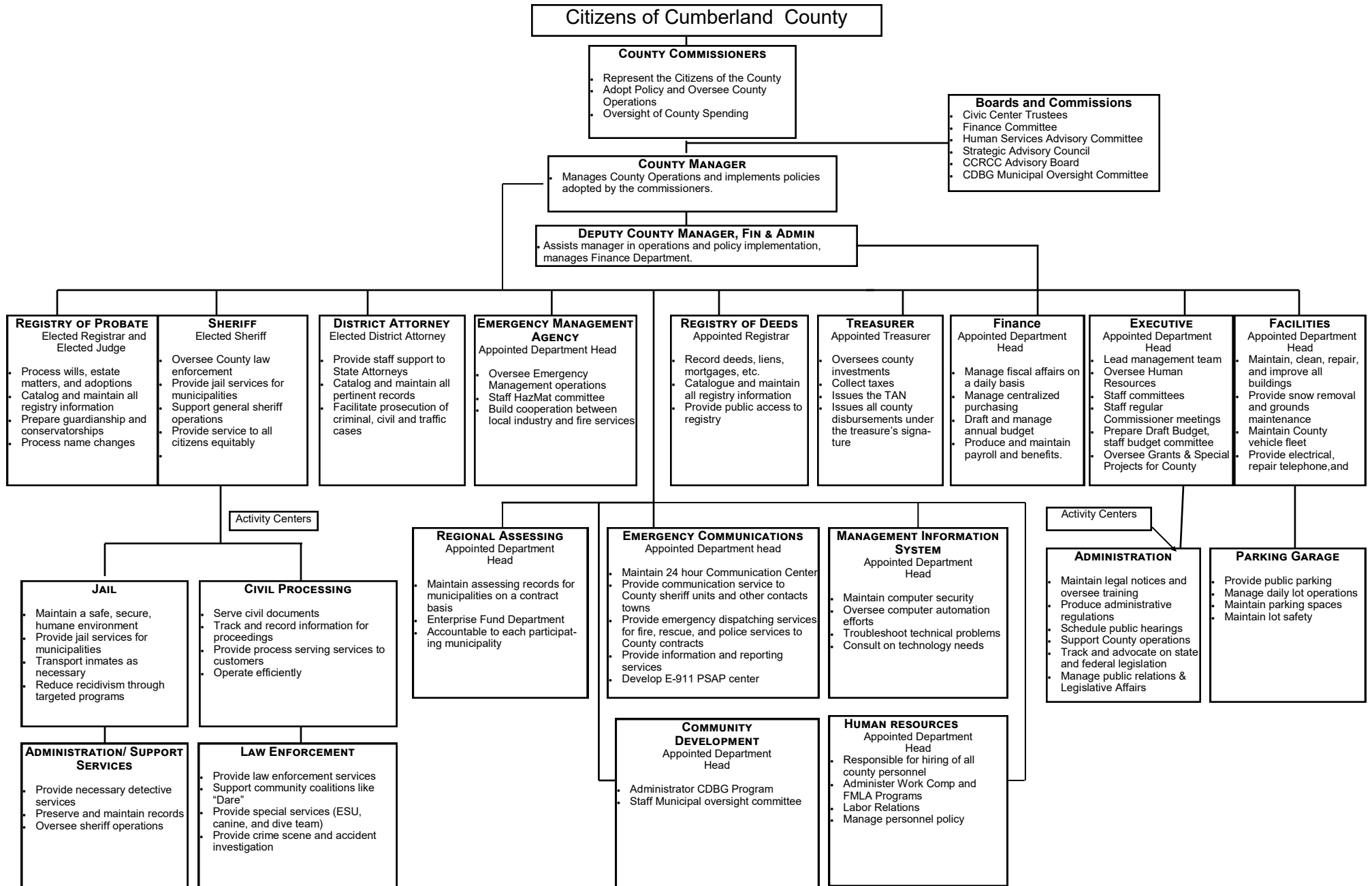
Appointed Officials

James Gailey	County Manager
Alex Kimball	Dep County Manager/Treasurer
Katharine Cahoo	Deputy County Clerk/ Executive Secretary
Travis Kennedy	Director of Public Affairs
Naldo Gagnon	Chief Deputy Sheriff
Jen Ackerman	Deputy District Attorney
Jessica Spaulding	Registrar of Deeds
Erica Rickards	Deputy Registrar of Probate
Matthew Mahar	EMA Director
William Trufant	Facilities Director
Don Brewer	Human Resources Director
Aaron Gilpatric	Information Technology Director
Timothy Kortess	Jail Administrator
Melinda Dyer	Emergency Communications Director
Kristen Styles	Community Development Director
Ben Thompson	Regional Assessing Director

Elected Officials

Jonathan Sahrbeck	District Attorney
Paul Aranson	Judge of Probate
Nadeen Daniels	Registrar of Probate
Kevin J. Joyce	Sheriff

**FY2021
COUNTY OF CUMBERLAND
ORGANIZATION CHART**





Government Finance Officers Association

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for Excellence
in Financial
Reporting

Presented to

**County of Cumberland
Maine**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
County of Cumberland
Portland, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the County of Cumberland, Maine, as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the County of Cumberland, Maine's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the County of Cumberland, Maine as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of

internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the County of Cumberland, Maine's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and OPEB information on pages 25 through 37 and pages 99 through 105 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Cumberland, Maine's basic financial statements. The combining and individual nonmajor fund financial statements, the Schedule of Departmental Operations - General Fund, capital asset schedules and statistical information are presented for purposes of additional analysis and are not a required part of 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, the Schedule of Departmental Operations - General Fund, the capital asset schedules and statistical information are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022, on our consideration of the County of Cumberland, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County of Cumberland, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* considering the County of Cumberland, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
June 28, 2022

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

(UNAUDITED)

The following management's discussion and analysis of the County of Cumberland, Maine's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2021. Please read it in conjunction with the County's financial statements.

Financial Statement Overview

The County of Cumberland'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 pension and OPEB schedules 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 separate columns for the two different type of County activities. The types of activities presented for the County are:

- *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 emergency management agency, district attorney, register of deeds, register of probate, the jail and sheriff's department.
- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the County of Cumberland include the Cross Insurance Arena. The fiscal year end for the Cross Insurance Arena is June 30th.

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 Cumberland, 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 Cumberland are either governmental, proprietary or fiduciary funds.

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

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

reconciliations are presented on the page immediately following each governmental fund financial statement.

The County of Cumberland presents six columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The County has five major governmental funds: the general fund, capital improvements fund, jail fund, BOC/jail CIP fund and the ARPA fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

Proprietary Funds: The County of Cumberland, Maine maintains one proprietary fund, the Cross Insurance Arena. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the County of Cumberland. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

Notes to the Financial Statements

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

Required Supplementary Information

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

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the County's governmental and business-type activities. The County's total net position for governmental activities increased by \$33,374,894 from \$14,962,329 to \$48,337,223 or a 223.06% increase. This increase was mainly due to proceeds of the ARPA grant of \$27,858,565 that were not spent in the current year. The County's total net position for business-type activities decreased by \$142,240 from (\$3,030,181) to (\$3,172,421) or a 4.69% decrease.

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 for governmental activities by \$29,907 from (\$8,215,423) to a balance of (\$8,185,516) at the end of this year. This increase was mostly due to the operational excess in the governmental funds. The business-type activities unrestricted net position increased by \$54,547 from (\$527,664) to (\$473,117).

Table 1
County of Cumberland, Maine
Net Position
December 31/June 30

	Governmental Activities		Business-type Activities	
	2021	2020 (Restated)	2021	2020 (Restated)
Assets:				
Current Assets	\$ 49,282,991	\$ 15,245,807	\$ 907,859	\$ 1,214,585
Noncurrent Assets - Capital Assets	24,465,426	24,781,377	23,791,310	25,720,537
Noncurrent Assets - Pension Asset	899,239	-	-	-
Total Assets	<u>74,647,656</u>	<u>40,027,184</u>	<u>24,699,169</u>	<u>26,935,122</u>
Deferred Outflows of Resources:				
Deferred Outflows Related to OPEB	1,426,397	1,388,333	-	-
Deferred Outflows Related to Pensions	4,652,697	2,462,648	-	-
Total Deferred Outflows of Resources	<u>6,079,094</u>	<u>3,850,981</u>	<u>-</u>	<u>-</u>
Liabilities:				
Current Liabilities	6,413,154	5,539,572	2,193,037	1,140,389
Noncurrent Liabilities	9,821,070	19,911,492	24,811,348	27,883,054
Total Liabilities	<u>16,234,224</u>	<u>25,451,064</u>	<u>27,004,385</u>	<u>29,023,443</u>
Deferred Inflows of Resources:				
Deferred Revenue	1,703,961	1,115,206	867,205	941,860
Deferred Inflows Related to OPEB	1,809,521	2,040,483	-	-
Deferred Inflows Related to Pensions	12,641,821	309,083	-	-
Total Deferred Inflows of Resources	<u>16,155,303</u>	<u>3,464,772</u>	<u>867,205</u>	<u>941,860</u>
Net Position:				
Net Investment in Capital Assets	22,797,026	20,313,699	(2,699,304)	(2,502,517)
Restricted for: Jail fund	1,722,074	326,091	-	-
Capital Projects Funds	3,257,160	1,953,804	-	-
Grant Programs	28,746,479	584,158	-	-
Unrestricted (Deficit)	(8,185,516)	(8,215,423)	(473,117)	(527,664)
Total Net Position	<u>\$ 48,337,223</u>	<u>\$ 14,962,329</u>	<u>\$ (3,172,421)</u>	<u>\$ (3,030,181)</u>

Revenues and Expenses

Revenues for the County's governmental activities increased by 52.95%, while total expenses decreased by 3.32%. The largest increase in revenues was in operating grants and contributions. The largest increase in the expense categories was in sheriff - county services.

Revenues for the County's business-type activities decreased by 93.18%, while total expenses decreased by 52.34%. The largest decrease in revenues was in charges for services. The largest decrease in expenses was in event expenses.

Table 2
County of Cumberland, Maine
Change in Net Position
For the Years Ended December 31/June 30

	Governmental Activities		Business-type Activities	
	2021	2020	2021	2020
Revenues				
<i>Program revenues:</i>				
Charges for Services	\$ 12,654,104	\$ 12,270,575	\$ 481,902	\$ 7,064,759
Operating Grants and Contributions	37,975,120	9,461,271	-	-
<i>General Revenues:</i>				
Taxes	34,065,186	33,642,918	-	-
Miscellaneous	424,278	276,536	-	-
Total Revenues	<u>85,118,688</u>	<u>55,651,300</u>	<u>481,902</u>	<u>7,064,759</u>
Expenses				
Executive Department	715,696	667,883	-	-
Finance	583,724	572,327	-	-
Register of Deeds	986,872	845,795	-	-
Register of Probate	683,322	584,082	-	-
Emergency Management	773,426	668,431	-	-
Sheriff - County Services	13,585,788	11,295,016	-	-
Jail	19,475,840	20,582,608	-	-
District Attorney	2,012,008	1,939,589	-	-
Human Resources	580,171	485,189	-	-
Facilities	2,161,295	2,194,069	-	-
Management System	868,543	880,428	-	-
Agency Grants	153,000	144,000	-	-
Parking Garage	232,119	214,175	-	-
Communications	3,365,086	3,412,676	-	-
Cross Insurance Arena	-	-	4,673,172	9,805,730
Other	1,189,348	4,259,077	-	-
Interest on Long-term Debt	110,457	333,207	-	-
Unallocated Depreciation Expense (Note 5)	355,416	395,640	-	-
Total Expenses	<u>47,832,111</u>	<u>49,474,192</u>	<u>4,673,172</u>	<u>9,805,730</u>
Excess (deficiency) of revenues over (under) expenses before transfers	37,286,577	6,177,108	(4,191,270)	(2,740,971)
Transfers	<u>(3,911,683)</u>	<u>(966,042)</u>	<u>4,049,030</u>	<u>956,325</u>
Change in Net Position	33,374,894	5,211,066	(142,240)	(1,784,646)
Net Position - January 1/July 1, Restated	<u>14,962,329</u>	<u>9,751,263</u>	<u>(3,030,181)</u>	<u>(1,245,535)</u>
Net Position - December 31/June 30	<u>\$ 48,337,223</u>	<u>\$ 14,962,329</u>	<u>\$ (3,172,421)</u>	<u>\$ (3,030,181)</u>

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 Cumberland, Maine
Fund Balances - Governmental Funds
December 31,

	<u>2021</u>	<u>2020 (Restated)</u>	<u>Increase/ (Decrease)</u>
Major Funds:			
General Fund:			
Nonspendable	\$ 2,947	\$ 5,374	\$ (2,427)
Unassigned	6,765,856	5,843,749	922,107
Total General Fund	<u>\$ 6,768,803</u>	<u>\$ 5,849,123</u>	<u>\$ 919,680</u>
Capital Improvements:			
Restricted	\$ 1,897,034	\$ 1,003,438	\$ 893,596
Total Capital Improvements Fund	<u>\$ 1,897,034</u>	<u>\$ 1,003,438</u>	<u>\$ 893,596</u>
Jail Fund:			
Restricted	\$ 1,722,074	\$ 326,091	\$ 1,395,983
Total Jail Fund	<u>\$ 1,722,074</u>	<u>\$ 326,091</u>	<u>\$ 1,395,983</u>
BOC/Jail CIP Fund			
Restricted	\$ 841,541	\$ 838,695	\$ 2,846
Total BOC/Jail CIP Fund	<u>\$ 841,541</u>	<u>\$ 838,695</u>	<u>\$ 2,846</u>
ARPA Fund:			
Restricted	\$ 27,858,565	\$ -	\$ 27,858,565
Total 2018 CIP Bond Fund	<u>\$ 27,858,565</u>	<u>\$ -</u>	<u>\$ 27,858,565</u>
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 887,914	\$ 584,158	\$ 303,756
Assigned	2,478,238	2,444,313	33,925
Unassigned	(791,336)	(831,404)	40,068
Capital Projects Funds:			
Restricted	518,585	1,014,954	(496,369)
Unassigned	(42,042)	(42,042)	-
Total Nonmajor Funds	<u>\$ 3,051,359</u>	<u>\$ 3,169,979</u>	<u>\$ (118,620)</u>

The General Fund total fund balance increased by \$919,680 over the prior fiscal year. The increase in the general fund came as a result of higher Register of Deeds and Probate fees than were budgeted and less facilities expenses due to decreased usage through the pandemic. The Capital Improvements Fund total fund balance increased by \$893,596, the result of a transfer from the general fund and miscellaneous revenues exceeding current year capital expenditures. The Jail Fund total fund balance increased by \$1,395,983. This was a result of an operational excess for the current year. The BOC/Jail CIP Fund total fund balance increased by \$2,846 due to a transfer from the general fund that exceeded capital expenditures. The ARPA fund total fund balance increased by \$27,858,565, the result of current year grant income in excess of expenditures. The nonmajor fund balances total fund balance decreased by \$118,620 over the prior fiscal year due to expenditures exceeding revenues and transfers from the general fund.

Budgetary Highlights

There were no significant differences between the original and final budget for the general fund.

The general fund actual revenues were over the budget by \$2,022,762. This was due to all revenue categories in total being received in excess of budget with the exception of intergovernmental revenues and transfers from other funds.

The general fund actual expenditures exceeded budget by \$1,103,082. The County's major budget variances for the year ended December 31, 2021 were as follows:

- Sheriff - County services had a favorable variance of \$338,789
- District Attorney had a favorable variance of \$159,626
- Facilities had a favorable variance of \$518,005
- Management Information Systems had a favorable variance of \$121,154
- Communications had a favorable variance of \$126,744
- Debt service had a favorable variance of \$70,852
- Transfers to other funds had an unfavorable variance of \$2,535,402

Capital Asset and Long-Term Debt Activity

Capital Assets

As of December 31, 2021, the net book value of capital assets recorded by the County decreased by \$2,245,178 over the prior year. The decrease was due to capital additions of \$1,675,901 less current year depreciation of \$3,921,079. More detailed information on capital asset activity is located in Note 5 of the financial statements.

Table 4
County of Cumberland, Maine
Capital Assets (Net of Depreciation)
December 31,

	<u>2021</u>	<u>2020</u>
Land and buildings	\$ 43,059,783	\$ 45,268,034
Equipment and vehicles	<u>5,196,953</u>	<u>5,233,880</u>
Total	<u>\$ 48,256,736</u>	<u>\$ 50,501,914</u>

Debt

At December 31, 2021, the County had \$31,416,174 in bonds outstanding versus \$33,760,194 last year, a decrease of 6.94%. Refer to Note 7 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

The outbreak of COVID-19 has been declared a pandemic and led to a national state of emergency in the United States. Refer to Note 1 of Notes to Financial Statements for more detailed information.

At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the County of Cumberland, Maine. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the County of Cumberland, Maine.

Economic Factors and Next Year's Budgets and Rates

The fiscal year 2021 County of Cumberland budget was adopted on December 14, 2020 and establishes the operational goals of the County for the upcoming year. The County budget strikes a balance between the needs, requirements and resources available while maintaining required service levels and fulfilling the items within the financial plan.

The adopted FY 2021 budget totals \$47,151,594. This represents a 1.26% tax increase, a decrease of 0.40% for the County, an increase of 4.00% for the Jail and a 1.65% decrease for the Cross Insurance Arena. This represents an increase in appropriations of 1.24%, while revenue estimates increased 1.22%.

The total budget was adopted after careful consideration of the comments and recommendations offered by the municipal officials serving on the Finance Committee. County officials recognize and appreciate the important involvement of departmental staff, department heads, members of the Budget Advisory Committee and interested

citizens in constructing this budget document. A total of 421 full and part-time personnel has been approved as the total county workforce.

The executive summary consists of an introduction to the Cumberland County departments and their FY2021 requests, with a summary of the major changes to the 2021 budget. In addition, there is an explanation of the county's financial plan.

Tax Increase

The County Commissioners entered the FY 2021 budget process committed to presenting a budget to the citizens of Cumberland County that will accomplish the above mentioned objectives by maintaining efficient, effective services and meeting the mandates of the state. The total adopted expenditures were increased by 1.24%, with an overall tax increase of 1.26% and an increase in anticipated non-tax revenues of 1.22%.

Fund Balance

The County's financial department, in collaboration with the County Manager, Deputy County Manager and County Commissioners, continues to monitor all issues that are pertinent to the financial health of Cumberland County Government. A very important goal of the County is to have a fund balance, which provides an adequate buffer against economic downturns. The Maine statutes give the County Commissioners the authority to commit 20% (as a % of the tax assessment) to the undesignated fund balance. The exact amount of the reserve will be determined after the year-end audit to allow all County commitments to be met before funds are allocated to the reserves.

Balanced Budget

The County of Cumberland is committed to managing its budget responsibly to ensure that each department is staying within its budget authorization, absent any unforeseen circumstances. Many factors contribute to maintaining a balanced budget. Financial reports are issued monthly and reviewed to give managers the tools to track their budgets. A system of encumbrances is in place to inform departments of current account balances throughout the year. Each week, all expenditures are reviewed to ensure appropriate use of County funds. The result is a well-managed, financially responsible organization that operates within its budget authority.

Policy and Guidance

The County Manager has established financial policies for departments to help them conform to budgetary requirements including overall budget guidance to keep requests to less than 2% over last year. Other policies include:

- A policy of strictly controlled overspending in line items within departmental budgets. The purpose of this policy is to accurately track expenditures. (This policy does not authorize overspending departmental budgets.)

- A review process is in place whereby departments identify and justify each account request during the annual budget review.

Estimated Fund Changes for 2021 - Actual Amounts

The County's General Fund revenues were higher than expenditures in FY 2021. The Special Revenue Funds increased significantly with the receipt of ARPA grant funds. Fiduciary Funds ended 2021 with balances reflecting a slight increase. The Capital Projects Funds as a whole experienced an increase with transfers from other funds and the use of previously recorded bond proceeds exceeding current year expenditures. The following table presents a summary of the County's changes in general fund balances for FY 2021 and a more detailed summary follows in the body of the budget document.

Beginning and Ending General Fund Balance Summary for 2021

Fund Balances	Amount
Beginning Fund Balance 1/1/21, Restated	\$ 5,849,123
Revenues:	
Taxes	19,868,003
Intergovernmental	1,943,796
Charges for Services	6,752,355
Miscellaneous Revenues	31,019
Expenditures:	
Departmental	19,428,068
Debt Service	804,582
Other	218,731
Transfers Out	<u>7,224,112</u>
Ending Fund Balance 12/31/21	<u><u>\$ 6,768,803</u></u>

The Beginning and Ending Balance Summary reflects the County's general fund financial position at the beginning and end of 2021.

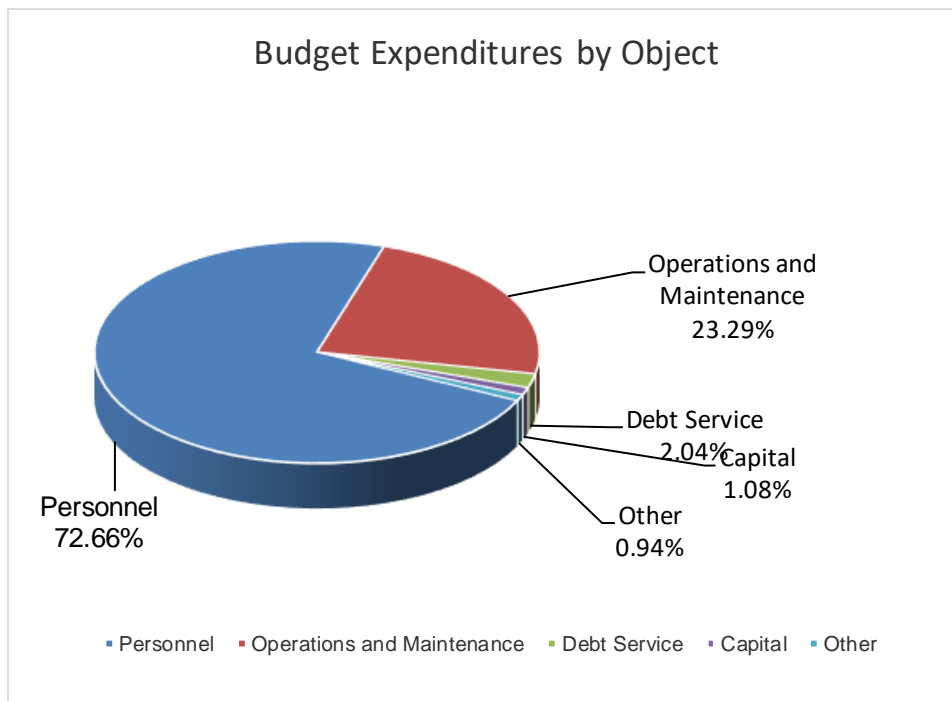
Expenditures by Object

General Fund and Jail Fund expenditures totaled \$39,444,049 for 2021, which represents a 1.07% expenditure decrease from 2020 levels. Dividing the General Fund and Jail Fund expenditures by object shows an allocation of 72.66% to Personnel, 23.29% to Operations and Maintenance, 2.04% to Debt Service, 1.08% to Capital and 0.94% to Other Miscellaneous Expenses.

The decrease in "Personnel" costs is attributable to a combination of employee benefit costs and the inclusion of figures for the cost of the collective bargaining agreements with the County's five bargaining units. The "Operations and Maintenance"

expenses are up slightly by a nominal amount from the previous year. “Debt Service” decreased as the County shifted the recording of some of the debt payments to the Cross Insurance Arena. Appropriations in the “Capital” and “Other” accounts experienced a nominal increase and decrease, respectively in 2021.

The chart below graphically depicts budget expenditures by object:



Comparison of Object Changes for the Last Two Fiscal Periods:

<u>Objects</u>	<u>FY 2021</u>	<u>Percent</u>	<u>FY 2020</u>	<u>Percent</u>
Personnel	\$ 28,645,773	72.66%	\$ 30,077,572	70.40%
Operations and Maintenance	\$ 9,183,831	23.29%	8,558,874	20.03%
Debt Service	\$ 804,582	2.04%	3,255,272	7.62%
Capital	\$ 426,524	1.08%	414,356	0.97%
Other	\$ 371,731	0.94%	420,856	0.98%
Totals	\$ 39,432,441	100.00%	\$ 42,726,930	100.00%

Carry Forward Accounts

There are no authorized carry forward accounts into FY 2022.

Projected Revenues 2021

The budget adopted by the County Commissioners for 2021 shows an estimated amount of \$12,886,408 in non-tax revenues. All revenues are accurately, but conservatively estimated based on performance over the past 12 months and input from the various departments. The following table lists non-tax revenues by department, percent and total:

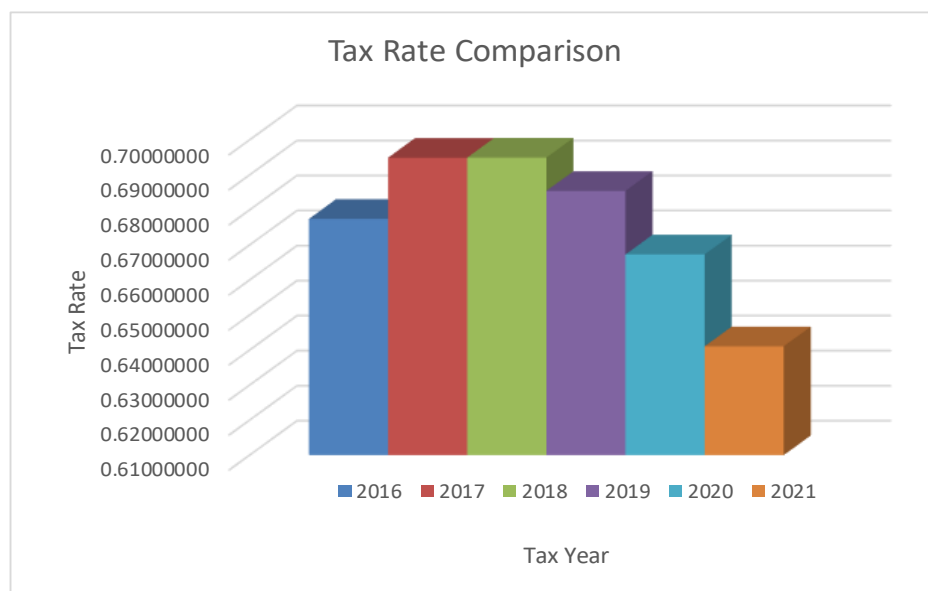
<u>Non-tax Revenue by Department</u>	<u>FY 2021</u>	<u>Percent</u>	<u>FY 2020</u>	<u>Percent</u>
Sheriff	\$ 6,212,566	46.35%	\$ 7,381,397	55.39%
Registry of Deeds	4,997,921	37.29%	4,114,970	30.88%
Registry of Probate	801,927	5.98%	561,820	4.22%
Executive (Garage)	776,281	5.79%	664,402	4.99%
Other	615,077	4.59%	602,510	4.52%
Totals	\$ 13,403,772	100.00%	\$ 13,325,099	100.00%

Tax rate

The County has no role in assessing citizens for taxes directly. County taxes are levied by each municipality. The county tax rate is based on the Certified State Valuation of each municipality. The County proportions necessary taxes to municipalities based on their assessed value. The tax rate for 2021 was 0.6410545 per \$1,000 of valuation and the 2022 tax rate has been set at 0.625289073 per dollar of valuation, based on the State Certified Valuation. Therefore, a person with property in Cumberland County valued at \$200,000 paid \$128.21 in taxes in the year 2021 to the County and will pay \$125.06 in 2022, a decrease of \$3.15.

Note Fundamentals: As the valuation goes higher, the tax mil rate can actually go lower, while still increasing the tax bill to the property owner.

2.46% Tax Decrease in 2021



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 142 Federal Street, Portland, Maine 04101.

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2021/JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 46,971,949	\$ 803,775	\$ 47,775,724
Accounts receivable (net of allowance for uncollectibles)	2,308,095	50,791	2,358,886
Prepaid items	2,947	37,885	40,832
Inventory	-	15,408	15,408
Total current assets	<u>49,282,991</u>	<u>907,859</u>	<u>50,190,850</u>
Noncurrent assets:			
Capital assets:			
Land, infrastructure and other assets not being depreciated	5,041,834	600,000	5,641,834
Buildings and equipment, net of accumulated depreciation	19,423,592	23,191,310	42,614,902
Net pension asset	899,239	-	899,239
Total noncurrent assets	<u>25,364,665</u>	<u>23,791,310</u>	<u>49,155,975</u>
TOTAL ASSETS	<u>74,647,656</u>	<u>24,699,169</u>	<u>99,346,825</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	1,426,397	-	1,426,397
Deferred outflows related to pensions	4,652,697	-	4,652,697
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>6,079,094</u>	<u>-</u>	<u>6,079,094</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 80,726,750</u>	<u>\$ 24,699,169</u>	<u>\$ 105,425,919</u>

STATEMENT A (CONTINUED)

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2021/JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 4,035,305	\$ 172,667	\$ 4,207,972
Accrued interest	23,046	-	23,046
Other liabilities	1,404,349	341,104	1,745,453
Current portion of long-term obligations	950,454	1,679,266	2,629,720
Total current liabilities	<u>6,413,154</u>	<u>2,193,037</u>	<u>8,606,191</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	4,325,807	24,811,348	29,137,155
Accrued compensated absences	1,787,370	-	1,787,370
Net OPEB liability	3,707,893	-	3,707,893
Total noncurrent liabilities	<u>9,821,070</u>	<u>24,811,348</u>	<u>34,632,418</u>
TOTAL LIABILITIES	<u>16,234,224</u>	<u>27,004,385</u>	<u>43,238,609</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenues	1,703,961	867,205	2,571,166
Deferred inflows related to OPEB	1,809,521	-	1,809,521
Deferred inflows related to pensions	12,641,821	-	12,641,821
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>16,155,303</u>	<u>867,205</u>	<u>17,022,508</u>
NET POSITION			
Net investment in capital assets	22,797,026	(2,699,304)	20,097,722
Restricted for: Jail fund	1,722,074	-	1,722,074
Capital projects funds	3,257,160	-	3,257,160
Grant programs	28,746,479	-	28,746,479
Unrestricted (deficit)	(8,185,516)	(473,117)	(8,658,633)
TOTAL NET POSITION	<u>48,337,223</u>	<u>(3,172,421)</u>	<u>45,164,802</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 80,726,750</u>	<u>\$ 24,699,169</u>	<u>\$ 105,425,919</u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021/JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Executive Department	\$ 715,696	\$ -	\$ -	\$ -	\$ (715,696)	\$ -	\$ (715,696)
Finance	583,724	-	-	-	(583,724)	-	(583,724)
Register of Deeds	986,872	5,245,625	-	-	4,258,753	-	4,258,753
Register of Probate	683,322	818,897	-	-	135,575	-	135,575
Emergency Management	773,426	-	329,363	-	(444,063)	-	(444,063)
Sheriff - County Services	13,585,788	2,318,639	4,251,833	-	(7,015,316)	-	(7,015,316)
Jail	19,475,840	3,056,361	3,129,054	-	(13,290,425)	-	(13,290,425)
District Attorney	2,012,008	-	134,239	-	(1,877,769)	-	(1,877,769)
Human Resources	580,171	-	-	-	(580,171)	-	(580,171)
Facilities	2,161,295	-	-	-	(2,161,295)	-	(2,161,295)
Management System	868,543	-	-	-	(868,543)	-	(868,543)
Agency Grants	153,000	-	-	-	(153,000)	-	(153,000)
Parking Garage	232,119	776,281	2,400	-	546,562	-	546,562
Communications	3,365,086	-	1,477,794	-	(1,887,292)	-	(1,887,292)
Other	1,189,348	438,301	28,650,437	-	27,899,390	-	27,899,390
Unallocated Depreciation Expense (Note 5)*	355,416	-	-	-	(355,416)	-	(355,416)
Interest on Long-term Debt	110,457	-	-	-	(110,457)	-	(110,457)
Total governmental activities	<u>47,832,111</u>	<u>12,654,104</u>	<u>37,975,120</u>	<u>-</u>	<u>2,797,113</u>	<u>-</u>	<u>2,797,113</u>
Business-type activities:							
Cross Insurance Arena	<u>4,673,172</u>	<u>481,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,191,270)</u>	<u>(4,191,270)</u>
Total business-type activities							
Total government	<u>\$ 52,505,283</u>	<u>\$ 13,136,006</u>	<u>\$ 37,975,120</u>	<u>\$ -</u>	<u>2,797,113</u>	<u>(4,191,270)</u>	<u>(1,394,157)</u>

*This amount excludes the depreciation that is included in the direct expenses of the various programs.

STATEMENT B (CONTINUED)
COUNTY OF CUMBERLAND, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021/JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Changes in net position:			
Net (expense) revenue	<u>2,797,113</u>	<u>(4,191,270)</u>	<u>(1,394,157)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes	34,065,186	-	34,065,186
Miscellaneous	<u>424,278</u>	<u>-</u>	<u>424,278</u>
Total general revenues	<u>34,489,464</u>	<u>-</u>	<u>34,489,464</u>
Transfers (different fiscal years)	<u>(3,911,683)</u>	<u>4,049,030</u>	<u>137,347</u>
Change in net position	33,374,894	(142,240)	33,232,654
NET POSITION - JANUARY 1/JULY 1, RESTATED	<u>14,962,329</u>	<u>(3,030,181)</u>	<u>11,932,148</u>
NET POSITION - DECEMBER 31/JUNE 30	<u><u>\$ 48,337,223</u></u>	<u><u>\$ (3,172,421)</u></u>	<u><u>\$ 45,164,802</u></u>

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

COUNTY OF CUMBERLAND, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General Fund	Capital Improvements	Jail Fund	BOC/Jail CIP Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 16,494,660	\$ -	\$ -	\$ -	\$ 28,668,339	\$ 1,808,950	\$ 46,971,949
Accounts receivables (net of allowance for uncollectibles)	200,349	-	879,289	-	-	1,228,457	2,308,095
Due from enterprise fund							
Prepaid items	2,947	-	-	-	-	-	2,947
Due from other funds	2,457,514	1,957,540	3,001,473	853,125	-	2,190,531	10,460,183
TOTAL ASSETS	\$ 19,155,470	\$ 1,957,540	\$ 3,880,762	\$ 853,125	\$ 28,668,339	\$ 5,227,938	\$ 59,743,174
LIABILITIES							
Accounts payable	\$ 2,979,649	\$ 60,506	\$ 454,727	\$ 11,584	\$ 16,007	\$ 512,832	\$ 4,035,305
Other liabilities	1,404,349	-	-	-	-	-	1,404,349
Due to other funds	8,002,669	-	-	-	793,767	1,663,747	10,460,183
TOTAL LIABILITIES	12,386,667	60,506	454,727	11,584	809,774	2,176,579	15,899,837
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue	-	-	1,703,961	-	-	-	1,703,961
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	1,703,961	-	-	-	1,703,961
FUND BALANCES							
Nonspendable	2,947	-	-	-	-	-	2,947
Restricted	-	1,897,034	1,722,074	841,541	27,858,565	1,406,499	33,725,713
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	2,478,238	2,478,238
Unassigned	6,765,856	-	-	-	-	(833,378)	5,932,478
TOTAL FUND BALANCES	6,768,803	1,897,034	1,722,074	841,541	27,858,565	3,051,359	42,139,376
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 19,155,470	\$ 1,957,540	\$ 3,880,762	\$ 853,125	\$ 28,668,339	\$ 5,227,938	\$ 59,743,174

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

COUNTY OF CUMBERLAND, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Total Governmental Funds
Total Fund Balances	\$ 42,139,376
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	24,465,426
Pension assets used in governmental activities are not financial resources and therefore are not reported in the funds	899,239
Deferred outflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	1,426,397
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	4,652,697
Long-term obligations shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(4,925,560)
Accrued interest payable	(23,046)
Accrued compensated absences	(2,138,071)
Net pension OPEB	(3,707,893)
Deferred inflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	(1,809,521)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	(12,641,821)
Net position of governmental activities	<u>\$ 48,337,223</u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Capital Improvements	Jail Fund	BOC/Jail CIP Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 19,868,003	\$ -	\$ 14,197,183	\$ -	\$ -	\$ -	\$ 34,065,186
Intergovernmental Revenues	1,943,796	-	3,129,054	-	28,650,437	4,251,833	37,975,120
Charges for Services	6,752,355	-	3,056,361	-	-	2,845,388	12,654,104
Miscellaneous Revenues	31,019	160,628	6,053	-	17,902	208,676	424,278
TOTAL REVENUES	<u>28,595,173</u>	<u>160,628</u>	<u>20,388,651</u>	<u>-</u>	<u>28,668,339</u>	<u>7,305,897</u>	<u>85,118,688</u>
EXPENDITURES							
Current:							
Executive Department	715,696	-	-	-	-	-	715,696
Finance	583,724	-	-	-	-	-	583,724
Register of Deeds	707,893	-	-	-	-	272,369	980,262
Register of Probate	683,322	-	-	-	-	12,526	695,848
Emergency Management	682,344	-	-	-	-	331,684	1,014,028
Sheriff - County Services	7,003,758	-	-	-	-	3,157,900	10,161,658
Jail	-	-	18,736,852	-	-	-	18,736,852
District Attorney	2,010,044	-	-	-	-	-	2,010,044
Human Resources	580,171	-	-	-	-	-	580,171
Facilities	2,141,521	-	-	-	-	-	2,141,521
Management System	843,615	-	-	-	-	-	843,615
Agency Grants	153,000	-	-	-	-	-	153,000
Parking Garage	113,652	-	-	-	-	-	113,652
Communications	3,209,328	-	-	-	-	-	3,209,328
Other	218,731	-	-	-	809,774	4,427,033	5,455,538
Debt Service:							
Principal	611,580	-	-	-	-	-	611,580
Interest	193,002	-	-	-	-	-	193,002
Capital Expenditures	-	1,059,461	255,816	97,154	-	643,005	2,055,436
TOTAL EXPENDITURES	<u>20,451,381</u>	<u>1,059,461</u>	<u>18,992,668</u>	<u>97,154</u>	<u>809,774</u>	<u>8,844,517</u>	<u>50,254,955</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>8,143,792</u>	<u>(898,833)</u>	<u>1,395,983</u>	<u>(97,154)</u>	<u>27,858,565</u>	<u>(1,538,620)</u>	<u>34,863,733</u>
OTHER FINANCING SOURCES (USES)							
Transfers In	-	1,792,429	-	100,000	-	1,420,000	3,312,429
Transfers (Out)	(3,312,429)	-	-	-	-	-	(3,312,429)
Transfer to Cross Insurance Arena	(3,911,683)	-	-	-	-	-	(3,911,683)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(7,224,112)</u>	<u>1,792,429</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>1,420,000</u>	<u>(3,911,683)</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	919,680	893,596	1,395,983	2,846	27,858,565	(118,620)	30,952,050
FUND BALANCES (DEFICITS) - JANUARY 1, RESTATED	5,849,123	1,003,438	326,091	838,695	-	3,169,979	11,187,326
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ 6,768,803</u>	<u>\$ 1,897,034</u>	<u>\$ 1,722,074</u>	<u>\$ 841,541</u>	<u>\$ 27,858,565</u>	<u>\$ 3,051,359</u>	<u>\$ 42,139,376</u>

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

COUNTY OF CUMBERLAND, 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 DECEMBER 31, 2021

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 30,952,050</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	1,594,378
Depreciation expense	<u>(1,910,329)</u>
	<u>(315,951)</u>
Deferred outflows of resources related to OPEB are a consumption of net position by the government that are applicable to a future period and therefore are not reported in the funds	<u>38,064</u>
Deferred outflows of resources related to pensions are a consumption of net position by the government that are applicable to a future period and therefore are not reported in the funds	<u>2,190,049</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	<u>611,580</u>
Deferred inflows of resources related to OPEB are an acquisition of net position by the government that are applicable to a future period and therefore are not reported in the funds	<u>230,962</u>
Deferred inflows of resources related to pensions are an acquisition of net position by the government that are applicable to a future period and therefore are not reported in the funds	<u>(12,332,738)</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(171,559)
Accrued interest	82,545
Net OPEB liability	(320,641)
Net pension asset	<u>12,410,533</u>
Change in net position of governmental activities (Statement B)	<u>\$ 33,374,894</u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021

	<u>Enterprise Funds</u>
	<u>Cross</u>
	<u>Insurance</u>
	<u>Arena</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 803,775
Accounts receivable (net of allowance for uncollectibles)	50,791
Prepaid items	37,885
Inventory	15,408
Total current assets	<u>907,859</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	600,000
Infrastructure, buildings, equipment and	
vehicles net of accumulated depreciation	23,191,310
Total noncurrent assets	<u>23,791,310</u>
TOTAL ASSETS	<u>\$ 24,699,169</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 172,667
Accrued expenses	341,104
Current portion of long-term obligations	1,679,266
Total current liabilities	<u>2,193,037</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	24,811,348
Total noncurrent liabilities	<u>24,811,348</u>
TOTAL LIABILITIES	<u>27,004,385</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	867,205
TOTAL DEFERRED INFLOWS OF	
RESOURCES	<u>867,205</u>
NET POSITION	
Net investment in capital assets	(2,699,304)
Unrestricted (deficit)	(473,117)
TOTAL NET POSITION	<u>(3,172,421)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF	
RESOURCES AND NET POSITION	<u>\$ 24,699,169</u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	<u>Enterprise Funds</u> Cross Insurance Arena
OPERATING REVENUES	
Charges for services	\$ 481,902
TOTAL OPERATING REVENUES	<u>481,902</u>
OPERATING EXPENSES	
Wages and benefits	-
Professional services	-
Insurance	88,471
Utilities	-
Event expense	-
Depreciation	2,010,750
Other	1,592,138
TOTAL OPERATING EXPENSES	<u>3,691,359</u>
OPERATING INCOME (LOSS)	<u>(3,209,457)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest expense	(981,813)
Transfer from general fund	995,986
Transfers in	3,053,044
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>3,067,217</u>
CHANGE IN NET POSITION	(142,240)
NET POSITION - JULY 1, RESTATED	<u>(3,030,181)</u>
NET POSITION - JUNE 30	<u>\$ (3,172,421)</u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Enterprise Funds</u> Cross Insurance Arena
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 595,964
Payments to suppliers	(1,950,398)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,354,434)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Transfers from general fund	4,049,030
Purchase of capital assets	(81,523)
Principal paid on capital debt	(1,732,440)
Interest paid on debt	(981,813)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>1,253,254</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(101,180)
CASH AND CASH EQUIVALENTS - JULY 1	<u>904,955</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u><u>\$ 803,775</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (3,209,457)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	2,010,750
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	188,717
(Increase) decrease in prepaid items	(14,051)
(Increase) decrease in inventory	30,880
Increase (decrease) in accounts payable	5,529
Increase (decrease) in accrued expenses	(292,147)
Increase (decrease) in unearned revenue	(74,655)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (1,354,434)</u></u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF NET POSITION - FIDUCIARY FUNDS
DECEMBER 31, 2021

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 265,234
Accounts receivable (net of allowance for uncollectibles)	<u>3,542,350</u>
TOTAL ASSETS	<u><u>\$ 3,807,584</u></u>
LIABILITIES	
Accounts payable	\$ 321,574
TOTAL LIABILITIES	<u><u>\$ 321,574</u></u>
NET POSITION	
Restricted	<u>\$ 3,486,010</u>
TOTAL NET POSITION	<u><u>\$ 3,486,010</u></u>

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

COUNTY OF CUMBERLAND, MAINE

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Custodial Funds</u>
ADDITIONS	
Inmate deposits	\$ 497,424
Commissary sales	1,101,791
Restitution deposits	<u>248,707</u>
TOTAL ADDITIONS	<u>1,847,922</u>
DELETIONS	
Inmate payments	174,997
Commissary expenses	1,109,400
Restitution payments	<u>266,257</u>
TOTAL DELETIONS	<u>1,550,654</u>
NET INCREASE (DECREASE) IN NET POSITION	297,268
NET POSITION - JANUARY 1	<u>3,188,742</u>
NET POSITION - DECEMBER 31	<u><u>\$ 3,486,010</u></u>

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Cumberland was incorporated under the laws of the State of Maine. The County operates under the Board of Commissioners - County Manager form of government and provides the following services: law enforcement, corrections, registers of deeds and probate, emergency management, parking garage and administration.

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.

COVID-19 Outbreak

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization and led to a national state of emergency in the United States. The State of Maine, along with other state and local governments, declared states of emergency and issued multiple public health emergency orders that severely restrict movement and limit businesses and activities to essential functions. These actions and effects of COVID-19 have disrupted economic activity at all levels and impacted the processes and procedures for almost all businesses, including municipal and quasi-municipal entities.

In response to the health crisis created by COVID-19 since early March of 2020, the Governor of Maine issued multiple executive orders and declarations to protect the public health in an effort to reduce community spread of the virus and protect citizens. These measures have included, among others, closing or restricting access to certain business and activities, issuing a "stay at home" directive for most citizens, restricting nonessential travel and limiting movement of all persons in Maine to those necessary to obtain or provide essential services or activities. The state of emergency expired on June 30, 2021.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact on Finances

The County does not currently anticipate any additional FY 2021 expenditures due to COVID-19 that would not be covered by existing resources including authorized Coronavirus, Aid, Relief and Economic Security ("CARES") Act, American Rescue Plan Act ("ARPA") funding and applicable Federal and/or State programs.

Expected Federal/State Support

The County may have to take action to meet certain requirements to receive any additional Federal or State funding for budgetary or economic relief related to the challenges presented by COVID-19. However, the County expects that if those actions are necessary, that the County would qualify and satisfy the various conditions required to receive applicable Federal or State funds.

Conclusion

The ongoing effects of COVID-19, including the financial impact to the County and its inhabitants, may change significantly as events and circumstances evolve locally, nationally and worldwide. At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the County. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the County.

Implementation of New Accounting Standards

During the year ended December 31, 2021, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 89 "Accounting for Interest cost Incurred before the End of a Construction Period". This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 91 "Conduit Debt Obligations". The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations and improving required note disclosures. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 4-11a)." The primary objectives of paragraphs 4-11a concern hedging derivative instruments (specifically exceptions to termination of hedge accounting, modifications to hedged items, probability of expected transactions and appropriate benchmark interest rates). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency and comparability of reported information. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 97 "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*" - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Management has determined the impact of this Statement is not material to the financial statements.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

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

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County's Cross Insurance Arena is categorized as a business-type activity which is reported on a June 30 fiscal year end. All other activities of the County are categorized as governmental and are reported on a December 31 fiscal year.

In the government-wide Statement of Net Position, both the governmental and business-type 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 (district attorney, register of deeds, jail, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

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

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

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus - Basic Financial Statements and Fund Financial Statements

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

1. Governmental Funds:

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

Major funds:

- a. The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. It is classified as a major fund.
- b. The Capital Improvements Fund and the BOC/Jail CIP Fund are used to account for financial resources from bond proceeds to be used for the acquisition or construction of major capital facilities.
- c. The Jail Fund is the operating fund for the Sheriff's correction department of the County. It is used to account for all financial resources of the jail department. The fund's major revenue sources are tax revenue, intergovernmental revenue and charges for services.
- d. The ARPA Fund is used to account for the proceeds of grant funds from the U.S. Department of the Treasury that are legally restricted to expenditures for specified purposes.

Nonmajor funds:

- e. 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 CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- f. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the County:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

3. 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 the funds are reported using accounting principles similar to proprietary funds.

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

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Examples of these revenues would be property tax revenue, intergovernmental revenues and interest income. "Available" means collectible within the current period or soon enough thereafter (sixty days) to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The County's policy is to adopt an annual budget for operations of the General Fund. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the County prepares a budget for the fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. A meeting of the inhabitants of the County was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the County.

Deposits and Investments

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

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

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

Receivables

Receivables include amounts due from governmental agencies. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of December 31, 2021. Accounts receivable netted with allowances for uncollectible accounts were \$5,901,236 for the year ended December 31, 2021.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the Arena consists of supplies on hand at the end of the year.

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".

Capital Assets

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

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are reported at fair market value. 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. These infrastructure assets are likely to be the largest asset class of the County. The County has not retroactively recorded infrastructure.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

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

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

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.

Other Postemployment Benefits (OPEB)

For purposes of measuring the County's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Maine Public Employees Retirement System OPEB Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

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

Net Position

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

Fund Balances

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

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 - The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action of the County Commissioners, held at a noticed meeting. The County Commissioners are the highest level of decision making authority for the County. A vote by the County Commissioners is required to establish and rescind a fund balance commitment.

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 through the County Charter.

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

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 two types of these items, deferred outflows related to OPEB and deferred outflows related to pensions. These items are reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred revenue qualifies for reporting in this category. This item is reported in both the statement of net position and governmental funds balance sheet. Deferred inflows related to OPEB and deferred inflows related to pensions also qualify for reporting in this category. These items are reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The County's property tax for the current year was voted on December 14, 2020 on the assessed value listed as of April 1, 2020, for all real and personal property located in the County. Property taxes were to be paid in one installment with tax due date of September 1, 2021. Interest will begin accruing at rate of 8.00% after 60 days from the due date.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. All property taxes were collected prior to December 31, 2021.

Program Revenues

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

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

State statutes require that all investments made by the County consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. 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 December 31, 2021, the County's cash balances amounting to \$48,040,958 were comprised of deposits of \$48,844,394 . Of these bank deposits, \$794,125 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$48,050,269 was insured or collateralized with securities held by the financial institution in the County's name and consequently were not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 18,069,832
Money market accounts	30,774,562
	<u>\$ 48,844,394</u>

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

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.

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

At December 31, 2021, the County did not have any investments.

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

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The County maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "due from other funds" under each funds caption. The purpose of this cash pool is to reduce the number of bank accounts held by the County.

Interfund balances at December 31, 2021 consisted of the following individual fund receivables and payables:

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

	Receivables (Due from)	Payables (Due to)
Major funds:		
General fund	\$ 2,457,514	\$ 8,002,669
Capital improvements fund	1,957,540	-
Jail fund	3,001,473	-
BOC/Jail CIP fund	853,125	-
ARPA fund	-	793,767
Nonmajor funds:		
Special revenue funds	1,671,946	1,663,747
Capital projects funds	518,585	-
	<u>\$ 10,460,183</u>	<u>\$ 10,460,183</u>

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

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at December 31, 2021 consisted of the following:

	Transfers From	Transfers To
Major funds:		
General fund	\$ -	\$ 3,312,429
Capital improvements fund	1,792,429	-
BOC/Jail CIP fund	100,000	-
Nonmajor funds:		
Special revenue funds	1,385,000	-
Capital projects funds	35,000	-
	<u>\$ 3,312,429</u>	<u>\$ 3,312,429</u>

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations. Significant transfers that occurred were between the General Fund and the four tax increment financing funds.

Transfers that have occurred between the general fund and the Cross Insurance Arena fund have not been included in this schedule as they are presented on different fiscal year ends and do not equal.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2021:

	Balance, 1/1/21 (Restated)	Additions	Disposals	Balance, 12/31/21
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 4,651,690	\$ -	\$ -	\$ 4,651,690
Construction in progress	12,563	377,581	-	390,144
Totals	4,664,253	377,581	-	5,041,834
Depreciated assets:				
Buildings and improvements	44,973,236	256,900	-	45,230,136
Land improvements	98,377	-	-	98,377
Machinery and equipment	4,593,754	487,601	-	5,081,355
Vehicles	6,429,035	472,296	-	6,901,331
	56,094,402	1,216,797	-	57,311,199
Less accumulated depreciation:				
Buildings and improvements	(28,933,032)	(1,139,593)	-	(30,072,625)
Land improvements	(67,043)	(2,447)	-	(69,490)
Machinery and equipment	(2,611,869)	(333,510)	-	(2,945,379)
Vehicles	(4,365,334)	(434,779)	-	(4,800,113)
	(35,977,278)	(1,910,329)	-	(37,887,607)
Net depreciated assets	20,117,124	(693,532)	-	19,423,592
Net capital assets	\$ 24,781,377	\$ (315,951)	\$ -	\$ 24,465,426
<u>Business-type activities</u>				
Non-depreciated assets:				
Land	\$ 600,000	\$ -	\$ -	\$ 600,000
Construction in progress	191,050	-	(191,050)	-
Totals	791,050	-	(191,050)	600,000
Depreciated assets:				
Buildings and improvements	44,426,142	272,573	-	44,698,715
Machinery and equipment	3,587,346	-	-	3,587,346
	48,013,488	272,573	-	48,286,061
Less accumulated depreciation				
Buildings and improvements	(20,684,949)	(1,782,215)	-	(22,467,164)
Machinery and equipment	(2,399,052)	(228,535)	-	(2,627,587)
	(23,084,001)	(2,010,750)	-	(25,094,751)
Net depreciated assets	24,929,487	(1,738,177)	-	23,191,310
Net capital assets	\$ 25,720,537	\$ (1,738,177)	\$ (191,050)	\$ 23,791,310

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Current year depreciation:

Communications	\$ 155,758
General Courthouse	302,584
DA	1,964
Food Service - Jail	5,726
General - Jail	733,262
Administration	1,814
Facilities	19,774
MIS	24,928
Sheriff	486,610
Deeds	6,610
Parking Garage	118,467
County-wide	52,832
Subtotal governmental	<u>1,910,329</u>
Cross Insurance Arena	<u>2,010,750</u>
Subtotal business-type	<u>2,010,750</u>
Total depreciation expense	<u><u>\$ 3,921,079</u></u>

NOTE 6 - SHORT-TERM DEBT

Short-term debt activity for the year ended December 31, 2021, was as follows:

	Balance, 1/1/21	Additions	Deletions	Balance, 12/31/21
Tax anticipation note payable	<u>\$ -</u>	<u>\$ 14,500,000</u>	<u>\$ (14,500,000)</u>	<u>\$ -</u>

On January 28, 2021, the County issued a tax anticipation note through U.S. Bank in anticipation of revenues to meet its operating obligations during the fiscal year. The note allowed principal draws up to \$14,500,000 at 1.5% interest with a maturity date of November 5, 2021. On November 5, 2021, the note was paid in full. Interest in the amount of \$167,354 was paid on November 5, 2021.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7 - LONG-TERM DEBT

The General Fund and the Cross Insurance Arena of the County are used to pay for all bonds payable. A summary of long-term debt is as follows:

	Balance, 1/1/21 (Restated)	Additions	Deletions	Balance, 12/31/21	Current Year
<u>Governmental Activities</u>					
Bonds payable	\$ 5,537,140	\$ -	\$ (611,580)	\$ 4,925,560	\$ 599,753
<u>Business-type Activities</u>					
Bonds payable	\$ 28,223,054	\$ -	\$ (1,732,440)	\$ 26,490,614	\$ 1,679,266

The following is a summary of the outstanding bonds payable of the County for the year ended December 31, 2021:

	Balance, 12/31/2021		
	Governmental Activities	Business-type Activities	Current Portion
Cumberland County Capital Improvement Bonds, bearing fixed interest rates ranging from 2.0% to 3.25% per annum, due in annual installments varying from \$50,000 to \$185,000 plus interest through May 15, 2034.	\$ 450,000	\$ 430,000	\$ 110,000
Cumberland County Capital Improvement Bonds, bearing fixed interest rates ranging from 2.0% to 2.5% per annum, due in annual installments varying from \$282,500 to \$50,000 plus interest through April 1, 2036.	1,460,000	600,000	280,000
Cumberland County Capital Improvement Bonds, bearing fixed interest rates ranging from 3.0% to 3.5% per annum, due in annual installments varying from \$274,000 to \$255,000 plus interest through November 1, 2038.	2,060,419	429,581	260,000
Cumberland County Capital Improvement Bonds, bearing fixed interest rates ranging from 1.24% to 1.74% per annum, due in annual principal installments of \$29,019 plus interest through November 1, 2030.	261,174	-	29,019

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7 - LONG-TERM DEBT (CONTINUED)

	Balance, 12/31/2021		
	Governmental Activities	Business-type Activities	Current Portion
Cumberland County General Obligation Refunding Bonds, bearing fixed interest rates ranging from 2.52% to 5.0% per annum, due in annual principal installments varying from \$1,315,000 to \$1,625,000 plus interest through December 1, 2037.	693,967	23,911,033	1,430,000
Cumberland County Recreation Center (now known as Cross Insurance Arena) Bonds, bearing fixed interest rates ranging from 3.0% to 4.0% per annum, due in annual installments varying from \$340,000 to \$60,000 plus interest through May 1, 2034.	-	1,120,000	170,000
	<u>\$ 4,925,560</u>	<u>\$ 26,490,614</u>	<u>\$ 2,279,019</u>

The following is a summary of outstanding bond principal and interest requirements for the following fiscal years ending December 31:

Governmental Activities

	Principal	Interest	Total
2022	\$ 599,753	\$ 124,200	\$ 723,953
2023	545,306	109,151	654,457
2024	520,546	96,698	617,244
2025	485,546	84,712	570,258
2026	477,687	72,845	550,532
2027-2031	1,517,387	219,284	1,736,671
2032-2036	685,335	62,660	747,995
2037-2041	94,000	4,350	98,350
	<u>\$ 4,925,560</u>	<u>\$ 773,900</u>	<u>\$ 5,699,460</u>

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Business-type Activities

	Principal	Interest	Total
2022	\$ 1,679,266	\$ 902,529	\$ 2,581,795
2023	1,778,714	824,710	2,603,424
2024	1,818,473	742,033	2,560,506
2025	1,748,473	659,465	2,407,938
2026	1,771,333	577,204	2,348,537
2027-2031	8,368,690	1,831,216	10,199,906
2032-2036	7,789,665	735,308	8,524,973
2037-2041	1,536,000	38,931	1,574,931
	<u>\$ 26,490,614</u>	<u>\$ 6,311,396</u>	<u>\$ 32,802,010</u>

All bonds payable are direct obligations of the County, for which its full faith and credit are pledged. The County is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the County.

No interest costs were capitalized during the period. Interest expense in the proprietary funds was \$981,813.

NOTE 8 - OTHER LONG-TERM OBLIGATIONS

The General Fund and Jail Fund of the County are used to pay for all other long-term obligations. A summary of other long-term obligations for the year ended December 31, 2021 is as follows:

	Balance, (Restated)	Additions	Deletions	Balance, 12/31/21	Current Year
Accrued compensated absences:					
County	\$ 1,455,901	\$ 82,361	\$ -	\$ 1,538,262	\$ 230,739
Jail	510,611	89,198	-	599,809	119,962
Net OPEB liability	3,387,252	320,641	-	3,707,893	-
Net pension liability/(asset)	11,511,294	2,190,049	(14,600,582)	(899,239)	-
Totals	<u>\$ 16,865,058</u>	<u>\$ 2,682,249</u>	<u>\$ (14,600,582)</u>	<u>\$ 4,946,725</u>	<u>\$ 350,701</u>

Refer to Notes 9, 15 and 17 of Notes to the Financial Statements for detailed information on each of the other long-term obligations.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9 - ACCRUED COMPENSATED ABSENCES

The County's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term obligations in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Resources from the General Fund and the Jail Fund are used to pay for compensated absences. As of December 31, 2021, the County's liability for compensated absences is \$2,138,071 .

NOTE 10 - NET INVESTMENT IN CAPITAL ASSETS

The net investment in capital assets is calculated per the following table for governmental and business-type activities:

Governmental activities:

Net capital assets	\$ 24,465,426
Less: bonds payable	(4,925,560)
Add: unspent bond proceeds	3,257,160
	<u>\$ 22,797,026</u>

Business-type activities:

Net capital assets	\$ 23,791,310
Less: bonds payable	(26,490,614)
	<u>\$ (2,699,304)</u>

NOTE 11 - NONSPENDABLE FUND BALANCE

The nonspendable fund balance is comprised of the following item:

General fund:

Prepaid items	<u>\$ 2,947</u>
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COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 12 - RESTRICTED FUND BALANCES

The restricted fund balances are comprised of balances remaining in capital project bond funds and special revenue fund grant programs.

Capital Improvements Fund	\$ 1,897,034
Jail Fund	1,722,074
BOC/Jail CIP Fund	841,541
ARPA Fund	27,858,565
Courthouse Capital Improvement	373,952
Capital Improvements Fund	111,671
2014 CIP Bond Fund	25,974
2012 CIP Bond Fund	6,988
Restricted for grant programs	887,914
	<u>\$ 33,725,713</u>

NOTE 13 - ASSIGNED FUND BALANCES

The assigned fund balances are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. At December 31, 2021, the County had the following assigned fund balances:

Outside Detail	\$ 11,929
Outside Civil Deputies	25,394
Courthouse Lease	161,214
DEA Property Forfeiture	62
Probate Surcharge	183,064
Deeds Surcharge	1,432,191
MMA Fund	171,460
Polygraph Fees	3,645
County Seminars	7,041
Local Emergency Planning	22,636
CC Contract	344
National Assoc. of County and City Health	8,301
ARES	258
MAT Grant	33,521
COSSAP Grant	900
Sheriff Contracted Services	401,609
Sunshine Fund	4,370
EAC Fund	10,299
	<u>\$ 2,478,238</u>

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 14 - DEFICIT FUND BALANCES

The following funds had deficit fund balances as of December 31, 2021/June 30, 2021:

Nonmajor special revenue funds (Schedule D)	\$ 791,336
Nonmajor capital project funds (Schedule F)	42,042
	<u>\$ 833,378</u>

NOTE 15 - 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 or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with PLD employers under applicable statutory provisions. As of June 30, 2021, there were 305 employers in the plan.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 0.93%.

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. All County plan members are required to contribute 8.0% of their annual covered salary and the County is required to contribute at an actuarially determined rate. The current rate is 10.0% of covered payroll for all County employees in plan "AC" (10.5% for law enforcement employees in special plan "2C"). The contribution rates of plan members and the County are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The County's contribution to the MainePERS PLD Consolidated Plan for the year ended December 31, 2021 was \$1,943,903.

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

At December 31, 2021, the County reported a liability of \$899,239 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2021 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, 2021, the County's proportion was 2.798212%, which was a decrease of 0.09907% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the County recognized net pension revenue of \$469,366. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

	PLD Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 581,699	\$ 61,119
Changes of assumptions	3,019,571	-
Net difference between projected and actual earnings on pension plan investments	-	12,256,962
Changes in proportion and differences between contributions and proportionate share of contributions	-	323,740
Contributions subsequent to the measurement date	1,051,427	-
Total	<u>\$ 4,652,697</u>	<u>\$ 12,641,821</u>

\$1,051,427 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 December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PLD Plan
Plan year ended June 30:	
2022	\$ (1,570,590)
2023	(1,273,873)
2024	(2,790,122)
2025	(3,405,966)
2026	-
Thereafter	-

Actuarial Methods and Assumptions

The collective total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2021, using the following methods and assumptions applied to all periods included in the measurement:

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Cost Method

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

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age, 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 fair value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

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

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2021 are as follows:

Investment Rate of Return - 6.50% per annum for the year ended June 30, 2021 and 6.75% per annum for the year ended June 30, 2020, compounded annually.

Salary Increases, Merit and Inflation - 2.75% -11.48%

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Cost of Living Benefit Increases - 1.91% 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, 2021 are summarized in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	7.5%	2.3%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional Credit	7.5%	3.0%
Alternative Credit	5.0%	7.2%
Diversifiers	10.0%	5.9%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2021. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	1% Decrease	Discount Rate	1% Increase
<u>PLD Plan:</u>			
Discount rate	5.50%	6.50%	7.50%
County's proportionate share of the net pension asset	\$ (12,796,694)	\$ 899,239	\$ 12,227,581

Changes in Net Pension Liability

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2021 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2021 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resource. For 2021 and 2020, this was three 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. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2021 valuation were based on the results of an actuarial experience study for the period of June 30, 2016 through June 30, 2020. Please refer to the *Actuarial Methods and Assumptions* section for information relating to changes of assumptions. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

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' 2021 Annual Comprehensive Financial Report available online at www.mainebers.org or by contacting the System at (207) 512-3100.

NOTE 16 - DEFERRED COMPENSATION PLAN

A. Plan Description

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457. The plan, available to County employees as part of a collective bargaining agreement and to County elected officials and assistants to department heads, permits them to defer a dollar amount or a percentage of total salary up to a maximum set by federal law. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 16 - DEFERRED COMPENSATION PLAN (CONTINUED)

Participants' rights under the plan are equal to those of the County's in an amount equal to the fair value of the deferred account 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.

Effective April 14, 2008, the 457 deferred compensation investment program is administered through the Maine Public Employees Retirement System (MainePERS). Employees who are participating in a 457 plan with providers other than MainePERS are allowed to continue their contributions with those companies.

B. Funding Policy

Employees who participate in the 457 plan but chose not to participate in the defined benefit plan of MainePERS will have a County match of up to a five percent (5%) maximum contribution of base pay. Employees who participate in the defined benefit plan of MainePERS may participate in the 457 deferred compensation plan, but the County will not match the 457 contribution.

The employee's contribution is tax deferred for federal and state taxes until the withdrawal date. The employee's contribution vests 100% with the employee when contributed. The County's matching contribution vests 100% with the employee at the end of three years of service. The County's contributions for the plan for the years ended December 31, 2021, 2020 and 2019 were: \$152,811, \$148,360 and \$154,079, respectively.

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN

The County, in accordance with its current life insurance company agreement, provides life insurance benefits to eligible retirees.

Funding policy - The County currently funds claims and administrative costs for postemployment benefits through its life insurance company or through current year expenditures.

The current census of County benefit participants as of December 31, 2021 was 44 participants. Total expenditures for the years ended December 31, 2021, 2020 and 2019 were \$8,275, \$7,516 and \$6,511, respectively.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description

County employees contribute to the Group Life Insurance Plan for Retired Participating Local District (PLD) (the PLD Consolidated Plan of the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit 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 Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. As of June 30, 2021, there were 137 employers participating in the plan. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.maineopers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Group Life Insurance Plan (the Plan) provides basic group life insurance benefits, during retirement, to retirees who participated in the Plan prior to retirement for a minimum of 10 years (the 10-year participation requirement does not apply to recipients of disability retirement benefits). The level of coverage in retirement is initially set to an amount equal to the retiree's average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

Contributions

Life insurance benefits are funded by contributions from members and employers. Premium rates are those determined by the MainePERS's Board of Trustees to be actuarially sufficient to pay anticipated claims. For state employees, the premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage while participants are active members. Premiums for basic life insurance coverage for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution. PLD employers are required to remit a premium of \$0.46 per \$1,000 of coverage for covered active employees, a portion of which is to provide a level of coverage in retirement. PLD employers with retired PLD employees continue to remit a premium of \$0.46 per \$1,000 of coverage per month during the post-employment retired period. The County's contribution to the Plan for the year ended December 31, 2021 was \$59,225.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

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

At December 31, 2021, the County reported a liability of \$238,118 for its proportionate share of the net OPEB liabilities for the Plan. The net OPEB liabilities were measured as of June 30, 2021 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liabilities were based on a projection of the County's long-term share of contributions to the Plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2021, the County's proportion was 2.306455%, which was an increase of 0.05712% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the County recognized net OPEB revenue of \$76,295. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	PLD Life Insurance	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 26,907	\$ -
Changes of assumptions	40,172	160,574
Net difference between projected and actual earnings on pension plan investments	-	73,085
Changes in proportion and differences between contributions and proportionate share of contributions	9,754	64,083
Contributions subsequent to the measurement date	-	-
Total	<u>\$ 76,833</u>	<u>\$ 297,742</u>

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

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

	<u>PLD Life Insurance</u>
Plan year ended June 30:	
2022	\$ (75,223)
2023	(47,623)
2024	(54,853)
2025	(52,433)
2026	4,612
Thereafter	4,612

Actuarial Methods and Assumptions

The collective total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2021, 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

Investments are reported at fair value.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Amortization

The net OPEB liability of the Plan is amortized on a level percentage of payroll over a thirty-year period on a closed basis. As of June 30, 2021, there were 9 years remaining for the Plan.

The actuarial assumptions used in the June 30, 2021 actuarial valuation was based on the results of an actuarial experience study conducted for the period of June 30, 2016 to June 30, 2020.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2021 are as follows:

Investment Rate of Return - For the PLD Plan, 6.50% per annum, compounded annually.

Inflation Rate - 2.75%

Annual Salary Increases including Inflation - For the PLD Plan, 2.75% to 11.48% per year.

Mortality Rates - For active members and non-disabled retirees of the Plan, the 2010 Public Plan General Benefits - Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model is used.

Participation Rate for Future Retirees - 100% of those currently enrolled.

Conversion Charges - Apply to the cost of active group life insurance, not retiree group life insurance.

Form of Benefit Payment - Lump sum

The long-term expected rate of return on the Plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 long-term real rates of return for each major asset class included in the target asset allocation as of June 30, 2021 are summarized in the following table. Assets for the defined benefit plan are comingled for investment purposes.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70.00%	6.00%
Real estate	5.00%	5.20%
Traditional credit	15.00%	3.00%
US Government securities	10.00%	2.30%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the collective total OPEB liability was 6.50% for 2021. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined.

The following table shows how the collective net OPEB liability/(asset) as of June 30, 2021 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for the PLD Plan.

	1% Decrease	Discount Rate	1% Increase
PLD Life Insurance: Discount rate	5.50%	6.50%	7.50%
County's proportionate share of the net OPEB liability	\$ 353,474	\$ 238,118	\$ 145,579

Changes in Net OPEB Liability

Each employer's share of the collective net OPEB liability is equal to the collective net OPEB liability multiplied by the employer's proportionate share as of June 30, 2021 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2021 with the following exceptions:

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. There were no differences between expected and actual experience as of June 30, 2021.

Differences between Projected and Actual Investment Earnings on OPEB Plan Investments

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

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For the fiscal year ended June 30, 2021, the discount rate used for the PLD Consolidated Plan was reduced from 6.75% to 6.50%. In addition, assumptions related to salary increases, rates of terminations, mortality and age of retirement were updated to reflect the results of an experience study conducted in 2021.

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

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

an employer has a contribution requirement for an employer specific liability. There were no differences between employer contributions and proportionate share of contributions as of June 30, 2021.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2021 Annual Comprehensive Financial Report available online at www.mainebers.org or by contacting the System at (207) 512-3100.

MAINE MUNICIPAL EMPLOYEES' HEALTH TRUST

Plan Description

The County and County retirees contribute to the County's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the County and/or the County retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the County concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criterion of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

Benefits Provided

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Employees Covered by Benefit Terms

At January 1, 2021, the following employees were covered by the benefit terms:

Active members	265
Retirees and spouses	18
Total	<u>283</u>

Contributions

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

Retiree Premium Amounts

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

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
POS C	\$858.62	\$1,925.59
PPO 2500	\$650.48	\$1,458.78
<u>Medicare</u>		
Medicare eligible retirees	\$589.25	\$1,178.50

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

At December 31, 2021, the County reported a liability of \$3,469,775 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2021 and was determined by an actuarial valuation as of that date. The County's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations. The following is a schedule of changes in net OPEB liability for the year ended December 31, 2021:

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/20 (Reporting December 31, 2020)	\$ 3,090,516	\$ -	\$ 3,090,516
Changes for the year:			
Service cost	140,524	-	140,524
Interest	87,788	-	87,788
Changes of benefits	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	205,504	-	205,504
Contributions - employer	-	54,557	(54,557)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(54,557)	(54,557)	-
Administrative expense	-	-	-
Net changes	379,259	-	379,259
Balances at 1/1/21 (Reporting December 31, 2021)	<u>\$ 3,469,775</u>	<u>\$ -</u>	<u>\$ 3,469,775</u>

For the year ended December 31, 2021, the County recognized OPEB expense of \$127,910. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 361,528	\$ 1,233,189
Changes of assumptions	910,667	278,590
Contributions subsequent to the measurement date	77,369	-
Total	<u>\$ 1,349,564</u>	<u>\$ 1,511,779</u>

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

\$77,369 were reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>MMEHT</u>
Plan year ended December 31:	
2021	\$ (22,246)
2022	(22,246)
2023	(22,246)
2024	(22,246)
2025	(22,250)
Thereafter	(128,350)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2021. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 2.12% per annum for January 1, 2021 was based upon a measurement date of December 31, 2020. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	1.12%	2.12%	3.12%
Total OPEB liability	\$ 4,050,294	\$ 3,469,775	\$ 2,999,504
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 4,050,294</u>	<u>\$ 3,469,775</u>	<u>\$ 2,999,504</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

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

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 2,932,708	\$ 3,469,775	\$ 4,162,741
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 2,932,708</u>	<u>\$ 3,469,775</u>	<u>\$ 4,162,741</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2021, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

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

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2019. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Amortization

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Assumptions

The actuarial assumptions used in the January 1, 2021 actuarial valuation was based on economic, demographic and claim and expense assumptions that resulted from actuarial studies conducted for the period of December 31, 2017 and December 31, 2018.

Significant actuarial assumptions employed by the actuary for economic purposes are the assumptions that were adopted by Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2019 and based on the experience study covering the period from June 30, 2012 through June 30, 2015. As of January 1, 2021, they are as follows:

Discount Rate - 2.12% per annum for year end 2021 reporting. 2.74% per annum for 2020 year end reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2021_b was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	2.00%
Rate of Growth in Real Income/GDP per capital 2029+	1.25%
Extra Trend due to Taste/Technology 2029+	1.10%
Expected Health Share of GDP 2029	20.00%
Health Share of GDP Resistance Point	25.00%
Year for Limiting Cost Growth to GDP Growth	2040

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group. The rate for the extra trend for taste and technology was set above the baseline of 1.1% (to 1.2%) to move closer to the 30-year average to reflect the future projections from the Centers for Medicare and Medicaid Services Office of the Actuary (CMS OACT). The Medicare Trustee Report and CBO Long-Term Budget Outlook.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

The trends selected from 2021 to 2023 were based on plan design, population weighting, renewal projections, and market analysis. For years 2024 to 2028, these are interpolated from 2023 to 2029 (which is the product of the inflation, GDP and extra trend rate assumptions).

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

Administrative expenses - Included in the per capita claims cost.

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

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

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

Rate of Mortality - Based on 104% and 120% of the RP2014 Total Dataset Healthy Annuitant Mortality Table, respectively for males and females, using the RP2014 Total Dataset Employee Mortality Table for ages prior to the start of the Healthy Annuitant Mortality Table, both projected from the 2006 base rates using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85 grading down to an ultimate rate of 0.00% for ages 111-120 and convergence to the ultimate rate in the year 2021. These rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2019.

Retiree Continuation Percentage:

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

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

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2021 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2021 was \$26,907.

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the June 30, 2017 and June 30, 2016 actuarial valuations were based primarily on those used by Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016 which were based on the experience study covering the period from June 30, 2012 through June 30, 2015. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

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

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the County Finance office at 142 Federal Street, Portland, Maine 04101.

Total expense for both the PLD and MMEHT plans was \$51,615 for the year ended December 31, 2021.

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 18 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 1998, the County contracted with Maine County Commissioners Association Self-Funded Risk Management Pool for property insurance and general liability insurance. Property coverage is \$154,293,568, \$10,000,000 per occurrence and in the aggregate annually for the peril of flood and \$10,000,000 per occurrence and in the aggregate annually for the peril of earthquake. The deductible for property coverage is \$1,000 per occurrence.

Professional liability is protected by the Maine County Commissioners Association Self-Funded Risk Management Pool with a \$1,000,000 single occurrence limit and no deductible. Vehicles are covered by Maine County Commissioners Association Self-Funded Risk Management Pool and hold a \$1,000 deductible for comprehensive and a \$1,000 deductible for collision. Automobile liability has a \$1,000,000 combined single limit of liability. The above mentioned risk pool can make special assessments to its members if the risk pool is experiencing financial troubles. No special assessments have been made to its members since the inception of the risk pool.

The County pays the State Workers' Compensation Fund a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The County provides life insurance and accidental death and dismemberment insurance to most employees through Maine Municipal Employees Health Trust.

The County is self-funded regarding unemployment compensation. The County reimburses the State of Maine, who pays the former County employees while unemployed, for all valid unemployment claims. While an amount cannot be determined in advance, the County has paid claims of \$9,276, \$56,772 and \$16,496, in 2021, 2020 and 2019, respectively.

There were no significant reductions in insurance coverage during the year. The County did not have any claims that exceeded insurance coverage in each of the past three years.

NOTE 19 - CONTINGENT LIABILITIES

The County participates in a number of federal and state assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended December 31, 2021, have not yet been conducted. Accordingly, the County's

COUNTY OF CUMBERLAND, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 19 - CONTINGENT LIABILITIES (CONTINUED)

compliance with applicable grant requirements will be established at some future date. The expenditure amounts, if any, which may be disallowed by granting agencies cannot be determined.

The County and its officers are defendants in various lawsuits, which at this time, an amount, if any or outcome, cannot be determined.

NOTE 20 - COMPARATIVE DATA/RECLASSIFICATIONS

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

NOTE 21 - RESTATEMENTS

The financial statements for the proprietary funds as of July 1, 2020 were restated to correct capital asset balances and reclassify bonds payable from the governmental activities. A restatement of \$26,755,554 decreased the beginning net position from \$23,725,373 to a negative balance of (\$3,030,181).

A restatement was made to the beginning fund balance of the general fund as of July 1, 2020 to remove an accrued expense in the amount of \$166,179 which increased the beginning general fund total fund balance from \$5,682,943 to \$5,849,123.

Two restatements were also made to the governmental activities beginning net position to correct duplications of Cross Insurance Arena capital assets that were also recorded in the business-type activities and to remove bonds payable related to these capital assets that were reclassified to the business-type activities. The capital assets removed were \$28,615,139 and reclassified bonds payable were \$26,763,054. The net effect on the beginning net position of the governmental activities was a decrease of \$1,685,906 from \$16,648,235 to \$14,962,329.

Required Supplementary Information

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

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

COUNTY OF CUMBERLAND, MAINE

**BUDGETARY COMPARISON SCHEDULE - BUDGETARY (GAAP) BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, January 1, Restated	\$ 5,849,123	\$ 5,849,123	\$ 5,849,123	\$ -
Resources (Inflows):				
Taxes - Municipalities	19,868,003	19,868,003	19,868,003	-
Intergovernmental revenues:				
Emergency Management	320,000	320,000	329,363	9,363
Rent	17,700	17,700	2,400	(15,300)
CCRCC Contracts	1,474,208	1,474,208	1,477,794	3,586
District Attorney	165,000	165,000	134,239	(30,761)
	<u>1,976,908</u>	<u>1,976,908</u>	<u>1,943,796</u>	<u>(33,112)</u>
Charges for services:				
Register of Deeds	3,002,500	3,002,500	4,997,921	1,995,421
Register of Probate	545,000	545,000	801,927	256,927
Civil Department	325,000	325,000	147,217	(177,783)
Sheriff's Department	55,000	55,000	27,151	(27,849)
IT Department	5,000	5,000	1,858	(3,142)
Passport Processing	10,000	10,000	-	(10,000)
Parking Garage	585,000	585,000	776,281	191,281
	<u>4,527,500</u>	<u>4,527,500</u>	<u>6,752,355</u>	<u>2,224,855</u>
Miscellaneous:				
Interest on Investments	-	-	4,179	4,179
Other Revenues	-	-	26,840	26,840
	<u>-</u>	<u>-</u>	<u>31,019</u>	<u>31,019</u>
Transfers from other funds	200,000	200,000	-	(200,000)
Amounts Available for Appropriation	<u>32,421,534</u>	<u>32,421,534</u>	<u>34,444,296</u>	<u>2,022,762</u>
Charges to Appropriations (Outflows):				
Executive Department	736,669	736,669	715,696	20,973
Finance	573,558	573,558	583,724	(10,166)
Register of Deeds	723,608	723,608	707,893	15,715
Register of Probate	671,633	671,633	683,322	(11,689)
Emergency Management	642,205	642,205	682,344	(40,139)
Sheriff - County Services	7,342,547	7,342,547	7,003,758	338,789
District Attorney	2,169,670	2,169,670	2,010,044	159,626
Human Resources	593,565	593,565	580,171	13,394
Facilities	2,659,526	2,659,526	2,141,521	518,005
Management Information Systems	964,769	964,769	843,615	121,154
Agency Grants	143,000	143,000	153,000	(10,000)
Parking Garage	88,445	88,445	113,652	(25,207)
Communications	3,336,072	3,336,072	3,209,328	126,744
Debt Service:				
Principal	709,561	554,561	611,580	(57,019)
Interest	345,680	320,873	193,002	127,871
Other	363,000	363,000	218,731	144,269
Transfers to Other Funds	4,508,903	4,688,710	7,224,112	(2,535,402)
Total Charges to Appropriations	<u>26,572,411</u>	<u>26,572,411</u>	<u>27,675,493</u>	<u>(1,103,082)</u>
Budgetary Fund Balance, December 31	<u>\$ 5,849,123</u>	<u>\$ 5,849,123</u>	<u>\$ 6,768,803</u>	<u>\$ 919,680</u>

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

COUNTY OF CUMBERLAND, MAINE

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

	2021	2020	2019	2018	2017	2016	2015	2014
<u>PLD Plan:</u>								
Proportion of the net pension liability	2.80%	2.90%	2.96%	2.99%	2.99%	3.05%	2.99%	2.90%
Proportionate share of the net pension liability/(asset)	\$ (899,239)	\$ 11,511,294	\$ 9,061,013	\$ 8,176,464	\$ 12,207,027	\$ 16,198,653	\$ 9,552,348	\$ 4,468,538
Covered payroll	\$ 18,084,272	\$ 18,095,143	\$ 17,661,166	\$ 17,048,212	\$ 16,277,853	\$ 16,074,026	\$ 15,224,871	\$ 14,948,983
Proportionate share of the net pension liability as a percentage of its covered payroll								
Plan fiduciary net position as a percentage	-4.97%	63.62%	51.30%	47.96%	74.99%	100.78%	62.74%	29.89%
of the total pension liability	99.14%	88.35%	90.62%	91.14%	86.40%	81.61%	88.30%	94.10%

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

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

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
<u>PLD Plan:</u>								
Contractually required contribution	\$ 1,943,903	\$ 1,962,180	\$ 1,855,425	\$ 1,759,315	\$ 1,531,163	\$ 1,474,408	\$ 1,350,735	\$ 1,121,966
Contributions in relation to the contractually required contribution	<u>(1,943,903)</u>	<u>(1,962,180)</u>	<u>(1,855,425)</u>	<u>(1,759,315)</u>	<u>(1,531,163)</u>	<u>(1,474,408)</u>	<u>(1,350,735)</u>	<u>(1,121,966)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 17,977,138	\$ 18,699,077	\$ 17,956,378	\$ 17,728,822	\$ 16,010,347	\$ 16,106,229	\$ 15,044,724	\$ 15,068,586
Contributions as a percentage of covered payroll	10.81%	10.49%	10.33%	9.92%	9.56%	9.15%	8.98%	7.45%

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

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

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY - GROUP LIFE
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017
<u>PLD Life Insurance:</u>					
Proportion of the net OPEB liability	2.31%	2.25%	2.44%	2.64%	2.79%
County's proportionate share of the net OPEB liability	\$ 238,118	\$ 296,736	\$ 521,849	\$ 533,186	\$ 650,563
Total	<u>\$ 238,118</u>	<u>\$ 296,736</u>	<u>\$ 521,849</u>	<u>\$ 533,186</u>	<u>\$ 650,563</u>
Covered payroll	\$ 18,084,272	\$ 18,095,143	\$ 17,661,166	\$ 17,048,212	\$ 16,277,853
Proportionate share of the net OPEB liability as a percentage of its covered payroll	1.32%	1.64%	2.95%	3.13%	4.00%
Plan fiduciary net position as a percentage of the total OPEB liability	67.26%	55.40%	43.18%	43.92%	47.42%

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

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

COUNTY OF CUMBERLAND, MAINE

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

	2021	2020	2019	2018
<u>Total OPEB liability</u>				
Service cost (BOY)	\$ 140,524	\$ 153,122	\$ 174,887	\$ 159,223
Interest (includes interest on service cost)	87,788	152,366	135,404	114,766
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(1,585,529)	-	650,752
Changes of assumptions	205,504	908,665	(417,883)	38,266
Benefit payments, including refunds of member contributions	(54,557)	(92,432)	(88,877)	(68,506)
Net change in total OPEB liability	<u>\$ 379,259</u>	<u>\$ (463,808)</u>	<u>\$ (196,469)</u>	<u>\$ 894,501</u>
 Total OPEB liability - beginning	 \$ 3,090,516	 \$ 3,608,870	 \$ 3,805,339	 \$ 2,910,838
Total OPEB liability - ending	\$ 3,469,775	\$ 3,090,516	\$ 3,608,870	\$ 3,805,339
 <u>Plan fiduciary net position</u>				
Contributions - employer	54,557	92,432	88,877	68,506
Contributions - member	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(54,557)	(92,432)	(88,877)	(68,506)
Administrative expense	-	-	-	-
Net change in fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Plan fiduciary net position - beginning	 \$ -	 \$ -	 \$ -	 \$ -
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Net OPEB liability - ending	 <u>\$ 3,469,775</u>	 <u>\$ 3,090,516</u>	 <u>\$ 3,608,870</u>	 <u>\$ 3,805,339</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.0%	 0.0%	 0.0%	 0.0%
 Covered payroll	 \$ 13,390,300	 \$ 13,608,095	 \$ 13,608,095	 \$ 13,608,095
Net OPEB liability as a percentage of covered-employee payroll	25.9%	23.1%	26.5%	28.0%

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

* There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

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

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB - GROUP LIFE AND HEALTH
LAST 10 FISCAL YEARS*

	2021	2020	2019	2018	2017
<u>PLD Life Insurance:</u>					
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 17,977,138	\$ 18,699,077	\$ 17,956,378	\$ 17,728,822	\$ 16,010,347
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
<u>MMEHT:</u>	2021	2020	2019	2018	
Employer contributions	\$ -	\$ -	\$ -	\$ -	
Benefit payments	-	-	-	-	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll	\$ 14,068,184	\$ 13,725,058	\$ 13,390,300	\$ 13,608,095	
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	

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

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

COUNTY OF CUMBERLAND, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

Changes of Assumptions

PLD Pension Plan:

The discount rate changed from 6.75% to 6.50%.

The investment rate of return changed from 6.75% to 6.50%.

PLD OPEB:

The discount rate was reduced from 6.75% to 6.50%.

The investment rate of return changed from 6.75% to 6.50%.

MMEHT OPEB:

There was a change in the discount rate from 2.74% to 2.12% per GASB 75 discount rate selection. In addition, medical and prescription drug trend arrays were updated.

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

Other Supplementary Information

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

- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds
- Combining Statement of Net Position - Custodial Funds
- Combining Statement of Changes in Net Position - Custodial Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
Executive Department					
Personnel	\$ 569,469	\$ -	\$ 569,469	\$ 604,842	\$ (35,373)
Operations and maintenance	167,200	-	167,200	110,854	56,346
Subtotal Executive Department	736,669	-	736,669	715,696	20,973
Management Information Systems					
Personnel	481,315	-	481,315	423,170	58,145
Operations and maintenance	483,454	-	483,454	420,445	63,009
Subtotal Management Information Systems	964,769	-	964,769	843,615	121,154
Emergency Management					
Personnel	481,809	-	481,809	510,887	(29,078)
Operations and maintenance	62,396	-	62,396	66,485	(4,089)
Capital outlay	98,000	-	98,000	104,972	(6,972)
Subtotal Emergency Management	642,205	-	642,205	682,344	(40,139)
District Attorney					
Personnel	1,934,444	-	1,934,444	1,854,983	79,461
Operations and maintenance	233,726	-	233,726	153,641	80,085
Capital outlay	1,500	-	1,500	1,420	80
Subtotal District Attorney	2,169,670	-	2,169,670	2,010,044	159,626
Parking Garage					
Personnel	77,195	-	77,195	73,436	3,759
Operations and maintenance	10,250	-	10,250	40,216	(29,966)
Capital outlay	1,000	-	1,000	-	1,000
Subtotal Parking Garage	88,445	-	88,445	113,652	(25,207)

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
Human Resources					
Personnel	507,035	-	507,035	534,682	(27,647)
Operations and maintenance	79,530	-	79,530	38,634	40,896
Capital Outlay	7,000	-	7,000	6,855	145
Subtotal Human Resources	593,565	-	593,565	580,171	13,394
Facilities					
Personnel	1,704,630	-	1,704,630	1,307,744	396,886
Operations and maintenance	952,896	-	952,896	832,420	120,476
Capital outlay	2,000	-	2,000	1,357	643
Subtotal Facilities	2,659,526	-	2,659,526	2,141,521	518,005
Sheriff - County Services					
Administration/Support service					
Personnel	966,769	-	966,769	1,019,797	(53,028)
Operations and maintenance	284,842	-	284,842	204,903	79,939
Capital outlay	3,000	-	3,000	3,000	-
Law Enforcement					
Personnel	5,124,938	-	5,124,938	4,914,616	210,322
Operations and maintenance	484,525	-	484,525	460,188	24,337
Capital outlay	45,921	-	457,250	52,120	405,130
Civil					
Personnel	372,532	-	372,532	311,920	60,612
Operations and maintenance	57,770	-	57,770	37,214	20,556
Capital outlay	2,250	-	2,250	-	2,250
Subtotal Sheriff - County Services	7,342,547	-	7,342,547	7,003,758	750,118

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
Register of Deeds					
Personnel	520,398	-	520,398	513,819	6,579
Operations and maintenance	199,210	-	199,210	191,298	7,912
Capital outlay	4,000	-	4,000	2,776	1,224
Subtotal Register of Deeds	<u>723,608</u>	<u>-</u>	<u>723,608</u>	<u>707,893</u>	<u>15,715</u>
Register of Probate					
Personnel	526,978	-	526,978	549,182	(22,204)
Operations and maintenance	144,655	-	144,655	129,387	15,268
Capital outlay	-	-	-	4,753	(4,753)
Subtotal Register of Probate	<u>671,633</u>	<u>-</u>	<u>671,633</u>	<u>683,322</u>	<u>(11,689)</u>
Finance					
Personnel	472,322	-	472,322	478,378	(6,056)
Operations and maintenance	100,236	-	100,236	105,346	(5,110)
Capital outlay	1,000	-	1,000	-	1,000
Subtotal Finance	<u>573,558</u>	<u>-</u>	<u>573,558</u>	<u>583,724</u>	<u>(10,166)</u>
Debt Service					
Principal	709,561	(155,000)	554,561	611,580	(57,019)
Interest	345,680	(24,807)	320,873	193,002	127,871
Subtotal Debt Service	<u>1,055,241</u>	<u>(179,807)</u>	<u>875,434</u>	<u>804,582</u>	<u>70,852</u>

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
Communications					
Personnel	3,026,376	-	3,026,376	2,906,174	120,202
Operations and maintenance	304,696	-	304,696	298,091	6,605
Capital outlay	5,000	-	5,000	5,063	(63)
Subtotal Communications	<u>3,336,072</u>	<u>-</u>	<u>3,336,072</u>	<u>3,209,328</u>	<u>126,744</u>
Agency Grants					
Cumberland County Extension	115,000	-	115,000	115,000	-
Cumberland County Soil and Water	18,000	-	18,000	18,000	-
Portland Public Library	10,000	-	10,000	20,000	(10,000)
Subtotal Agency Grants	<u>143,000</u>	<u>-</u>	<u>143,000</u>	<u>153,000</u>	<u>(10,000)</u>
Other					
Employee benefits	31,000	-	31,000	20,448	10,552
Contingency	45,000	-	45,000	46,319	(1,319)
Referendum and public information	155,000	-	155,000	29,464	125,536
Other	132,000	-	132,000	122,500	9,500
Subtotal Other	<u>363,000</u>	<u>-</u>	<u>363,000</u>	<u>218,731</u>	<u>144,269</u>
Transfers to Other Funds					
Termination pay	335,000	-	335,000	1,085,000	(750,000)
CIP County Reserve	332,100	-	332,100	1,907,100	(1,575,000)
Civic Center operational subsidy	750,000	179,807	929,807	995,986	(66,179)
Civic Center debt subsidy	3,080,474	-	3,080,474	2,915,697	164,777
Miscellaneous transfers	11,329	-	11,329	320,329	(309,000)
Subtotal Transfers to Other Funds	<u>4,508,903</u>	<u>179,807</u>	<u>4,688,710</u>	<u>7,224,112</u>	<u>(2,535,402)</u>
TOTAL DEPARTMENTAL OPERATIONS	<u>\$ 26,572,411</u>	<u>\$ -</u>	<u>\$ 26,572,411</u>	<u>\$ 27,675,493</u>	<u>\$ (691,753)</u>

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

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,808,950	\$ -	\$ 1,808,950
Accounts receivable (net of allowance for uncollectibles)	1,228,457	-	1,228,457
Due from other funds	1,671,946	518,585	2,190,531
TOTAL ASSETS	<u>\$ 4,709,353</u>	<u>\$ 518,585</u>	<u>\$ 5,227,938</u>
LIABILITIES			
Accounts payable	\$ 470,790	\$ 42,042	\$ 512,832
Due to other funds	1,663,747	-	1,663,747
TOTAL LIABILITIES	<u>2,134,537</u>	<u>42,042</u>	<u>2,176,579</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	887,914	518,585	1,406,499
Committed	-	-	-
Assigned	2,478,238	-	2,478,238
Unassigned	(791,336)	(42,042)	(833,378)
TOTAL FUND BALANCES	<u>2,574,816</u>	<u>476,543</u>	<u>3,051,359</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,709,353</u>	<u>\$ 518,585</u>	<u>\$ 5,227,938</u>

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

COUNTY OF CUMBERLAND, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 4,251,833	\$ -	\$ 4,251,833
Charges for services	2,845,388	-	2,845,388
Other	97,040	111,636	208,676
TOTAL REVENUES	<u>7,194,261</u>	<u>111,636</u>	<u>7,305,897</u>
EXPENDITURES			
Register of deeds	272,369	-	272,369
Register of probate	12,526	-	12,526
Emergency management	331,684	-	331,684
Sheriff - county services	3,157,900	-	3,157,900
Capital expenditures	-	643,005	643,005
Other expenditures	4,427,033	-	4,427,033
TOTAL EXPENDITURES	<u>8,201,512</u>	<u>643,005</u>	<u>8,844,517</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,007,251)</u>	<u>(531,369)</u>	<u>(1,538,620)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,385,000	35,000	1,420,000
Transfers (out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,385,000</u>	<u>35,000</u>	<u>1,420,000</u>
NET CHANGE IN FUND BALANCES	377,749	(496,369)	(118,620)
FUND BALANCES - JANUARY 1	<u>2,197,067</u>	<u>972,912</u>	<u>3,169,979</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,574,816</u></u>	<u><u>\$ 476,543</u></u>	<u><u>\$ 3,051,359</u></u>

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

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than fiduciary trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

1. Regional Assessing (21227) - A self-sustaining fund to provide assessing services to individual communities at their request.
2. Outside Detail (21211) - This fund is to account for events that occur outside the normal scope of County business.
3. Lake Region SRO (21219 – This fund is to account for services provided by the Sheriff's Office to the Lake Region school department.
4. MDEA Reimbursement (21225) - The Cumberland County Sheriff's Office sponsor three employees to work on a task force with the Maine Drug Enforcement Agency. The salaries are reimbursed back to the Sheriff's Office from the local MDEA Office.
5. Outside Civil Deputies (21255) - Civil process servers who service outlying areas.
6. Courthouse Lease (21221) - The County rents space in one of its buildings to the State of Maine for a courthouse.
7. COPS Grant Gray (21258) - Funds to provide a school resource officer to the Gray school district.
8. DEA Property Forfeiture (31231) - Certain assets seized in the prosecution of drug cases may be allocated back to the arresting agency. These funds are deposited in this account and are available to the Sheriff to enhance additional law enforcement assets.
9. Probate Surcharge (31238) - Dedicated funds for probate functions and updates.
10. Deeds Surcharge (31239) - a surcharge added to every deed filing in the Deeds Office dedicated for the storage and preservation of the official deeds records.
11. MMA Fund (31277) - A credit received from the Maine Municipal Association.
12. Polygraph Fees (31315) - Fees charges for polygraphs performed for outside agencies.
13. County Seminars (31343) - This fund is dedicated to seminars held by the County for all municipalities and is designed to be self-sustaining.

14. Local Emergency Planning (51240) - The County Emergency Management Agency receives funding from the MEMA/FEMA agencies to support local planning requirements for the county cities.
15. Blue Courage (31377) - Training sessions offered to outside agencies by the Sheriff's office.
16. Youth Fire Safety Coordinator Program (31385) – Communities pay in to help fund a part-time Youth Fire Safety Coordinator position that works out of the Emergency Management Agency.
17. Deputy Recruiting (31383) - Revenues and costs related to gaining and losing Deputies recently graduating.
18. Budget Stabilization Fund (31391) - Funds set aside by the County Commissioners for use in reducing future year tax commitments as needed.
19. JAG Portland (51292) - Justice Assistance Grant administered in partnership with the City of Portland.
20. Wellness Incentive Grant (51247) - Funds received from our insurance carrier, Maine Municipal Association, to support and enhance wellness programs for employees.
21. Wellness Incentive Grant (51347) - Funds received from our insurance carrier, Maine Municipal Association, to support and enhance wellness programs for employees.
22. CDBG (52) - Community Development Block Grant program.
23. CC Contract (51346) - Grant for the Cumberland County Cart Program which was a plan to house domestic pets in emergency shelters in the event of a disaster.
24. National Association of County and City Health (51365) - Grant administered by EMA Department to help communities strengthen regional health initiatives.
25. ARES (51366) - A MEMA Grant to provide backup communication during times of crisis.
26. Jail Re-Entry (51370) - This DOJ grant targets inmates with co-occurring disorders and attempts to reduce their recidivism rates by providing housing, job and addiction support. An inmate with co-occurring disorders is one who has both drug addiction and mental health issues and the combination of the two can make their re-entry into society particularly difficult.

27. PAIRS Grant (51378) - State of Maine prosecutorial grant to provide programming services for Justware software, which manages all county DA's offices caseloads.
28. STOP Grant (51382) - Grant to provide additional assistance to victims of domestic abuse.
29. Drug Free Communities (51352) - OJP grant to focus on alcohol abuse among young people.
30. Victim Compensation (42408) - Victims Compensation is used to track collections and disbursements of surcharges assessed to defendants, to be used to compensate victims of violent crimes.
31. MEMA Grant (51369) - Supplemental MEMA grant for continuation of projects from 51368, primarily to be disbursed in 2015
32. Violence Against Women Grant (51372) - This is the previous iteration of a long-standing domestic violence grant.
33. Second Chance Grant (51381) - This DOJ grant targets inmates with co-occurring disorders and attempts to reduce their recidivism rates by providing housing, job and addiction support. An inmate with co-occurring disorders is one who has both drug addiction and mental health issues and the combination of the two can make their re-entry into society particularly difficult.
34. Building Bridges Grant (51387) – A grant funded by the University of New England to assist County Jail inmates in successfully returning to society following their incarceration.
35. Violence Against Women Grant (51394) - This is the most recent iteration of a long-standing domestic violence grant.
36. MEMA Grant (51373) - Grant for a variety of EMA projects.
37. MAT Grant (51389) - A grant to begin a Medically Assisted Treatment program for inmates at the County Jail.
38. COSSAP Grant (51392) - A grant for the Comprehensive Opioid Abuse Site-Based Program.
39. Sheriff Contracted Services - Sheriff's Department outside detail contracts.
40. Employee Assistance Fund (42403) - Fund for additional employee services as needed.
41. Sunshine Fund (42404) - Funds received from vending machine commissions etcetera for utilization for employee events on the Sheriff's Office campus.

42. EAC Fund (42406) - Employee Advisory Committee funds used to sponsor employee activities and events and recognition programs.
43. Accrued Compensated Absences - Funds set aside to cover the accrued compensated absences liability.

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	Regional Assessing 21227	Outside Detail 21211	Lake Region SRO 21219	MDEA Reimbursement 21225	Outside Civil Deputies 21255	Courthouse Lease 21221	COPS Grant Gray 21258
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	49,516	-	80,310	24,944	-	-	-
Due from other funds	-	11,929	-	-	25,461	177,392	87,601
TOTAL ASSETS	<u>\$ 49,516</u>	<u>\$ 11,929</u>	<u>\$ 80,310</u>	<u>\$ 24,944</u>	<u>\$ 25,461</u>	<u>\$ 177,392</u>	<u>\$ 87,601</u>
LIABILITIES							
Accounts payable	\$ 837	\$ -	\$ -	\$ -	\$ 67	\$ 16,178	\$ -
Due to other funds	489,379	-	100,975	50,694	-	-	-
TOTAL LIABILITIES	<u>490,216</u>	<u>-</u>	<u>100,975</u>	<u>50,694</u>	<u>67</u>	<u>16,178</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	87,601
Committed	-	-	-	-	-	-	-
Assigned	-	11,929	-	-	25,394	161,214	-
Unassigned	(440,700)	-	(20,665)	(25,750)	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>(440,700)</u>	<u>11,929</u>	<u>(20,665)</u>	<u>(25,750)</u>	<u>25,394</u>	<u>161,214</u>	<u>87,601</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 49,516</u>	<u>\$ 11,929</u>	<u>\$ 80,310</u>	<u>\$ 24,944</u>	<u>\$ 25,461</u>	<u>\$ 177,392</u>	<u>\$ 87,601</u>

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	DEA Property Forfeiture 31231	Probate Surcharge 31238	Deeds Surcharge 31239	MMA Fund 31277	Polygraph Fees 31315	County Seminars 31343	Local Emergency Planning 51240
ASSETS							
Cash and cash equivalents	\$ -	\$ 307,499	\$ 1,501,451	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	64,898
Due from other funds	22,058	-	-	171,460	3,907	7,041	-
TOTAL ASSETS	<u>\$ 22,058</u>	<u>\$ 307,499</u>	<u>\$ 1,501,451</u>	<u>\$ 171,460</u>	<u>\$ 3,907</u>	<u>\$ 7,041</u>	<u>\$ 64,898</u>
LIABILITIES							
Accounts payable	\$ 21,996	\$ 10	\$ -	\$ -	\$ 262	\$ -	\$ -
Due to other funds	-	124,425	69,260	-	-	-	42,262
TOTAL LIABILITIES	<u>21,996</u>	<u>124,435</u>	<u>69,260</u>	<u>-</u>	<u>262</u>	<u>-</u>	<u>42,262</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	62	183,064	1,432,191	171,460	3,645	7,041	22,636
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>62</u>	<u>183,064</u>	<u>1,432,191</u>	<u>171,460</u>	<u>3,645</u>	<u>7,041</u>	<u>22,636</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 22,058</u>	<u>\$ 307,499</u>	<u>\$ 1,501,451</u>	<u>\$ 171,460</u>	<u>\$ 3,907</u>	<u>\$ 7,041</u>	<u>\$ 64,898</u>

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	Blue Courage 31377	Youth Fire Safety Coord. Prog. 31385	Deputy Recruiting 31383	Budget Stabilization Fund 31391	JAG Portland 51292	Wellness Incentive Grant 51247	Wellness Incentive Grant 51347	CDBG 52
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	206	-	-	-	-	-	538,738
Due from other funds	4,137	-	-	700,000	5,954	-	-	-
TOTAL ASSETS	<u>\$ 4,137</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ 700,000</u>	<u>\$ 5,954</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 538,738</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 360,716
Due to other funds	-	2,218	79,683	-	-	6,381	5,781	231,807
TOTAL LIABILITIES	<u>-</u>	<u>2,218</u>	<u>79,683</u>	<u>-</u>	<u>-</u>	<u>6,381</u>	<u>5,781</u>	<u>592,523</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	4,137	-	-	700,000	5,954	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(2,012)	(79,683)	-	-	(6,381)	(5,781)	(53,785)
TOTAL FUND BALANCES (DEFICITS)	<u>4,137</u>	<u>(2,012)</u>	<u>(79,683)</u>	<u>700,000</u>	<u>5,954</u>	<u>(6,381)</u>	<u>(5,781)</u>	<u>(53,785)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 4,137</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ 700,000</u>	<u>\$ 5,954</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 538,738</u>

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	CC Contract 51346	Nat. Assoc County and City Health 51365	ARES 51366	Jail Re-Entry 51370	PAIRS Grant 51378	STOP Grant 51382
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	45,617	-
Due from other funds	344	8,301	258	-	-	188
TOTAL ASSETS	<u>\$ 344</u>	<u>\$ 8,301</u>	<u>\$ 258</u>	<u>\$ -</u>	<u>\$ 45,617</u>	<u>\$ 188</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 252	\$ -	\$ -
Due to other funds	-	-	-	13,839	334	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,091</u>	<u>334</u>	<u>-</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	45,283	188
Committed	-	-	-	-	-	-
Assigned	344	8,301	258	-	-	-
Unassigned	-	-	-	(14,091)	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>344</u>	<u>8,301</u>	<u>258</u>	<u>(14,091)</u>	<u>45,283</u>	<u>188</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 344</u>	<u>\$ 8,301</u>	<u>\$ 258</u>	<u>\$ -</u>	<u>\$ 45,617</u>	<u>\$ 188</u>

STATEMENT D (CONTINUED)

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	Drug Free Comm 51352	Victim Compensation 42408	MEMA Grant 51369	Violence Against Women Grant 51372	Second Chance Grant 51381	Building Bridges Grant 51387	Violence Against Women Grant 51394	MEMA Grant 53
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	86,956	8,664	4,144	-	154,221
Due from other funds	2,274	25,403	7,118	-	25	-	-	-
TOTAL ASSETS	<u>\$ 2,274</u>	<u>\$ 25,403</u>	<u>\$ 7,118</u>	<u>\$ 86,956</u>	<u>\$ 8,689</u>	<u>\$ 4,144</u>	<u>\$ -</u>	<u>\$ 154,221</u>
LIABILITIES								
Accounts payable	\$ 2,856	\$ -	\$ -	\$ 18,120	\$ -	\$ 674	\$ 1,185	\$ 4,730
Due to other funds	-	-	-	65,295	-	7,812	-	167,053
TOTAL LIABILITIES	<u>2,856</u>	<u>-</u>	<u>-</u>	<u>83,415</u>	<u>-</u>	<u>8,486</u>	<u>1,185</u>	<u>171,783</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	25,403	7,118	3,541	8,689	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	(582)	-	-	-	-	(4,342)	(1,185)	(17,562)
TOTAL FUND BALANCES (DEFICITS)	<u>(582)</u>	<u>25,403</u>	<u>7,118</u>	<u>3,541</u>	<u>8,689</u>	<u>(4,342)</u>	<u>(1,185)</u>	<u>(17,562)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 2,274</u>	<u>\$ 25,403</u>	<u>\$ 7,118</u>	<u>\$ 86,956</u>	<u>\$ 8,689</u>	<u>\$ 4,144</u>	<u>\$ -</u>	<u>\$ 154,221</u>

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	MAT Grant 51389	COSSAP Grant 51392	Sheriff Contracted Services	Employee Assistance Fund 42403	Sunshine Fund 42404	EAC Fund 42406	Accrued Compensated Absences	Total
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,808,950
Accounts receivable (net of allowance for uncollectibles)	-	114,462	55,781	-	-	-	-	1,228,457
Due from other funds	33,521	-	362,905	-	4,370	10,299	-	1,671,946
TOTAL ASSETS	<u>\$ 33,521</u>	<u>\$ 114,462</u>	<u>\$ 418,686</u>	<u>\$ -</u>	<u>\$ 4,370</u>	<u>\$ 10,299</u>	<u>\$ -</u>	<u>\$ 4,709,353</u>
LIABILITIES								
Accounts payable	\$ -	\$ 25,830	\$ 17,077	\$ -	\$ -	\$ -	\$ -	\$ 470,790
Due to other funds	-	87,732	-	30	-	-	118,787	1,663,747
TOTAL LIABILITIES	<u>-</u>	<u>113,562</u>	<u>17,077</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>118,787</u>	<u>2,134,537</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	887,914
Committed	-	-	-	-	-	-	-	-
Assigned	33,521	900	401,609	-	4,370	10,299	-	2,478,238
Unassigned	-	-	-	(30)	-	-	(118,787)	(791,336)
TOTAL FUND BALANCES (DEFICITS)	<u>33,521</u>	<u>900</u>	<u>401,609</u>	<u>(30)</u>	<u>4,370</u>	<u>10,299</u>	<u>(118,787)</u>	<u>2,574,816</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 33,521</u>	<u>\$ 114,462</u>	<u>\$ 418,686</u>	<u>\$ -</u>	<u>\$ 4,370</u>	<u>\$ 10,299</u>	<u>\$ -</u>	<u>\$ 4,709,353</u>

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

COUNTY OF CUMBERLAND, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Regional Assessing 21227	Outside Detail 21211	Lake Region SRO 21219	MDEA Reimbursement 21225	Outside Civil Deputies 21255	Courthouse Lease 21221	COPS Grant Gray 21258
REVENUES							
Intergovernmental	\$ 619,464	\$ -	\$ 80,310	\$ 168,844	\$ -	\$ -	\$ 75,191
Charges for services	-	57,944	-	-	85,721	436,443	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>619,464</u>	<u>57,944</u>	<u>80,310</u>	<u>168,844</u>	<u>85,721</u>	<u>436,443</u>	<u>75,191</u>
EXPENDITURES							
Register of deeds	-	-	-	-	-	-	-
Register of probate	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-
Sheriff - county services	619,464	43,587	100,975	168,844	71,321	-	66,414
Other	-	-	-	-	-	340,561	-
TOTAL EXPENDITURES	<u>619,464</u>	<u>43,587</u>	<u>100,975</u>	<u>168,844</u>	<u>71,321</u>	<u>340,561</u>	<u>66,414</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>14,357</u>	<u>(20,665)</u>	<u>-</u>	<u>14,400</u>	<u>95,882</u>	<u>8,777</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	-	14,357	(20,665)	-	14,400	95,882	8,777
FUND BALANCES (DEFICITS) - JANUARY 1	<u>(440,700)</u>	<u>(2,428)</u>	<u>-</u>	<u>(25,750)</u>	<u>10,994</u>	<u>65,332</u>	<u>78,824</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ (440,700)</u>	<u>\$ 11,929</u>	<u>\$ (20,665)</u>	<u>\$ (25,750)</u>	<u>\$ 25,394</u>	<u>\$ 161,214</u>	<u>\$ 87,601</u>

COUNTY OF CUMBERLAND, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	DEA Property Forfeiture 31231	Probate Surcharge 31238	Deeds Surcharge 31239	MMA Fund 31277	Polygraph Fees 31315	County Seminars 31343	Local Emergency Planning 51240
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,559
Charges for services	-	16,970	247,704	-	-	-	-
Other	-	845	4,929	23,580	700	-	-
TOTAL REVENUES	-	17,815	252,633	23,580	700	-	107,559
EXPENDITURES							
Register of deeds	-	-	272,369	-	-	-	-
Register of probate	-	12,526	-	-	-	-	-
Emergency management	-	-	-	-	-	-	91,082
Sheriff - county services	-	-	-	-	-	-	-
Other	29,514	-	-	-	3,251	-	-
TOTAL EXPENDITURES	29,514	12,526	272,369	-	3,251	-	91,082
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(29,514)	5,289	(19,736)	23,580	(2,551)	-	16,477
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(29,514)	5,289	(19,736)	23,580	(2,551)	-	16,477
FUND BALANCES (DEFICITS) - JANUARY 1	29,576	177,775	1,451,927	147,880	6,196	7,041	6,159
FUND BALANCES (DEFICITS) - DECEMBER 31	\$ 62	\$ 183,064	\$ 1,432,191	\$ 171,460	\$ 3,645	\$ 7,041	\$ 22,636

COUNTY OF CUMBERLAND, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Blue Courage 31377	Youth Fire Safety Coord. Prog. 31385	Cops Deputy Recruiting 31383	Budget Stabilization Fund 31391	JAG Portland 51292	Wellness Incentive Grant 51247	Wellness Incentive Grant 51347	CDBG 52
REVENUES								
Intergovernmental	\$ -	\$ 10,108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,385,646
Charges for services	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	10,108	-	-	-	-	-	2,385,646
EXPENDITURES								
Register of deeds	-	-	-	-	-	-	-	-
Register of probate	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-
Sheriff - county services	-	-	-	-	-	-	-	-
Other	-	10,108	-	-	-	5,758	-	2,385,646
TOTAL EXPENDITURES	-	10,108	-	-	-	5,758	-	2,385,646
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	(5,758)	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	300,000	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	300,000	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	-	-	-	300,000	-	(5,758)	-	-
FUND BALANCES (DEFICITS) - JANUARY 1	4,137	(2,012)	(79,683)	400,000	5,954	(623)	(5,781)	(53,785)
FUND BALANCES (DEFICITS) - DECEMBER 31	\$ 4,137	\$ (2,012)	\$ (79,683)	\$ 700,000	\$ 5,954	\$ (6,381)	\$ (5,781)	\$ (53,785)

COUNTY OF CUMBERLAND, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	CC Contract 51346	Nat. Assoc County and City Health 51365	ARES 51366	Jail Re-Entry 51370	PAIRS Grant 51378	STOP Grant 51382
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Other	-	-	-	406	-	-
TOTAL REVENUES	-	-	-	406	-	-
EXPENDITURES						
Register of deeds	-	-	-	-	-	-
Register of probate	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-
Sheriff - county services	-	-	-	-	-	-
Other	-	-	-	406	-	-
TOTAL EXPENDITURES	-	-	-	406	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JANUARY 1	344	8,301	258	(14,091)	45,283	188
FUND BALANCES (DEFICITS) - DECEMBER 31	\$ 344	\$ 8,301	\$ 258	\$ (14,091)	\$ 45,283	\$ 188

COUNTY OF CUMBERLAND, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Drug Free Comm 51352	Victim Compensation 42408	MEMA Grant 51369	Violence Against Women Grant 51372	Second Chance Grant 51381	Building Bridges Grant 51387	Violence Against Women Grant 51394	MEMA Grant 53
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ 149,712	\$ 175,246	\$ 52,378	\$ -	\$ 233,204
Charges for services	-	-	-	-	-	-	-	-
Other	62,530	2,640	-	-	-	-	-	-
TOTAL REVENUES	<u>62,530</u>	<u>2,640</u>	<u>-</u>	<u>149,712</u>	<u>175,246</u>	<u>52,378</u>	<u>-</u>	<u>233,204</u>
EXPENDITURES								
Register of deeds	-	-	-	-	-	-	-	-
Register of probate	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	240,602
Sheriff - county services	-	-	-	-	-	-	-	-
Other	79,462	-	-	149,712	142,573	52,378	1,185	-
TOTAL EXPENDITURES	<u>79,462</u>	<u>-</u>	<u>-</u>	<u>149,712</u>	<u>142,573</u>	<u>52,378</u>	<u>1,185</u>	<u>240,602</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(16,932)</u>	<u>2,640</u>	<u>-</u>	<u>-</u>	<u>32,673</u>	<u>-</u>	<u>(1,185)</u>	<u>(7,398)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	(16,932)	2,640	-	-	32,673	-	(1,185)	(7,398)
FUND BALANCES (DEFICITS) - JANUARY 1	<u>16,350</u>	<u>22,763</u>	<u>7,118</u>	<u>3,541</u>	<u>(23,984)</u>	<u>(4,342)</u>	<u>-</u>	<u>(10,164)</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ (582)</u>	<u>\$ 25,403</u>	<u>\$ 7,118</u>	<u>\$ 3,541</u>	<u>\$ 8,689</u>	<u>\$ (4,342)</u>	<u>\$ (1,185)</u>	<u>\$ (17,562)</u>

COUNTY OF CUMBERLAND, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	MAT Grant 51389	COSSAP Grant 51392	Sheriff Contracted Services	Employee Assistance Fund 42403	Sunshine Fund 42404	EAC Fund 42406	Accrued Compensated Absences	Total
REVENUES								
Intergovernmental	\$ 47,154	\$ 147,017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,251,833
Charges for services	-	-	2,000,606	-	-	-	-	2,845,388
Other	-	-	-	-	615	-	795	97,040
TOTAL REVENUES	<u>47,154</u>	<u>147,017</u>	<u>2,000,606</u>	<u>-</u>	<u>615</u>	<u>-</u>	<u>795</u>	<u>7,194,261</u>
EXPENDITURES								
Register of deeds	-	-	-	-	-	-	-	272,369
Register of probate	-	-	-	-	-	-	-	12,526
Emergency management	-	-	-	-	-	-	-	331,684
Sheriff - county services	-	-	2,087,295	-	-	-	-	3,157,900
Other	43,711	146,117	-	-	100	-	1,036,551	4,427,033
TOTAL EXPENDITURES	<u>43,711</u>	<u>146,117</u>	<u>2,087,295</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>1,036,551</u>	<u>8,201,512</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,443</u>	<u>900</u>	<u>(86,689)</u>	<u>-</u>	<u>515</u>	<u>-</u>	<u>(1,035,756)</u>	<u>(1,007,251)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	1,085,000	1,385,000
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,085,000</u>	<u>1,385,000</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	3,443	900	(86,689)	-	515	-	49,244	377,749
FUND BALANCES (DEFICITS) - JANUARY 1	<u>30,078</u>	<u>-</u>	<u>488,298</u>	<u>(30)</u>	<u>3,855</u>	<u>10,299</u>	<u>(168,031)</u>	<u>2,197,067</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ 33,521</u>	<u>\$ 900</u>	<u>\$ 401,609</u>	<u>\$ (30)</u>	<u>\$ 4,370</u>	<u>\$ 10,299</u>	<u>\$ (118,787)</u>	<u>\$ 2,574,816</u>

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

Capital Projects Funds

Capital Projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

1. Courthouse Capital Improvement Fund - Dedicated funds for capital repairs and purchases in the Courthouse complex.
2. Capital Improvement Fund - Dedicated funds for capital repairs and purchases in the County buildings.
3. 2012 CIP Bond Fund - Dedicated funds for capital repairs.
4. 2014 CIP Bond Fund - Dedicated funds for capital repairs.
5. 2016 CIP Bond Fund - Dedicated funds for capital repairs.
6. 2018 CIP Bond Fund - Dedicated funds for capital repairs.

COUNTY OF CUMBERLAND, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021

	Courthouse Capital Improvement	Capital Improvements	2012 CIP Bond Fund	2014 CIP Bond Fund	2016 CIP Bond Fund	2018 CIP Bond Fund	Total
ASSETS							
Due from other funds	\$ 373,952	\$ 111,671	\$ 6,988	\$ 25,974	\$ -	\$ -	\$ 518,585
TOTAL ASSETS	<u>\$ 373,952</u>	<u>\$ 111,671</u>	<u>\$ 6,988</u>	<u>\$ 25,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,585</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 42,042	\$ -	\$ 42,042
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,042</u>	<u>-</u>	<u>42,042</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	373,952	111,671	6,988	25,974	-	-	518,585
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(42,042)	-	(42,042)
TOTAL FUND BALANCES (DEFICITS)	<u>373,952</u>	<u>111,671</u>	<u>6,988</u>	<u>25,974</u>	<u>(42,042)</u>	<u>-</u>	<u>476,543</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 373,952</u>	<u>\$ 111,671</u>	<u>\$ 6,988</u>	<u>\$ 25,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,585</u>

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

COUNTY OF CUMBERLAND, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Courthouse Capital Improvement	Capital Improvements	2012 CIP Bond Fund	2014 CIP Bond Fund	2016 CIP Bond Fund	2018 CIP Bond Fund	Total
REVENUES							
Other	\$ 111,636	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,636
TOTAL REVENUES	<u>111,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,636</u>
EXPENDITURES							
Capital Outlay	130,803	-	-	-	-	512,202	643,005
TOTAL EXPENDITURES	<u>130,803</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>512,202</u>	<u>643,005</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(19,167)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(512,202)</u>	<u>(531,369)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	35,000	-	-	-	-	-	35,000
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	15,833	-	-	-	-	(512,202)	(496,369)
FUND BALANCES (DEFICITS) - JANUARY 1	<u>358,119</u>	<u>111,671</u>	<u>6,988</u>	<u>25,974</u>	<u>(42,042)</u>	<u>512,202</u>	<u>972,912</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ 373,952</u>	<u>\$ 111,671</u>	<u>\$ 6,988</u>	<u>\$ 25,974</u>	<u>\$ (42,042)</u>	<u>\$ -</u>	<u>\$ 476,543</u>

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

Custodial Funds

Custodial funds are used to account for assets held by the County of Cumberland, Maine as an agent for individuals, private organizations or other governmental units. These funds have been established for the provisions of the Jail Commissary Account, the Jail Inmate Account and the Restitution Account.

COUNTY OF CUMBERLAND, MAINE

COMBINING STATEMENT OF NET POSITION - CUSTODIAL FUNDS
DECEMBER 31, 2021

	Jail Commissary Account	Jail Inmate Account	Restitution Account	Total
ASSETS				
Cash and cash equivalents	\$ 172,553	\$ 92,681	\$ -	\$ 265,234
Accounts receivable (net of allowance for uncollectibles)	320,540	331,019	2,890,791	3,542,350
TOTAL ASSETS	<u>\$ 493,093</u>	<u>\$ 423,700</u>	<u>\$ 2,890,791</u>	<u>\$ 3,807,584</u>
LIABILITIES				
Accounts payable	\$ -	\$ 983	\$ 320,591	\$ 321,574
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ 983</u>	<u>\$ 320,591</u>	<u>\$ 321,574</u>
NET POSITION				
Restricted	\$ 493,093	\$ 422,717	\$ 2,570,200	\$ 3,486,010
TOTAL NET POSITION	<u>\$ 493,093</u>	<u>\$ 422,717</u>	<u>\$ 2,570,200</u>	<u>\$ 3,486,010</u>

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

COUNTY OF CUMBERLAND, MAINE

COMBINING STATEMENT OF CHANGES IN NET POSITION - CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Jail Commissary Account	Jail Inmate Account	Restitution Account	Total
ADDITIONS				
Inmate deposits	\$ -	\$ 497,424	\$ -	\$ 497,424
Commissary sales	1,101,791	-	-	1,101,791
Restitution deposits	-	-	248,707	248,707
TOTAL ADDITIONS	<u>1,101,791</u>	<u>497,424</u>	<u>248,707</u>	<u>1,847,922</u>
DELETIONS				
Inmate payments	-	174,997	-	174,997
Commissary expenses	1,109,400	-	-	1,109,400
Restitution payments	-	-	266,257	266,257
TOTAL DELETIONS	<u>1,109,400</u>	<u>174,997</u>	<u>266,257</u>	<u>1,550,654</u>
NET INCREASE (DECREASE) IN NET POSITION	(7,609)	322,427	(17,550)	297,268
NET POSITION - JANUARY 1	<u>500,702</u>	<u>100,290</u>	<u>2,587,750</u>	<u>3,188,742</u>
NET POSITION - DECEMBER 31	<u>\$ 493,093</u>	<u>\$ 422,717</u>	<u>\$ 2,570,200</u>	<u>\$ 3,486,010</u>

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

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities' column of the government-wide statement of net position.

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
DECEMBER 31, 2021

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Total
Communication	\$ -	\$ 1,559,683	\$ 1,146,567	\$ 2,706,250
Administration	-	-	22,716	22,716
General Courthouse	1,787,457	11,753,310	248,144	13,788,911
DA	-	78,563	-	78,563
Facilities	-	291,627	290,082	581,709
Food service - Jail	-	-	449,738	449,738
General - Jail	2,052,727	24,555,710	1,642,465	28,250,902
CID	-	-	20,559	20,559
Civil	-	53,000	-	53,000
MIS	-	-	138,570	138,570
Sheriff	-	381,325	7,871,799	8,253,124
Deeds	-	102,955	60,546	163,501
Parking Garage	834,750	4,331,371	85,540	5,251,661
County-wide	366,900	2,220,969	5,960	2,593,829
Cross Insurance Arena	600,000	44,698,715	3,587,346	48,886,061
Total General Capital Assets	5,641,834	90,027,228	15,570,032	111,239,094
Less: Accumulated Depreciation	-	(52,609,279)	(10,373,079)	(62,982,358)
Net General Capital Assets	<u>\$ 5,641,834</u>	<u>\$ 37,417,949</u>	<u>\$ 5,196,953</u>	<u>\$ 48,256,736</u>

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

COUNTY OF CUMBERLAND, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Capital Assets 1/1/21 (Restated)	Additions	Deletions	General Capital Assets 12/31/21
Communication	\$ 2,706,250	\$ -	\$ -	\$ 2,706,250
Administration	22,716	-	-	22,716
General Courthouse	13,355,489	433,422	-	13,788,911
DA	78,563	-	-	78,563
Facilities	409,823	171,886	-	581,709
Food service - Jail	449,738	-	-	449,738
General - Jail	27,999,130	251,772	-	28,250,902
CID	20,559	-	-	20,559
Civil	53,000	-	-	53,000
MIS	138,570	-	-	138,570
Sheriff	7,521,786	731,338	-	8,253,124
Deeds	163,501	-	-	163,501
Parking Garage	5,251,661	-	-	5,251,661
County-wide	2,587,869	5,960	-	2,593,829
Cross Insurance Arena	48,804,538	81,523	-	48,886,061
Total General Capital Assets	109,563,193	1,675,901	-	111,239,094
Less: Accumulated Depreciation	(59,061,279)	(3,921,079)	-	(62,982,358)
Net General Capital Assets	\$ 50,501,914	\$ (2,245,178)	\$ -	\$ 48,256,736

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

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain information to help the reader understand how the County's financial performance and well-being have changed over time.	139 - 143
Revenue Capacity	
These schedules contain information to help the reader assess the County's most significant local revenue source, property taxes.	144 - 147
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	148 - 151
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	152 - 153
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and activities it performs.	154 - 157

Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

COUNTY OF CUMBERLAND, MAINE

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
Net investment in capital assets	\$ 22,797,026	\$ 20,313,699	\$ 21,523,982	\$ 19,863,873	\$ 21,869,846	\$ 19,738,613	\$ 23,798,465	\$ 24,542,263	\$ 25,727,072	\$ 26,226,167
Restricted for: Grant programs	28,746,479	584,158	51,271	116,482	56,401	86,926	168,153	1,314,735	1,340,027	1,083,901
Jail fund	1,722,074	326,091	-	-	-	-	-	34,153	336,417	879,806
Capital projects	3,257,160	1,953,804	1,653,067	2,702,763	1,195,778	3,519,058	1,513,361	1,010,768	7,055,836	31,536,811
Unrestricted (deficit)	(8,185,516)	(8,215,423)	(10,208,006)	(10,373,541)	(13,154,309)	(8,690,493)	(7,152,681)	2,969,568	(3,280,457)	(27,584,171)
Total governmental activities net position	<u>\$ 48,337,223</u>	<u>\$ 14,962,329</u>	<u>\$ 13,020,314</u>	<u>\$ 12,309,577</u>	<u>\$ 9,967,716</u>	<u>\$ 14,654,104</u>	<u>\$ 18,327,298</u>	<u>\$ 29,871,487</u>	<u>\$ 31,178,895</u>	<u>\$ 32,142,514</u>
Business-type activities:										
Net investment in capital assets	\$ (2,699,304)	\$ (2,502,517)	\$ (1,997,781)	\$ (1,842,763)	\$ (1,530,066)	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(473,117)	(527,664)	(562,295)	(202,339)	(58,699)	-	-	-	-	-
Total business-type activities net position	<u>\$ (3,172,421)</u>	<u>\$ (3,030,181)</u>	<u>\$ (2,560,076)</u>	<u>\$ (2,045,102)</u>	<u>\$ (1,588,765)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The County implemented GASB #68 in 2015.
The County implemented GASB #75 in 2018.

COUNTY OF CUMBERLAND, MAINE

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Governmental activities										
Executive Department	\$ 715,696	\$ 667,883	\$ 659,204	\$ 661,116	\$ 700,675	\$ 788,042	\$ 785,894	\$ 712,839	\$ 718,121	\$ 628,059
Treasurer	-	-	-	-	-	-	-	40,168	40,583	36,693
Finance	583,724	572,327	531,812	506,729	470,227	443,280	483,859	456,195	410,556	381,959
Register of Deeds	986,872	845,795	741,547	978,160	742,773	821,791	809,256	827,440	846,932	994,693
Register of Probate	683,322	584,082	586,972	601,517	540,437	496,000	520,794	484,545	470,364	481,495
Emergency Management	773,426	668,431	657,943	660,507	664,355	711,477	3,085,956	2,238,060	2,221,601	2,747,123
Sheriff - County Services	13,585,788	11,295,016	11,634,217	10,929,064	10,676,970	10,444,397	9,269,051	8,744,349	8,911,331	8,119,735
Jail	17,207,996	20,582,608	21,260,318	20,603,229	19,254,821	19,563,902	19,267,454	18,312,588	18,230,369	17,972,398
District Attorney	2,012,008	1,939,589	1,969,261	1,892,777	1,860,702	1,749,285	1,616,237	1,523,880	1,470,299	1,422,449
Human Resources	580,171	485,189	430,960	445,795	993,792	1,867,717	2,359,063	322,443	341,314	302,635
Facilities	2,161,295	2,194,069	2,177,147	2,314,555	2,320,831	2,050,809	1,889,396	1,785,966	1,709,670	1,582,340
Management System	868,543	880,428	875,665	991,479	920,959	901,035	847,498	783,567	592,902	688,067
Agency Grants	153,000	144,000	169,598	184,600	196,598	177,587	182,624	164,953	154,526	151,496
Parking Garage	232,119	214,175	220,091	218,095	215,866	174,663	186,579	198,957	200,970	180,573
Communications	3,365,086	3,412,676	3,299,294	3,266,289	3,372,964	3,215,424	3,094,686	2,999,827	2,802,028	2,658,746
Civic Center Debt Allocation	-	1,583,145	2,287,605	1,937,481	2,595,892	1,433,708	2,254,168	1,349,858	1,185,358	536,049
Employee Benefits	20,448	64,288	23,008	25,822	27,750	23,433	36,314	7,283	-	-
Termination Pay	1,085,000	335,000	-	-	-	224,300	-	-	-	-
Contingency	46,319	47,798	2,894	5,287	1,175	3,547	2,354	43,648	-	-
Other Functions	2,305,425	3,811,991	2,451,700	(975,218)	1,957,707	2,965,952	1,320,648	1,286,540	888,419	586,050
Capital Expenditures	-	-	358,909	-	-	-	-	-	47,957	774,501
Unallocated Depreciation Expense	355,416	395,640	385,001	310,816	296,317	332,301	314,567	306,338	302,366	297,348
Interest on Long-Term Debt	110,457	333,207	311,831	253,581	67,118	546,690	573,395	200,015	67,583	208,387
Total governmental activities expenses	<u>47,832,111</u>	<u>51,057,337</u>	<u>51,034,977</u>	<u>45,811,681</u>	<u>47,877,929</u>	<u>48,935,340</u>	<u>48,899,793</u>	<u>42,789,459</u>	<u>41,613,249</u>	<u>40,750,796</u>
Business-type activities										
Cross Insurance Arena	4,673,172	9,805,730	12,375,076	10,897,508	2,920,847	-	-	-	-	-
Total business-type activities expenses	<u>4,673,172</u>	<u>9,805,730</u>	<u>12,375,076</u>	<u>10,897,508</u>	<u>2,920,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 52,505,283</u>	<u>\$ 60,863,067</u>	<u>\$ 63,410,053</u>	<u>\$ 56,709,189</u>	<u>\$ 50,798,776</u>	<u>\$ 48,935,340</u>	<u>\$ 48,899,793</u>	<u>\$ 42,789,459</u>	<u>\$ 41,613,249</u>	<u>\$ 40,750,796</u>
Program revenue										
Governmental activities										
Charges for services										
Register of Deeds	5,245,625	4,347,581	3,551,665	3,399,118	3,188,377	3,415,648	3,274,484	2,887,438	2,955,516	2,711,309
Register of Probate	818,897	576,760	569,848	595,120	551,678	577,676	565,466	525,035	546,266	501,991
Sheriff - County Services	2,318,639	2,335,294	2,100,976	2,386,562	312,722	1,728,713	1,835,683	1,911,514	1,891,988	594,456
Jail	3,056,361	4,016,494	4,373,089	3,149,535	3,160,443	4,098,613	3,198,350	2,961,252	3,483,093	3,357,088
Parking Garage	776,281	664,402	644,690	600,001	580,629	496,019	410,356	484,590	408,050	410,619
Other	438,301	330,044	868,281	790,216	-	621,109	765,869	316,496	408,311	403,241
Operating grants and contributions	37,975,120	9,461,271	7,687,472	7,263,113	9,302,101	6,577,490	8,174,391	6,685,093	6,432,935	8,119,256
Total governmental activities program revenue	<u>50,629,224</u>	<u>21,731,846</u>	<u>19,796,021</u>	<u>18,183,665</u>	<u>17,095,950</u>	<u>17,515,268</u>	<u>18,224,599</u>	<u>15,771,418</u>	<u>16,126,159</u>	<u>16,097,960</u>
Business-type activities										
Charges for services										
Cross Insurance Arena	481,902	7,064,759	9,663,581	8,367,779	3,192,040	-	-	-	-	-
Total business-type activities program revenue	<u>481,902</u>	<u>7,064,759</u>	<u>9,663,581</u>	<u>8,367,779</u>	<u>3,192,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government program revenue	<u>\$ 51,111,126</u>	<u>\$ 28,796,605</u>	<u>\$ 29,459,602</u>	<u>\$ 26,551,444</u>	<u>\$ 20,287,990</u>	<u>\$ 17,515,268</u>	<u>\$ 18,224,599</u>	<u>\$ 15,771,418</u>	<u>\$ 16,126,159</u>	<u>\$ 16,097,960</u>
Net (expense) revenue										
Governmental activities	\$ 2,797,113	\$ (29,325,491)	\$ (31,238,956)	\$ (27,628,016)	\$ (30,781,979)	\$ (31,420,072)	\$ (30,675,194)	\$ (27,018,041)	\$ (25,487,090)	\$ (24,652,836)
Business-type activities	(4,191,270)	(2,740,971)	(2,711,495)	(2,529,729)	271,193	-	-	-	-	-
Total primary government net expense	<u>\$ (1,394,157)</u>	<u>\$ (32,066,462)</u>	<u>\$ (33,950,451)</u>	<u>\$ (30,157,745)</u>	<u>\$ (30,510,786)</u>	<u>\$ (31,420,072)</u>	<u>\$ (30,675,194)</u>	<u>\$ (27,018,041)</u>	<u>\$ (25,487,090)</u>	<u>\$ (24,652,836)</u>

COUNTY OF CUMBERLAND, MAINE
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Revenue and Other Changes in Net Position										
Governmental activities										
Property taxes	\$34,065,186	\$33,642,918	\$32,151,568	\$30,681,067	\$29,301,315	\$27,644,523	\$26,773,596	\$25,413,304	\$24,372,993	\$23,044,498
Miscellaneous	424,278	276,536	273,761	419,775	198,157	275,989	287,742	85,358	150,478	1,463,346
Transfers	(3,911,683)	(966,042)	(475,636)	(968,913)	-	-	-	-	-	-
Total governmental activities	<u>30,577,781</u>	<u>32,953,412</u>	<u>31,949,693</u>	<u>30,131,929</u>	<u>29,499,472</u>	<u>27,920,512</u>	<u>27,061,338</u>	<u>25,498,662</u>	<u>24,523,471</u>	<u>24,507,844</u>
Business-type activities										
Miscellaneous	-	-	151,497	2,499	-	-	-	-	-	-
Transfers	4,049,030	956,325	550,024	968,913	(329,892)	-	-	-	-	-
Total business-type activities	<u>4,049,030</u>	<u>956,325</u>	<u>701,521</u>	<u>971,412</u>	<u>(329,892)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$34,626,811</u>	<u>\$33,909,737</u>	<u>\$32,651,214</u>	<u>\$31,103,341</u>	<u>\$29,169,580</u>	<u>\$27,920,512</u>	<u>\$27,061,338</u>	<u>\$25,498,662</u>	<u>\$24,523,471</u>	<u>\$24,507,844</u>
Change in net position										
Governmental activities	\$33,374,894	\$ 3,627,921	\$ 710,737	\$ 2,503,913	\$ (1,282,507)	\$ (3,499,560)	\$ (3,613,856)	\$ (1,519,379)	\$ (963,619)	\$ (144,992)
Business-type activities	(142,240)	(1,784,646)	(2,009,974)	(1,558,317)	(58,699)	-	-	-	-	-
Total primary government	<u>\$33,232,654</u>	<u>\$ 1,843,275</u>	<u>\$ (1,299,237)</u>	<u>\$ 945,596</u>	<u>\$ (1,341,206)</u>	<u>\$ (3,499,560)</u>	<u>\$ (3,613,856)</u>	<u>\$ (1,519,379)</u>	<u>\$ (963,619)</u>	<u>\$ (144,992)</u>

Note: The County implemented GASB #68 in 2015.
The County implemented GASB #75 in 2018.

COUNTY OF CUMBERLAND, MAINE

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 2,947	\$ 5,374	\$ 4,700	\$ 281,393	\$ 14,098	\$ 2,286	\$ -	\$ 47,060	\$ 4,689	\$ 5,778
Committed	-	-	-	-	-	-	-	-	350,000	350,000
Unassigned	6,765,856	5,677,570	3,862,784	2,692,515	2,719,917	2,802,335	2,646,798	2,487,284	2,299,043	2,372,785
Total general fund	<u>\$ 6,768,803</u>	<u>\$ 5,682,944</u>	<u>\$ 3,867,484</u>	<u>\$ 2,973,908</u>	<u>\$ 2,734,015</u>	<u>\$ 2,804,621</u>	<u>\$ 2,646,798</u>	<u>\$ 2,534,344</u>	<u>\$ 2,653,732</u>	<u>\$ 2,728,563</u>
All Other Governmental Funds										
Special revenue funds:										
Restricted	\$ 30,468,553	\$ 910,249	\$ 51,271	\$ 116,482	\$ 56,401	\$ 86,926	\$ 1,135,170	\$ 1,348,888	\$ 1,676,444	\$ 1,963,707
Assigned	2,478,238	2,444,313	2,079,308	2,077,805	2,770,603	2,419,438	2,664,582	2,637,647	2,855,678	2,835,307
Unassigned	(791,336)	(831,404)	(1,374,808)	(1,673,987)	(1,953,876)	(1,498,896)	(227,365)	(18,876)	(60,520)	(4,718)
Capital project funds:										
Restricted	3,257,160	2,857,087	3,041,744	2,702,763	2,135,582	3,519,058	468,406	1,010,768	7,055,836	31,386,811
Unassigned	(42,042)	(42,042)	(150)	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 35,370,573</u>	<u>\$ 5,338,203</u>	<u>\$ 3,797,365</u>	<u>\$ 3,223,063</u>	<u>\$ 3,008,710</u>	<u>\$ 4,526,526</u>	<u>\$ 4,040,793</u>	<u>\$ 4,978,427</u>	<u>\$ 11,527,438</u>	<u>\$ 36,181,107</u>

COUNTY OF CUMBERLAND, MAINE

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
REVENUES										
Taxes	\$ 34,065,186	\$ 33,642,918	\$ 32,151,568	\$ 30,681,067	\$ 29,301,315	\$ 27,644,523	\$ 26,773,596	\$ 25,413,304	\$ 24,372,993	\$ 23,044,498
Intergovernmental revenues	37,975,120	9,461,271	7,687,472	7,263,113	9,302,101	6,577,490	8,174,391	6,685,093	6,432,935	8,119,256
Charges for service	12,654,104	12,270,575	12,108,549	10,920,552	7,793,849	10,937,778	10,050,208	9,298,296	9,439,965	7,978,704
Miscellaneous revenues	424,278	276,536	273,761	419,775	198,157	275,989	287,742	85,358	403,737	1,463,346
TOTAL REVENUES	85,118,688	55,651,300	52,221,350	49,284,507	46,595,422	45,435,780	45,285,937	41,482,051	40,649,630	40,605,804
EXPENDITURES										
Executive Department	715,696	667,883	659,204	660,109	699,668	787,035	784,887	712,435	717,717	627,655
Treasurer	-	-	-	-	-	-	-	40,168	40,583	36,693
Finance	583,724	572,327	531,812	506,729	470,227	443,280	483,859	455,978	410,339	381,742
Register of Deeds	980,262	839,185	734,937	971,550	736,163	815,181	802,646	820,526	840,018	991,815
Register of Probate	683,322	584,082	586,972	601,517	538,832	494,395	519,189	482,940	468,759	481,495
Emergency Management	773,426	668,431	657,943	660,507	664,355	711,477	3,085,956	2,237,624	2,218,682	2,744,204
Sheriff - County Services	12,479,714	10,656,406	10,985,258	10,330,799	10,221,505	10,028,589	8,860,118	8,442,746	8,598,256	7,996,942
Jail	18,736,852	19,844,708	20,547,806	19,874,013	18,560,908	18,857,339	18,562,389	17,603,166	17,587,659	17,348,957
District Attorney	2,010,044	1,937,625	1,967,297	1,890,813	1,836,029	1,724,612	1,591,564	1,497,231	1,443,650	1,418,509
Human Resources	580,171	485,189	430,960	445,795	344,209	338,221	368,422	322,443	341,314	302,635
Facilities	2,141,521	2,174,295	2,157,373	2,294,781	2,301,057	2,050,809	1,889,396	1,782,977	1,706,681	1,579,351
Management System	843,615	858,126	853,363	954,985	891,641	877,566	824,029	773,217	582,552	677,717
Agency Grants	153,000	144,000	169,598	184,600	196,598	177,587	182,624	164,953	154,526	151,496
Parking Garage	113,652	95,708	91,729	89,733	87,504	46,301	58,217	87,703	89,716	85,671
Communications	3,209,328	3,255,614	3,142,232	3,104,502	3,000,943	2,837,415	2,716,677	2,621,818	2,503,628	2,360,770
Civic Center Debt Allocation	-	2,104,057	2,906,987	2,199,686	2,820,732	578,342	2,292,355	2,042,645	2,064,764	536,049
Debt service:										
Principal	611,580	815,000	705,530	1,656,194	445,000	1,480,000	555,000	415,000	85,000	85,000
Interest	193,002	336,215	320,676	245,405	409,107	1,044,336	199,071	60,516	70,101	108,083
Employee Benefits	20,448	64,288	23,008	25,822	27,750	23,433	36,314	7,283	29,834	-
Termination Pay	1,085,000	335,000	-	-	-	224,300	-	-	-	-
Capital Expenditures	2,031,895	2,718,471	1,391,221	3,111,019	2,011,276	1,962,264	987,764	8,301,409	24,565,766	5,889,607
Contingency	46,319	47,798	2,894	5,287	1,175	3,547	2,354	43,648	97,863	-
Other	2,262,384	2,414,746	1,411,036	1,216,417	2,076,685	1,947,233	1,165,670	1,239,024	760,722	586,050
TOTAL EXPENDITURES	50,254,955	51,619,154	50,277,836	51,030,263	48,341,364	47,453,262	45,968,501	50,155,450	65,378,130	44,390,441
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	34,863,733	4,032,146	1,943,514	(1,745,756)	(1,745,942)	(2,017,482)	(682,564)	(8,673,399)	(24,728,500)	(3,784,637)
OTHER FINANCING SOURCES (USES)										
Debt proceeds	-	290,194	-	3,330,967	-	3,462,500	-	2,005,000	-	36,006,858
Operating transfers in	3,312,429	2,090,902	1,403,184	615,500	713,884	313,765	210,900	124,469	899,968	814,805
Operating transfers out	(3,312,429)	(2,090,902)	(1,403,184)	(1,584,413)	(713,884)	(313,765)	(210,900)	(124,469)	(899,968)	(814,805)
Transfer to Cross Insurance Arena	(3,911,683)	(966,042)	(475,636)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(3,911,683)	(675,848)	(475,636)	2,362,054	-	3,462,500	-	2,005,000	-	36,006,858
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	30,952,050	3,356,298	1,467,878	616,298	(1,745,942)	1,445,018	(682,564)	(6,668,399)	(24,728,500)	32,222,221
FUND BALANCES - JANUARY 1	11,021,147	7,664,849	6,196,971	5,742,725	7,331,147	6,687,591	7,512,771	14,181,170	38,909,670	9,130,376
RESTATEMENT OF FUND BALANCE	166,179	-	-	(162,052)	157,520	(801,462)	(142,616)	-	-	-
FUND BALANCES - JANUARY 1, RESTATED	11,187,326	7,664,849	6,196,971	5,580,673	7,488,667	5,886,129	7,370,155	14,181,170	38,909,670	6,687,449
FUND BALANCES - DECEMBER 31	\$ 42,139,376	\$ 11,021,147	\$ 7,664,849	\$ 6,196,971	\$ 5,742,725	\$ 7,331,147	\$ 6,687,591	\$ 7,512,771	\$ 14,181,170	\$ 38,909,670
Debt service as a percentage of noncapital expenditures	1.66%	2.32%	2.09%	3.90%	1.85%	5.41%	1.64%	1.14%	0.38%	0.49%

COUNTY OF CUMBERLAND, MAINE

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Year	Total Assessed Value (1) (000's)			Total Direct Tax Rate (per \$1,000)	Estimated Actual Value (000's)	Assessed Value as a % of Actual Value
	Real Property	Personal Property	Total			
2012	\$ 37,836,095	\$ 1,660,905	\$ 39,497,000	0.5834	\$ 41,772,500	90.58%
2013	37,106,530	1,584,320	38,690,850	0.6300	40,729,950	91.10%
2014	37,004,373	1,615,427	38,619,800	0.6580	39,497,000	93.69%
2015	37,715,710	1,663,890	39,379,600	0.6799	38,690,850	97.48%
2016	38,328,886	1,487,044	39,815,930	0.6775	38,619,800	99.25%
2017	39,713,682	1,511,178	41,224,860	0.6949	39,379,600	100.85%
2018	42,934,009	1,339,076	44,273,085	0.6854	40,806,800	105.21%
2019	41,079,182	1,396,611	42,475,793	0.6673	44,050,350	93.26%
2020	42,934,009	1,339,076	44,273,085	0.6827	50,417,650	85.16%
2021	43,506,730	1,321,421	44,828,151	0.6827	53,139,300	81.87%

(1) Source: State of Maine, Bureau of Property Taxation, Property Division

COUNTY OF CUMBERLAND, MAINE

DIRECT PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Collection Year	County Direct Rates			Total Tax Rate
	Basic Rate	Debt Service	Total Direct	
2012	\$ 0.4960	\$0.0583	\$ 0.5543	\$ 0.5543
2013	0.5549	0.0285	0.5834	0.5834
2014	0.5780	0.0520	0.6300	0.6300
2015	0.6309	0.0271	0.6580	0.6580
2016	0.6520	0.0279	0.6799	0.6799
2017	0.6485	0.0290	0.6775	0.6775
2018	0.6227	0.0722	0.6949	0.6949
2019	0.6146	0.0708	0.6854	0.6854
2020	0.6064	0.0609	0.6673	0.6673
2021	0.5843	0.0568	0.6411	0.6411

COUNTY OF CUMBERLAND, MAINE
COUNTY MEMBERS' STATE VALUATION, ASSESSMENT AND RATE
DECEMBER 31, 2021 AND 2012

City / Town	2021			2012		
	State Valuation (1)	Tax Assessment	Rank	State Valuation (1)	Tax Assessment	Rank
Portland	\$ 11,149,300,000	\$ 7,147,309	1	\$ 7,659,250,000	\$ 4,468,784	1
South Portland	4,866,700,000	3,119,820	2	3,556,500,000	2,075,037	3
Scarborough	4,807,600,000	3,081,933	3	3,556,750,000	2,075,183	2
Falmouth	2,887,550,000	1,851,077	4	2,071,900,000	1,208,849	5
Brunswick	2,595,900,000	1,664,113	5	2,028,050,000	1,183,264	4
Windham	2,441,900,000	1,565,391	6	1,792,250,000	1,045,687	8
Cape Elizabeth	2,427,750,000	1,556,320	7	1,710,750,000	998,136	9
Westbrook	2,420,050,000	1,551,384	8	1,847,650,000	1,078,010	7
Gorham	2,152,750,000	1,380,030	9	1,445,250,000	843,230	12
Harpswell	2,101,500,000	1,347,176	10	1,908,650,000	1,113,601	6
Freeport	2,006,100,000	1,286,019	11	1,425,350,000	831,619	11
Yarmouth	1,958,950,000	1,255,794	12	1,484,100,000	865,897	10
Cumberland	1,503,000,000	963,505	13	1,068,500,000	623,416	14
Standish	1,215,150,000	778,977	14	1,046,900,000	610,813	13
Raymond	1,206,850,000	773,657	15	1,009,700,000	589,109	15
Bridgton	1,205,750,000	772,951	16	984,500,000	574,406	16
Gray	1,173,400,000	752,213	17	894,800,000	522,070	17
Naples	859,900,000	551,243	18	738,250,000	430,731	18
Casco	757,400,000	485,535	19	611,350,000	356,692	19
North Yarmouth	617,650,000	395,947	20	436,650,000	254,763	22
New Gloucester	611,050,000	391,716	21	470,650,000	274,600	21
Harrison	602,950,000	386,524	22	505,500,000	294,934	20
Sebago	463,600,000	297,193	23	385,250,000	224,774	23
Pownal	284,200,000	182,188	24	184,550,000	107,676	25
Chebeague Island	253,150,000	162,283	25	208,500,000	121,649	24
Baldwin	194,350,000	124,590	26	158,450,000	92,449	26
Long Island	188,900,000	121,095	27	145,400,000	84,834	28
Frye Island	185,950,000	119,204	28	161,600,000	94,285	27
	<u>\$ 53,139,300,000</u>	<u>\$ 34,065,187</u>		<u>\$ 39,497,000,000</u>	<u>\$ 23,044,498</u>	

(1) Source: State of Maine, Bureau of Property Taxation Property Division

COUNTY OF CUMBERLAND, MAINE

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Collection Year	Total Levy	Current Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax
2012	\$23,044,497	\$ 23,044,497	100.00%	-	\$ 23,044,497	100.00%
2013	24,373,544	24,373,544	100.00%	-	24,373,544	100.00%
2014	25,413,305	25,413,305	100.00%	-	25,413,305	100.00%
2015	26,773,596	26,773,596	100.00%	-	26,773,596	100.00%
2016	27,644,523	27,644,523	100.00%	-	27,644,523	100.00%
2017	29,283,062	29,283,062	100.00%	-	29,283,062	100.00%
2018	30,612,625	30,612,625	100.00%	-	30,612,625	100.00%
2019	32,141,295	32,141,295	100.00%	-	32,141,295	100.00%
2020	33,642,919	33,642,919	100.00%	-	33,642,919	100.00%
2021	34,065,187	34,065,187	100.00%	-	34,065,187	100.00%

COUNTY OF CUMBERLAND, MAINE

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Year	Assessed/ Actual Valuation	Debt Limit Percentage	Debt Limit (a)	Debt Applicable to Limit (b)	Legal Debt Margin	Debt Percentage (b)/(a)
2012	\$ 39,497,000,000	7.5%	\$ 2,962,275,000	\$ 37,446,800	\$ 2,924,828,200	1.26%
2013	38,690,850,000	7.5%	2,901,813,750	36,482,394	2,865,331,356	1.26%
2014	38,619,800,000	7.5%	2,896,485,000	37,368,560	2,859,116,440	1.29%
2015	42,139,850,000	7.5%	3,160,488,750	35,920,000	3,124,568,750	1.14%
2016	42,139,850,000	7.5%	3,160,488,750	37,902,500	3,122,586,250	1.20%
2017	44,050,850,000	7.5%	3,303,813,750	38,525,000	3,265,288,750	1.17%
2018	44,273,085,000	7.5%	3,320,481,375	38,694,000	3,281,787,375	1.17%
2019	53,139,300,000	7.5%	3,985,447,500	36,125,000	3,949,322,500	0.91%
2020	50,417,650,000	7.5%	3,781,323,750	33,760,194	3,747,563,556	0.89%
2021	53,139,300,000	7.5%	3,985,447,500	31,416,174	3,954,031,326	0.79%

COUNTY OF CUMBERLAND, MAINE

RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Year	Governmental Activities		Business-type Activities	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases	General Obligation Bonds			
2012	\$ 37,135,000	\$ 311,800	\$ -	\$ 37,446,800	282.04%	\$ 132.60
2013	36,320,000	162,394	-	36,482,394	480.14%	129.52
2014	37,310,000	58,560	-	37,368,560	264.61%	130.91
2015	35,920,000	-	-	35,920,000	250.72%	123.87
2016	37,902,500	-	-	37,902,500	420.44%	129.78
2017	5,565,000	-	32,960,000	38,525,000	372.32%	136.11
2018	7,479,000	-	31,215,000	38,694,000	200.62%	131.81
2019	6,755,000	-	29,370,000	36,125,000	196.82%	122.46
2020	5,537,140	-	28,223,054	33,760,194	176.20%	113.93
2021	4,925,560	-	26,490,614	31,416,174	154.44%	103.66

COUNTY OF CUMBERLAND, MAINE

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Year	General Obligation Bonds	Capital Leases	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Per Capita
2012	\$ 37,135,000	\$ 311,800	\$ 37,446,800	0.095%	\$ 132.60
2013	36,320,000	162,394	36,482,394	0.094%	129.52
2014	37,310,000	58,560	37,368,560	0.097%	130.91
2015	35,920,000	-	35,920,000	0.085%	123.87
2016	37,902,500	-	37,902,500	0.090%	129.78
2017	5,565,000	-	5,565,000	0.013%	19.66
2018	7,479,000	-	7,479,000	0.017%	25.48
2019	36,125,000	-	36,125,000	0.068%	122.46
2020	33,760,194	-	33,760,194	0.067%	113.93
2021	31,416,174	-	31,416,174	0.059%	103.66

COUNTY OF CUMBERLAND, MAINE

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2021

	<u>Debt Outstanding</u>	<u>Percentage Applicable to County of Cumberland</u>	<u>Share of Overlapping Debt</u>
Direct Debt	<u>\$ 31,416,174</u>	100.00%	<u>\$ 31,416,174</u>
Overlapping Entities:			
None	<u>-</u>		<u>-</u>
	<u>-</u>		<u>-</u>
	<u><u>\$ 31,416,174</u></u>		<u><u>\$ 31,416,174</u></u>

COUNTY OF CUMBERLAND, MAINE

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (000's)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>	<u>School Enrollment (4)</u>
2012	282,401	\$ 13,277,134	\$ 26,075	6.40%	41,875
2013	281,674	7,598,291	26,975	4.60%	41,947
2014	285,456	14,122,140	27,438	3.70%	41,869
2015	289,977	14,326,787	27,609	2.90%	40,269
2016	292,041	9,014,982	30,869	2.60%	41,093
2017	283,046	10,347,169	36,556	1.90%	40,803
2018	293,557	19,287,282	36,439	2.50%	40,816
2019	295,003	18,354,163	40,527	2.20%	39,226
2020	296,333	19,159,939	36,021	4.10%	39,860
2021	303,069	20,342,088	41,822	3.40%	39,224

(1) Source: U.S. Census Bureau

(2) Source: Bureau of Economic Analysis

(3) Source: U.S. Department of Labor

(4) Source: State of Maine, Department of Education

COUNTY OF CUMBERLAND, MAINE

PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
MaineHealth	12,369	1	7.05%	5700	1	3.94%
LL Bean	4,388	2	2.50%	3200	6	2.21%
Hannaford Brothers Co.	2,892	3	1.65%	4,300	2	2.97%
Unum Provident	2,463	4	1.40%	3300	5	2.28%
Alere Scarborough Inc.	1,355	5	0.77%			
Mercy Hospital	1,342	6	0.77%	1,700	9	1.17%
Idexx Laboratories Inc.	1,302	7	0.74%	2,300	7	1.59%
Walmart/Sam's Club	1,254	8	0.72%			
WEX LLC	1,213	9	0.69%			
Bowdoin College	1,176	10	0.67%			
Anthem Blue Cross Blue Shield				4,000	3	2.76%
Honeywell				3,400	4	2.35%
Goodwill Industries				2,300	8	1.59%
Fairchild Semiconductor Int'l.				850	10	0.59%

Source: Maine Department of Labor

COUNTY OF CUMBERLAND, MAINE

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Executive:										
Administration	9.0	8.0	8.0	8.0	8.0	8.0	9.0	9.0	9.0	9.0
Community Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources	6.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	3.0
Management Information Systems	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Parking Garage	-	-	-	-	1.5	1.5	2.0	2.0	2.0	2.0
Finance Department	5.0	5.0	5.0	5.0	4.0	4.0	5.0	5.0	4.0	4.0
District Attorney	32.0	31.0	30.0	30.0	29.0	29.0	29.5	29.5	29.5	29.0
Facilities	26.0	26.0	26.0	26.0	26.0	25.5	26.0	26.0	25.0	25.0
Parking Garage	1.5	1.5	1.5	1.5	-	-	-	-	-	-
Deeds	8.0	9.0	9.0	10.0	10.0	11.0	11.0	11.0	11.0	11.0
Probate	7.5	7.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Emergency Management Agency	7.5	7.5	7.5	7.5	7.5	6.5	6.5	6.5	6.5	6.5
Treasurer	-	-	-	-	-	-	-	1.5	1.5	1.5
Sheriff's Department:										
Administration/Support Services	12.5	12.5	11.5	11.0	11.0	9.5	9.5	9.5	9.5	9.5
Law Enforcement	63.0	63.0	63.0	62.0	62.0	62.0	62.0	60.0	59.0	58.0
Jail	190.0	190.0	190.0	190.0	190.0	194.5	193.5	193.5	193.5	193.5
Communications	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	35.0	33.5
Civil Processing	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total	<u>421.5</u>	<u>419.5</u>	<u>417.0</u>	<u>416.5</u>	<u>414.5</u>	<u>416.0</u>	<u>418.5</u>	<u>418.0</u>	<u>412.5</u>	<u>408.5</u>

Source: County human resource records

COUNTY OF CUMBERLAND, MAINE

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District Attorney:										
Criminal cases submitted for prosecution	7,846	8,330	9,818	10,192	10,097	10,679	10,635	12,535	12,167	12,656
# of these submitted cases resolved	4,237	4,082	7,838	10,033	8,691	9,584	10,568	10,769	12,020	10,479
<u>Restitution</u>										
Number of new restitution orders to pay	242	199	325	351	627	407		462	463	487
Collected restitution	\$ 248,707	\$ 364,848	\$ 449,482	\$ 552,451	\$ 596,000	\$ 609,388	\$ 666,000	\$ 587,105	\$494,341	\$565,767
Victims paid	482	453	832	577	554	618		757	574	576
<u>Deferment Program</u>										
Number of participants	746	536	650	574	937	1574	680	691	614	612
Community service hours completed	3,480	1,639	8,407	5,573	11,090	11,040	9,620	9,454	11,348	12,504
Supervision fees collected	\$ 132,817	\$ 110,570	\$ 165,543	\$ 177,080	\$183,432	\$144,119	\$135,205	\$115,264	\$112,709	\$114,305
* Criteria changed in 2016, showing all participants during the year, not just as of December 31										
Sheriff's Department:										
Calls for service	32545	32352	30943	32458	N/A	N/A	N/A	N/A	N/A	N/A
Dive team rescues	1	2	2	1	2	1	2	1	2	3
K-9 responses	154	114	99	173	199	199	206	173	167	126
ESU team deployments	2	10	4	6	5	9	14	21	19	11
Accident reconstruction	10	8	16	16	14	17	17	23	20	21
Sex registry offenders	72	72	67	75	76	70	71	85	88	89
Evidence articles cataloged	185	189	161	195	416	746	1,241	1,847	2,329	1,055
Civil service processing	4,224	4,757	8,094	7,767	7,482	6,251	7,833	7,777	8,437	9,651
Detective cases assigned	1,416	1,094	1,205	1,369	1,378	1,267	1,394	1,435	1,318	1,136

COUNTY OF CUMBERLAND, MAINE

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Jail</u>										
Average inmates	306	306	378	387	388	438	451	452	449	447
Total jail meals served	377,298	377,298	462,294	473,301	474,524	535,674	551,573	552,796	549,165	491,034
Cumberland County Regional Communication Center										
# of PSAP Communities	19	19	19	19	19	19	19	19	19	22
<u>Calls for service</u>										
American Red Cross	N/A	N/A	N/A	N/A	N/A	-	-	113	153	111
Baldwin Fire Department	111	127	112	115	122	86	64	115	86	114
Bridgton Police Department	5,514	5,728	5,496	5,933	5,496	5,243	4,916	4,999	7,402	8,090
Bridgton Fire Department	390	388	374	403	420	389	357	340	347	359
Casco Fire Department	776	700	810	738	698	691	592	539	630	655
Chebeague Island	85	95	79	103	102	118	111	112	108	120
County Sheriff's Office	32,106	31,956	31,178	32,451	31,849	30,011	28,808	30,983	34,373	31,316
Cumberland Fire & Rescue	1,049	857	961	964	1,096	1,330	1,239	1,215	807	1,132
Cumberland Police Department	7,031	8,673	9,527	9,105	8,666	8,224	6,829	6,532	9,981	8,905
Cundy's Harbor	202	214	255	197	249	202	195	195	173	139
Frye Island Fire Department	46	46	40	40	49	38	64	30	27	27
Frye Island Police	N/A	N/A	N/A	N/A	N/A	566	525	420	288	288
Gray Fire Department	1,517	1,334	1,209	1,129	1,507	1,317	1,309	1,194	1,077	1,074
Gorham Police Department	13,307	12,002	13,795	14,905	14,785	15,042	12,990	13,697	17,411	17,225
Gorham Fire Department	3,003	2,778	2,771	2,779	3,069	2,905	2,920	2,664	2,589	2,737
Harrison Fire & Rescue	364	367	325	327	309	360	317	285	268	302
Harpswell Fire Department	321	331	331	325	286	248	257	242	224	191
Long Island Fire Department	45	49	58	53	64	94	94	59	85	82
Naples Fire & Rescue	876	780	812	879	838	761	787	713	745	847
New Gloucester Fire Department	666	618	562	559	230	597	576	581	467	499
North Yarmouth (six mos. in 2017)	429	383	352	358	616	-	-	-	-	-
Orr's/Bailey's Island	311	279	321	281	247	310	234	203	206	206
Pownal Fire Department	160	196	-	-	-	-	-	-	-	-
Raymond Fire & Rescue	918	890	774	816	906	831	772	736	767	714
Sebago Fire Department	406	321	290	176	-	-	-	-	-	-
Standish Fire Department	2,237	2,105	1,798	1,019	-	-	-	-	-	-
Windham Fire Department	3,416	3,297	3,180	3,114	3,111	2,789	2,745	2,568	2,508	2,606
Windham Police Department	14,277	15,634	16,848	16,467	17,683	18,116	18,737	18,251	21,755	18,666
Total	89,563	90,148	92,258	93,236	92,398	90,268	85,438	86,786	102,477	96,405
Block Grant Funding	\$ 2,584,976	\$ 2,584,976	\$ 1,142,316	\$ 1,143,608	\$ 1,105,864	\$ 926,514	\$ 2,083,889	\$ 1,360,102	\$ 2,010,657	\$ 2,010,657

COUNTY OF CUMBERLAND, MAINE

MISCELLANEOUS STATISTICS
DECEMBER 31, 2021

Date of Incorporation	1760
Area	835
Persons per Square Mile	363.0
White persons	92.0%
African-American persons	3.2%
American Indian and Alaska Native persons	0.4%
Asian persons	2.4%
Persons reporting two or more races	2.0%
Persons of Hispanic or Latino origin	2.2%
Living in same house in 2016 and 2020, 1 yr and older	87.0%
Foreign born persons	6.0%
Language other than English spoken at home, 5 yrs and older	7.1%
High School graduates, age 25 and older	95.3%
Bachelor's degree or higher, age 25 and older	48.1%
Veterans, 2016-2020	17,194
Average travel time to work (minutes), age 16 and older	23.3
Housing units	151,443
Home-ownership rate	70.0%
Median gross rent, 2016-2020	\$1,193
Building permits, 2021	1,944
Households	123,384
Persons per household	2.32
Persons with a disability, under age 65 years, 2016-2020	7.5%
Persons without health insurance, under age 65 years	7.8%