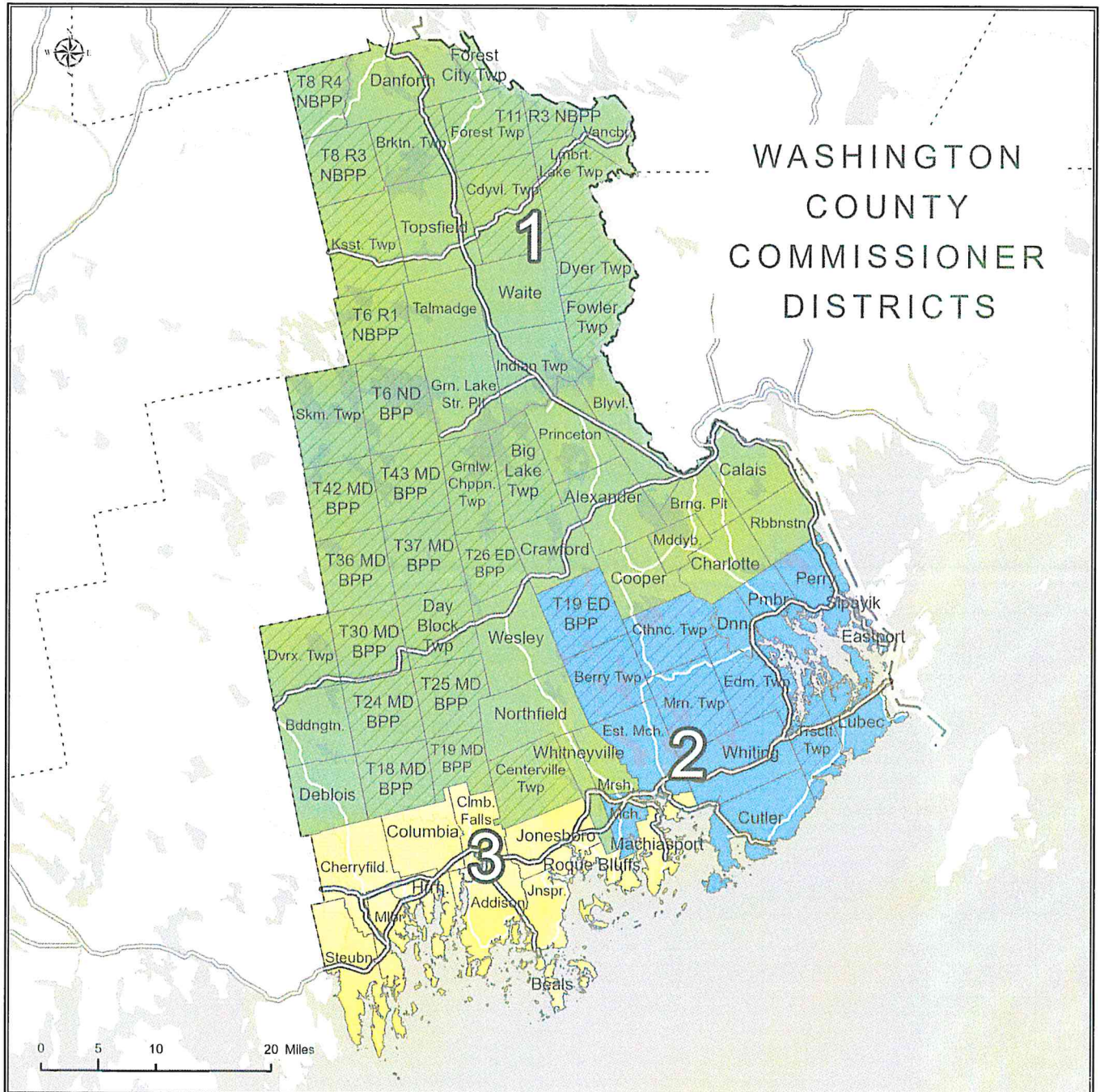


County of Washington

State of Maine

2025 Annual Report



"The Sunrise County – where the sun first shines!"

About County Government

ROLE OF COUNTY GOVERNMENT

County Government is Maine's oldest form of government, pre-dating statehood and even the Declaration of Independence. The County is the only form of regional government whose officials are directly elected by the voters. There has always been a role for county government, providing democratic institutions that operate at the regional level between municipalities and the state. Washington County, Maine, was officially established on June 25, 1789. It was created from a portion of Lincoln County while Maine was still a part of Massachusetts, and it was named in honor of George Washington.



COUNTY COMMISSIONERS

The voters in each of Maine's 16 counties elect three, five or seven commissioners to four-year terms to oversee the operation of county government. Each commissioner serves a separate district within the county. Washington County has three Commissioners. In 2025, there were three new commissioners. Two Commissioners were voted to the board by the voters; Commissioner William "Billy" Howard to serve District One and Commissioner David Burns to serve District Two. District Three continued to be represented by long-term board member Commissioner Crowley whose term would end December 2026. In April of 2025 Commissioner Crowley announced his resignation as County Commissioner. He had been elected to his first term as Commissioner in 1999. Commissioner Courtney Hammond was appointed as Commissioner for District Three by Governor Janet Mills. Commissioner Hammond has been a great addition to the Board of Commissioners. Commissioner Crowley will be missed. Commissioners, as the counties' chief elected officials, are ultimately responsible for the fiscal operations and policy decisions affecting county government. Additional duties include municipal tax abatements appeals and hearings on maintenance of town roads. They also serve as the municipal officials in the many unorganized territories of Washington County. There are thirty-four unorganized territories in Washington County. The County Managers handles daily operations of the County on behalf of the Board of Commissioners.

LAW ENFORCEMENT AND CIVIL PROCESS

The Sheriff's Office is responsible for the majority of criminal investigations. The Sheriff's Office provides highway patrol in Washington County which is an area of 3,258 square miles; approximately 116 miles, and 2 hours and 17 minutes of driving time from one end of the county to the other. The Sheriff's Office is also responsible for serving all civil lawsuit complaints and related documents throughout the state. The Sheriff is an elected position.

CORRECTIONS

The Washington County Jail has been open since before the Civil War. In 1858 when the jail initially opened, the capacity for prisoners was 28. The jail saw major construction and renovation in 1988 and is largely structurally the same since that time. The Maine Department of Corrections is the governing oversight body for jail standards, which drives the jail operations. By Maine Law, the Jail Keeper is the Sheriff. The facility operations, and the custody and care of the inmate population is their responsibility. The capacity of the Washington County Jail in 2026 is 42. The daily population of the jail fluctuates from its rated capacity of 42 almost daily. At times the population is sometimes less but in the past 18 months it has been significantly more. The average daily population for the jail in 2025 was 57 inmates. The kitchen staff prepared more than 50,000 meals for the inmate population. The jail is staffed by 24 Correction Officers, 3 full-time cooks, one maintenance worker and the Jail Administrator.

REGIONAL COMMUNICATIONS CENTER

Washington County provides a valuable public safety answering and dispatching services to fire, police and EMS departments in the surrounding municipalities.

REGISTRY OF DEEDS

The Registry of Deeds provides two main services to the people of Washington County. The Registry records all documents and survey plans that affect property lying anywhere within the boundaries of the county. Documents are in safekeeping and available for the public. The Registry maintains an index of buyers and sellers' names so that the documents and maps may be easily found. The Registrar of Deeds is an elected position.

COUNTY TREASURER / FINANCE DEPARTMENT

Washington County has an elected Treasurer, a Finance Manager and Payroll / Accounts Payable Clerk. The Finance Departments' many responsibilities include sending tax billings to municipalities, payroll, accounts payable, and maintaining all the county's financial records and reporting.

REGISTRY OF PROBATE; PROBATE COURT

The Probate Court system is under the jurisdiction of the Maine Supreme Court and funded by the county. Washington County Probate Court handles all estates, as well as guardianship, conservatorship, changes of name, adoptions and other legal matters. Both the Probate Judge and the Register of Probate are elected positions.

EMERGENCY MANAGEMENT AGENCY

Washington County Emergency Management Agency is responsible for the coordination of municipal and county-wide efforts in times of natural and man-made disasters and public health emergencies.

EMA must develop and maintain plans for coping with disasters, such as toxic chemical spills. Approximately half the cost of the EMA office is reimbursed by the federal government and county government funds the other half.

DISTRICT ATTORNEY

Washington County is part of Prosecutorial District VII that covers both Hancock and Washington Counties and has offices in both Machias and Calais. The District Attorney's Office prosecutes criminal cases on behalf of the state within the county, and works to uphold the law and protect public safety. The office reviews police reports and evidence to determine whether criminal charges should be filed, represents the state in court proceedings and works closely with law enforcement throughout investigations and case preparation. The District Attorney's Office also supports victims and witnesses through the court process. Through these responsibilities, the office works to ensure justice is served fairly for victims, defendants, and the community. The District Attorney is an elected position.

UNORGANIZED TERRITORIES

There are thirty-four unorganized territories within Washington County. The residents of these unorganized territories require the same services as residents of incorporated municipalities. Washington County government provides these residents with services, including road and bridge maintenance, solid waste disposal and public safety. The state provides for education and land use planning.

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COUNTY OF WASHINGTON
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manager@washingtoncountymaine.gov

Commissioners:

David C. Burns, District II (2028) Chair
William "Billy" Howard, District I (2028)
Courtney Hammond, District III (2026)

County Manager:

Renée Gray

Administrative Secretary:

Carla J. R. Manchester

INTRODUCTION

The Washington County Commissioners are pleased to present the Annual Report of Washington County for the year 2025. Contained within these pages are reports from the departments of Washington County government, the services they provide to county residents, and the people who make it all work.

The Commissioners acknowledge that County government and the Budget Advisory Committee were again faced with difficult decisions regarding funding to maintain the services residents of Washington County, expect and deserve.

The Commissioners meet monthly, on the second Thursday of the month at 4:00 pm at the Courthouse.

This edition of the Annual Report, and subsequent addition, will be available on the county web page at www.washingtoncountymaine.com or in the Commissioner's Office.

"The Sunrise County – where the sun first shines!"

WASHINGTON COUNTY OFFICERS

County Seat – Machias

COUNTY COMMISSIONERS

David C. Burns, Chairman
John B. Crowley
Courtney K. Hammond
William Howard

Whiting
Addison
Columbia Falls
Calais

COUNTY MANAGER

Renée Gray

Addison

COUNTY TREASURER

Jill Holmes
Grace Falzarano, Provisional Treasurer

Jonesport
Columbia Falls

DISTRICT ATTORNEY

Robert Granger

Blue Hill

REGISTRY OF DEEDS

Tammy C. Gay, Register of Deeds

East Machias

PROBATE COURT

Lyman L. Holmes, Judge of Probate
Darlene Perry, Register of Probate

Machias
Machias

EMERGENCY MANAGEMENT AGENCY

Lisa Hanscom, Director

Roque Bluffs

REGIONAL COMMUNICATIONS CENTER

Joshua Rolfe, Deputy Director

Machias

SHERIFF'S OFFICE

Barry Curtis, Sheriff
Michael Crabtree, Chief Deputy

Cherryfield
Whiting

JAIL

Richard Rolfe, Jail Administrator

Machias

UNORGANIZED TERRITORIES

Heron Weston, U.T Supervisor

Eastport

BUILDINGS AND GROUNDS

Renée Gray, Supervisor

Addison

WASHINGTON COUNTY COMMISSIONERS' DISTRICTS

District I
Billy Howard

Alexander
Baileyville
Baring Plantation
Beddington
Calais
Charlotte
Cooper
Crawford
Danforth
Deblois
Grand Lake Stream Plantation
Marshfield
Meddybemps

Northfield
Passamaquoddy Indian Township Reserv.
Princeton
Robbinston
Talmadge
Topsfield
Vanceboro
Waite
Wesley
Whitneyville
Unorganized Territory of North
Washington County

District II
David C. Burns

Cutler
Dennysville
East Machias
Eastport
Lubec
Machias

Passamaquoddy Pleasant Point Reserv.
Pembroke
Perry
Whiting
Unorganized Territory of East Central
Washington County

District III
Courtney Hammond

Addison
Beals
Cherryfield
Columbia
Columbia Falls
Harrington

Jonesboro
Jonesport
Machiasport
Milbridge
Roque Bluffs
Steuben

2025 County Manager's report

From: Renée Gray, County Manager

First, I want to thank the amazing Department Heads and dedicated employees we have at Washington County Government. It takes a lot to run a tight ship, and we have the very best doing so. Thank you all, especially in such difficult times.

2025 ushered in a year of changes in Washington County Government. We welcomed two new County Commissioners, District II David C. Burns, and District I, William "Billy" Howard. Immediately, the Commissioners were faced with a turbulent financial situation. A continuation of the 2024 budgeting revelations in that a short-fall was created by the County not appropriately taxing the municipalities for 2020-2024 years, creating a major budgetary shortfall. The first quarter brought alarms from the County Auditor, indicating there would be extremely rough times ahead, the end result being a cashflow shortage. In May, we said goodbye to long-time Commissioner, John Crowley. We thank him for his many years of dedication and service to Washington County, both as Sheriff, Deputy, and County Commissioner. We welcomed Governor appointed Commissioner of District III, Courtney Hammond, to carry out the remainder of the term. In July it was revealed there was a major cashflow shortage which forced the Commissioners to request bond counsel to assist with an additional Tax Anticipation Note. This action allowed for the County to continue operations mid-year, until municipalities could begin paying their County Taxes. The County was extremely sorry to lose Treasurer Jill Holmes, who resigned the office due to personal reasons. Being in such fiscal disarray, Grace Falzarano-Town Treasurer for the Town of Columbia Falls, was enlisted to help guide through the budget and provide a snapshot of what the remaining 2025 budget would look like. The end result was a grim projection that 2025 would end with a shortfall, which would prohibit the County from paying off the Tax Anticipation Note, further complicating the County financial situation. It was at this moment, the County Commissioners, through legal advice, bond counsel and the County auditor resigned to the seemingly only option, a referendum bond, asking the voters to approve up to \$11,000,000. This would rid the County of the anticipated \$2.6 million debt, pay off the existing TAN by December 31, 2025, and be able to continue to provide critical services to the residents of Washington County. This bond was not approved and so an alternate plan had to be created and then implemented.

During the budget process and financial crisis of 2025, the Commissioners and members of the Budget Advisory committee collaborated with municipalities in Washington County to pay their portion of the 2025 Tax Anticipation Note and avoid default. We are proud to report the TAN was paid February 18, 2026, which provided the ability to continue operations with the new 2026 TAN. We encourage all Municipalities to pay their county tax in increments throughout the year, so that the TAN will not have to be used, incurring interest costs.

Through all of the problems revealed in 2025, the County now has the responsibility of moving forward by creating a strong financial foundation. We are all looking forward to rebuilding in 2026.

Sincerely,

Renée Gray
County Manager

2025 Annual Report – Washington County Emergency Management Agency

2025 was a productive year for the Washington County Emergency Management Agency. We focused on strengthening partnerships, improving emergency planning, and enhancing preparedness across the county. Our work included hazard mitigation, emergency exercises, training, community engagement, and technology improvements to support county-wide emergency response.

A major focus was the County Hazard Mitigation Plan, addressing risks such as storms, flooding, drought, wildfires, and pandemics, with strategies and priorities for municipalities. Public hearings were held throughout 2025 to gather information and review plan. We are finalizing FEMA-required edits with final submission to FEMA planned for April 2026.

Training and preparedness remained a priority. EMA hosted hazardous materials refresher courses. Staff attended hurricane preparedness, WEBEOC, and other emergency management courses. We also assisted with the School Security Assessment at Alexander Elementary School to enhance emergency protocols.

Collaboration continued throughout the year. EMA participated in the Upper Machias Bay Master Plan, attending monthly meetings, public hearings, and providing input on flood risk, infrastructure, and environmental resilience. EMA collaborated on the Community Orchestration Guide: Best Practice Preparation for a Commercial Fishing Incident. Green and White Hope, Inc., published the document on December 10, 2025, offering counties and municipalities guidance for maritime incidents.

Emergency exercises were robust. In June, EMA and the Washington County LEPC hosted the Mass Casualty Functional Exercise in Wesley, involving over 50 participants from local, state, and federal agencies. In September, EMA joined the CANUSLANT Tabletop Exercise, simulating a fire and hazardous material release aboard a vessel with U.S. and Canadian agencies. A full-scale exercise is planned for Fall 2026. October exercises with Versant Power tested outage reporting and inter-agency coordination via Smartsheet dashboards.

EMA remained actively engaged with federal and state partners, attending MEMA director meetings, county coordination meetings, and the Downeast Health Care Coalition. EMA Staff participated with MEMA in planning for potential nuclear evacuations in case of a nuclear event at the Point Lepreau facility, focusing on routes, control points, and shelter coordination.

Community engagement was a continued focus. EMA supported events such as the Crush Cancer 5K and the Fundy Bay International Marathon.

In summary, 2025 strengthened partnerships, improved planning, and enhanced readiness across Washington County. EMA will continue these efforts in 2026, focusing on completing the Hazard Mitigation Plan, fully implementing IamResponding, and supporting regional coordination to ensure safe and resilient communities.

Respectfully Submitted, Lisa M. Hanscom, Director

STATE OF MAINE
OFFICE OF THE DISTRICT ATTORNEY
PROSECUTORIAL DISTRICT VII
Hancock and Washington Counties

70 State Street
Ellsworth, Maine 04605
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(207) 255-6423 (Fax)

382 South Street, Ste A
Calais, Maine 04619
(207) 454-3159
(207) 454-2665 (Fax)



Robert C. Granger, District Attorney
Toff Toffolon, Deputy District Attorney

Delwyn E. Webster
Asst. District Attorney

Paige E. Babus
Asst. District Attorney

Justine T. Barry
Asst. District Attorney

Kirk D. Bloomer
Asst. District Attorney

Eric N. Columer
Asst. District Attorney

Timothy Cote
Detective

April 16, 2026

Renee Gray
Washington County Manager
85 Court Street
Machias, Maine 04654

RE: District Attorney Annual Report

Dear Renee,

I submit this annual report to outline major factors which have influenced District Attorney operations over the past year.

We have been stymied in our efforts to further reduce our criminal case backlog which escalated during the Court shutdowns associated with the Covid pandemic. While we managed to reduce the backlog somewhat in 2023 and early 2024, more recent events have slowed progress for two primary reasons: incoming caseloads continue to rise and we lack available court time to hold trials. This second issue is not within the District Attorney's control.

The Administrative Office of the Courts has reduced our available trial terms in Washington County by one half since 2024. We used to enjoy six trial terms per year (*every other month*). Unfortunately, the Administrative Office of the Courts has cut us back to three terms of a mere eight days each per year. Those numbers are still deceiving because the District Attorney's Office is not awarded use of all of those 24 days of Court time. We must share those trial terms with any Attorney General criminal cases and general civil cases. Hence, we are lucky to see 12 to 14 days of actual trial time annually to address District 7 criminal cases. Since many trials average 1 ½ to 2 days time per case, we therefore are only able to realize seven or eight trials annually under current conditions. This logjam is unsustainable. The problem was compounded this spring as the Court cancelled one trial term due to the retirement of Justice Harold Stewart. No Judges were available to immediately fill in. Justice Patrick Larson has now been assigned to sit in Hancock & Washington Counties, but we were recently put on notice that our next trial term will not occur until fall 2026.

Meanwhile, our caseloads are up 3% above 2025 levels and 48.8% above 2019 levels as detailed in the Court's monthly case report released on April 10, 2026. We currently have 462 pending criminal cases in Washington County, 63 active cases where defendants are in the process of completing deferred disposition terms and 59 reviewed cases awaiting initial court appearances. Thus, the total number of cases being handled by Washington County prosecutors is currently 584 matters. Keep in mind, however, that this number fluctuates daily because Prosecutorial District 7 receives up to 300 new cases per month from law enforcement agencies in both counties.

I strongly encourage our Legislative Delegation to continue to push the Courts to grant our County additional trial days so we can bring the case numbers down. This is particularly important where Defendants being held in jail pending trial result in significant incarceration costs for the County. Simple math tells us that at the current trajectory it will take well over a decade to resolve all pending cases currently pending on the active trial docket if all of those matters demand trial. During that time new cases will continue to accrue. As a result, Defendants are far more often filing Motions to Dismiss their cases on grounds that their constitutional right to a speedy trial is being violated. At some point the Courts could actually start dismissing stale cases for lack of prosecution. It remains impossible to prosecute cases through trial, however, if the Court does not provide the State with available trial days to move cases. Defense attorneys are keenly aware that prosecutors have their hands tied behind their back on the wrestling mat with the inability to push cases quickly to trial. Our only remaining option is to try to resolve cases via plea agreements with terms more favorable to Defendants than might ordinarily be extended. Prosecutors would prefer to secure convictions and achieve some level of punishment rather than to risk having the Court eventually dismiss cases that languish on the docket. Undoubtedly, victims of crime and the general public are understandably discouraged at times seeing lighter sentences imposed than might ordinarily be handed down in different circumstances. The public needs to remember, however, that prosecutors face a Hobson's choice in the current climate.

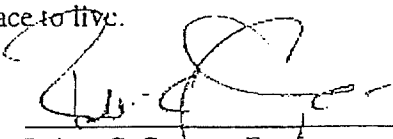
Given the well-publicized budget crisis, our Department lost a part-time administrative secretary position in Calais as of January 1, 2026. This means only one office staff person is available to keep the Calais District Attorney's Office open. Whenever that staff member takes vacation, exercises personal days or utilizes unexpected sick time, the Calais Office may not be open to the public. Citizens are urged to call ahead to ensure the office is open for personal business before making a long trip. This situation will impact the ability of persons to pay court-ordered supervision fees and restitution, or to seek information. Ultimately, closures could negatively impact our ability to timely process court filings as law enforcement cannot submit necessary papers through the office. Fortunately, shutdowns have been minimal thus far.

Our office prosecuted a number of high profile sexual assault and kidnapping cases this past year where the Court handed down significant sentences of 20 and 25 years imprisonment, respectively. A large number of drug trafficking cases also concluded with plea agreements through our resident Drug Task Force Prosecutor. We continue to face a wide variety of crimes, ranging from manslaughter to child pornography, domestic violence, aggravated assaults, terrorizing, firearms violations, serious motor vehicle offenses, burglary and drug cases. We also charged our first human trafficking sex case this year. That matter remains pending.

Renee Gray
County Manager
Page 3 D.A. Annual Report

If any member of the public has questions regarding District Attorney operations, please feel free to email us and we will endeavor to respond as time permits. We are forbidden from releasing case reports or investigative details in most situations except to law enforcement agencies, investigative state agencies and victims of crime. Please remember that our prosecutors are also barred from communicating with both represented and unrepresented defendants, except in certain well-defined situations.

As always, our primary focus is to work in partnership with law enforcement agencies in the County to help make our communities a safe and pleasant place to live.



Robert C. Granger, Esquire
Washington County District Attorney
Prosecutorial District 7

COUNTY OF WASHINGTON
REGISTRY OF DEEDS
TAMMY C. GAY, REGISTRAR
ANNUAL REPORT FOR 2025

By Maine State Statute the Registry of Deeds is allowed to collect records preservation surcharge money that is required to be used for the restoration, re-creation, and preservation of records within the office. In 2025 we collected a total of **\$17,493.00** plus interest for deposit into the fund. We utilized **\$24,043.25** of surcharge funds for various projects including the final restoration of old hanger and slide survey plans due to acidification. Our records management vendor Info Quick Solutions (IQS) was able to provide services of re-creating archival microfilm and preparing some of the older deed books for indexing to provide better digitization and easier searching capabilities.

The deeds staff has completed the in-house indexing project on book numbers 495 to 545 containing 50 years of documents. The completion of this project will make searching easier in house and on the website by name and book and page number.

2025 was a busy year for the registry regarding the legislature. Various bills were presented referring to recording fee changes, real estate transfer tax changes, deed fraud, mobile home parks, digital images, freedom of access, discontinued roads, budget advisory committee, state notaries, and public access to town ways. Tammy along with the Maine Register of Deeds Association took part in multiple discussions regarding statute changes of recording fees as well as changes in the Transfer tax amount collected for the county.

I would like to congratulate Deputy Heather Green on her 10-year employment with the county. Her work ethic is second to none. We are fortunate to have her professionalism, determination, and diligence as part of the Registry of Deeds team.

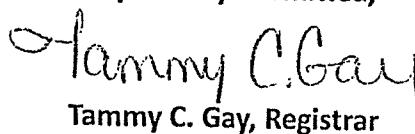
Tammy attended the Property Records Industry Association (PRIA) virtual symposium in February. She had the opportunity to participate in topics of discussion such as deed fraud, electronic notarization, bulk records access, AI use, electronic recordings, disaster recovery, and sovereign citizens. Lots of discussion and perspectives help identify and address such issues that may arise daily within the office.

The year 2025 shows an increase from prior years in recording statistics for the Registry of Deeds. We recorded 11,290 documents and 68 survey plans. As an agent for Maine Revenue Services, we collected \$1,067,152.50 in Real Estate Transfer Tax. The County was allowed to keep \$103,731.54 of this amount as revenue.

Recording Fees	263,153.00
Transfer Tax	103,731.54
Photocopy Fees	4,668.30
Fax Copy Fees	0.00
Postage Fees	1,367.16
Checking Acct Interest	3,899.99
Web Revenue	<u>5,386.14</u>
Total Revenue received for the County:	\$ 382,206.13

Records going back to 1784 are available in house and on our website at, www.searchiqs.com or www.maineregistryofdeeds.com. The Registry of Deeds employees take pride in being able to serve the public, attorneys, title abstractors, financial institutions, municipalities, surveyors, and genealogists. We strive in continuing to provide courteous service and produce high quality images for the efficiency and availability of public access in the year of 2026.

Respectfully submitted,


Tammy C. Gay, Registrar

LYMAN L. HOLMES
JUDGE

DARLENE M. PERRY
REGISTER

STATE OF MAINE
WASHINGTON COUNTY PROBATE COURT
P.O. Box 297
Machias, Maine 04654
Telephone: (207) 255-6591, probatecourt@washingtoncountymaine.gov

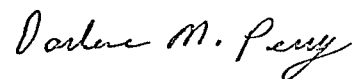
WASHINGTON COUNTY PROBATE COURT
2025 ANNUAL REPORT

Lyman L. Holmes served his thirty-sixth year as Judge of Probate. Darlene M. Perry completed her third year as Register of Probate and her twenty-first year employed with Washington County. Susan G. Bolles completed her third year as Probate Clerk and her tenth year employed with Washington County. John R. Woodward resigned as Deputy Register and we wish him the best of luck in all his future endeavors.

In 2025 we had over 273 new cases filed. We collected \$98,761.98 which includes a surcharge for the preservation of records, fees for filings, publications, notices, copies, abstracts, postage, the sale of court forms and certificates. We held over 126 Hearings and Conferences in the Washington County Probate Courtroom. We continue to use Zoom for parties not able to attend in person.

We are thankful to have the opportunity to serve the people of Washington County.

Respectfully submitted,



Darlene M. Perry
Register of Probate

Washington County Sheriff's Office

Barry Curtis
Sheriff

Michael Crabtree
Chief Deputy

Richard Rolfe
Jail Administrator

Paula Johnson-Rolfe
Office Manager



Mailing Address:
83 Court Street
Machias, Maine 04654
Telephone: (207) 255-4122
Fax: (207) 255-3641

Physical Address:
82 Court Street
Machias, Maine 04654

February 19, 2026

To the Citizens of Washington County:

Each year, this report provides an opportunity to reflect on and review the immense work performed by the dedicated men and women of the Washington County Sheriff's Office. I remain humbled by the commitment, professionalism, and outstanding performance demonstrated by our employees. I continue to be overwhelmed by the support and confidence shown to both myself and our agency by the citizens of Washington County.

In 2025, the Sheriff's Office faced significant challenges due to financial deficiencies outside our divisions. A hiring freeze was implemented, placing additional strain on an already stretched workforce. Despite these obstacles, our personnel continued to meet the needs of our community with resilience and professionalism.

Washington County spans 3,255 square miles, and in 2025, our deputies traveled well over 617,000 miles delivering essential services. The Sheriff's Office provides critical emergency services through multiple divisions. With reduced staffing levels, increased calls for service, and a higher inmate population, 2025 proved to be one of the most challenging years in recent history.

The Patrol Division responded to 9,691 calls while maintaining daily rural patrols, conducting criminal investigations, and supporting numerous community safety functions and events. Our two detectives investigated 116 cases, including some of the most serious crimes affecting our community's victims. The Civil Process Division processed 888 civil documents, ensuring the timely service of court-related matters.

The Regional Communications Center serves as the public safety answering point for fire, ambulance, and law enforcement agencies throughout Washington County, answering 23,472 calls in 2025. The Washington County Jail continued to provide a safe and secure environment for incarcerated individuals, with an average daily population of 57—136% of its rated capacity.

Our commitment to the people of Washington County remains the driving force behind everything we do. I extend my sincere gratitude to every employee of the Washington County Sheriff's Office who takes pride in their work and remains steadfast in their dedication to serving this community. Even in the face of adversity, their devotion to our mission—carried out with honor, integrity, and the highest ethical standards—demonstrates that our employees are truly the greatest asset of our county government.

Respectfully,

Barry Curtis
Sheriff Barry Curtis



83 Court St
PO Box 297
Machias, ME 04654
(207)255-8919
supervisor@wcut.maine.gov
www.wcut.maine.gov

2025 Unorganized Territories Annual Report

Throughout 2025, the Washington County Unorganized Territories (WCUT) focused on maintaining and improving transportation infrastructure, public services, and administrative systems. Key priorities included road and bridge projects, solid waste management, emergency services, and financial management. Highlights include:

Roads & Bridges

- **Richardson Brook Bridge (T19 ED)**
 - Replaced wooden deck with new concrete deck and guardrails
- **The Nineteen Rd (T19 ED)**
 - Continued major road reconstruction
- **Mill Stream Bridge Replacement (Centerville Twp)**
 - Preliminary Design completed with construction set for Summer of 2027
- **Trescott Twp Roads**
 - Major ROW (Right of Way) clearing

Financial Management & Budgeting

- **Washington County Budget Crisis**
 - Washington County Unorganized Territories is a separate financial entity from Washington County and was not affected directly by the 2025 budget crisis
- **WCUT Budget**
 - The 2025–26 UT Budget Request remained the same as the previous year at \$1,589,670.
 - Increases in Snow Removal, Emergency Services and Solid Waste expenses were offset by increased revenue from Excise Tax and Local Roads Assistance (MaineDOT) funds.
- **WCUT Audits**
 - At the time of publication (April 2026), the most current completed UT audit is 2020-21.
- **Property Taxes**
 - Property Taxes in the UT are made up of three components (percentage of tax bill in 2025)
 - State Services (35%) - Education, LUPC, etc
 - County Tax (10%) - WC Sheriff, Jail, Deeds, etc
 - WCUT Services (45%) - Roads & Bridges, Emergency Services, Solid Waste, etc
 - Maine Revenue Services performed a reevaluation of WCUT properties in 2025, increasing the value of residential and waterfront properties and decreasing the value of timber and forestry lands.

Administration

- **WCUT Office**
 - relocation from 28 Center St to 83 Court St (old Sheriff's office) in Machias
 - Regular office hours established (Tues & Thurs 8am-4pm)
- **Digital**
 - Improved website (wcut.maine.gov)
 - New facebook page (search Washington County Unorganized Territories)

Fire Protection

- **Countywide**
 - Extensive multi-year fire contract renewals with multiple departments (Danforth, Princeton, Lubec, Springfield, Dennys River, Epping, Whiting, East Machias)

Cemeteries

- **Centerville Twp**
 - Assumed maintenance responsibility for Centerville cemeteries after dissolution of local Cemetery Association

Shellfish Program

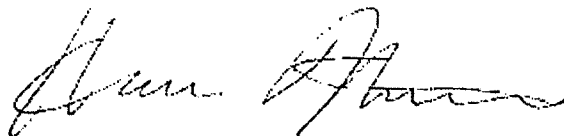
- **Edmunds and Trescott Twps**
 - Partnered with the Towns of Perry and Pembroke to share Shellfish Warden Services

Election Services

- **Countywide**
 - Expansion of Voting Place Agreements with multiple Town Offices to provide reimbursement for UT resident voting expenses (Danforth, Cooper, Beddington, Princeton, Dennysville, Whiting, Wesley, Grand Lake Stream, Columbia Falls, Topsfield)

This office would like to extend our sincere appreciation to all Town Office staff, construction and snow removal contractors, and emergency service providers we work with throughout the county. Your professionalism and dedication are essential to the well-being of UT residents and the effective functioning of our communities.

Sincerely,



Heron Weston
Washington County Unorganized Territories Supervisor

2025 ARCHIVES REPORT

2025 has been an interesting year. Again, the number of visitors is slowly increasing. Local visitors are slowly coming back, and we have had an increase of 'people from away' putting us on their travel agendas to visit and 'first hand' research their Washington County ancestors. Most of our time is spent answering inquiries coming to us via e-mail connection.

The year started with two volunteers, Celeste Sherman and Valdine Atwood. Mid-year Dale Miller, who had been with us before, returned. As always, we are looking for people who will join us. The dream of the Washington County Heritage Center is to have the Center open five days a week. In addition, we do have one paid employee, Susan Wright, who has been with the Archives Committee and Heritage Center for many years. In the past her salary has come from a line item in the county budget. As an archivist, Susan has been able to accomplish many projects for the courthouse and Washington County that volunteers could never do. The largest project is inventorying many, many boxes of materials found in almost every office and in the attic. She was able to handle more than one hundred and fifty thousand papers and documents and saving them in acid free folders and boxes. During the past few years, she has been scanning our copies of the Eastport Sentinel. This project stopped when the county budget problem surfaced. This, with only one and a half years of Sentinel copies left to do. In March 2026 a small grant was received that will finish this important project.

The question might be asked, why is all this work so important. We are sure that many do not realize that when the Archives Committee was formed back in 1999, an inventory was conducted of the historical holdings housed in our 1856 courthouse. It was found that Washington County is the only county in the State of Maine that has preserved items of history that are not prescribed by law. The conditions had deterred that held many of the items, so the members of the Archives Committee, and later the Heritage Center volunteers tried to find a way to better preserve these items for future generations. For example, perhaps the most important find in the boxes and boxes of mostly deputy Sheriff reports was a deposition given by Hannah WATTS Weston telling in her own words the story of how she and Rebecca Weston struck from Jonesboro to Machias bringing powder and supplies for the battle between the British ship Margarett and the Machias settlers aboard the Unity.

Submitted by,

Valdine C. Atwood, Chair
Archives Committee

ECONOMIC DEVELOPMENT SERVICES REPORT 2025



Sunrise County
Economic Council

Prepared for the Washington County Government / Submitted by Sunrise County Economic Council on Feb. 18, 2026

SCEC's mission is to create jobs and prosperity in Washington County. County government provides essential support to SCEC through a general contract for economic development work throughout the county, a specialized contract for business development work in the unorganized territories, and through its past contribution to SCEC's endowment. The following is a broad summary of economic development projects and services provided by SCEC on the County's behalf in 2025. This report does not include confidential and/or proprietary information related to work with specific businesses or development projects. SCEC is available to discuss specifics in Executive Session at the discretion of the County Commissioners

WORKFORCE

Family Futures Downeast (FFD)

Fifty families were enrolled in FFD by the end of 2025. Parents worked with FFD Family Coaches on education goals, employment pathways and small business ownership plans. Parent leaders participated in several convenings to share their perspectives, including the Ending Hunger in Maine by 2030 statewide initiative, Jobs for the Futures's planning on Rising Futures Maine, Maine's 2Gen Summit, the SCEC Economic Summit and the Ascend at the Aspen Institute's forum on student-parents. Parents also participated in skill-building workshops hosted by the Community Caring Collaborative and University Credit Union, focused on interviewing skills, and "Understanding Credit & Credit Scores." FFD Youth participated in the year-long Hook & Hunt program, which supports family connection to the outdoors and emphasizes the importance of food harvesting in Downeast Maine. Since 2016, FFD parents have earned nine bachelor's degrees, 26 associate degrees, 109 certificates of value, and 37 professional licenses and certifications. Children from the first FFD cohort in 2016 graduated high school and five of those students began college at Washington County Community College (WCCC) and the University of Maine at Machias (UMM) in the fall of 2025.

Startup Downeast (SUDE)

As additional 2Gen/Whole Family supports are incorporated into SUDE, staff have sought to better understand which programs most effectively help parents succeed in college, workforce training, and small business development. While SUDE is open to anyone financially eligible, including individuals as young as 18, most participants are parents—many of whom do not currently live with their children. Stakeholders gathered in Calais in late 2025 to provide input on addressing the needs of fathers and non-custodial parents.

Alongside coursework, participants worked on business goals with SCEC small business advisors, CEI, and/or WCCC faculty. Three current participants have opened small businesses in the past two years through SUDE.

Working Communities Challenge (WCC)

The WCC partnership continued its work to meet goals set for the transition phase of the grant. The end of 2025 signified the halfway point of the final year of funding from the Federal Reserve Bank of Boston, which has been extended to the end of July 2026. The additional funding will cover staff costs as well as allowing the partnership to continue working on its four prioritized strategies. A highlight of this year included facilitating a day of meetings in Washington County between Dr. Susan Collins, President and CEO of the Federal Reserve Bank of Boston, Passamaquoddy Tribal leadership and Washington County business leaders. The WCCC Director also presented at the 2025 SCEC Economic Summit on responsive and culturally sensitive HR policies.

Scholarships

With assistance from the Next Generation Foundation, SCEC awarded eight scholarships totaling \$3,145 in 2025 to help local residents improve job stability, increase earning potential, and stay employed within Washington County. Specifically, scholarships supported recipients in the following sectors: healthcare (3), construction (1), outdoor recreation (2), hospitality (1), and trades (1).

ENTREPRENEURSHIP

Entrepreneurship & Small Business Center: MaineStreet Business Building (MSBB)

The Small Business & Entrepreneurship team at SCEC conducted extensive community outreach, training, and resource-sharing activities across Washington County, including monthly resource fairs at the Downeast Recovery Community Centers, business outreach days in Sipayik, Calais, Baileyville, Princeton, Danforth, Eastport, Cherryfield, and Lubec, visits with local schools and businesses, and events such as Career Day at Jonesport-Beals High School and the Machias Community Connections Fair in partnership with FFD and Machias Memorial High School, which engaged 88 community members, 238 students, 13 employers, and 27 resource providers. A standout initiative was the launch of the First Annual Fishing Family Forum, bringing together Downeast fishing families to address safety, mental health, financial stability, and community resilience.

The team also continued mentorship of Washington County youth through an incubator-style business competition in partnership with Machias Savings Bank and Jobs for Maine Graduates (JMG), culminating in a spring pitch competition. The team maintained office and coworking memberships at MSBB, and saw an increase in drop-in usage of coworking facilities. In total, approximately 362 hours of one-on-one advising was provided to area businesses and entrepreneurs.

Entrepreneurship Pathways

Partners in Entrepreneurial Pathways is an accredited virtual startup accelerator series focused on business plans and start-up development. In 2025, Pathways 1.0 and 2.0 reached 110 individuals. Since 2020, Partners in Entrepreneurial Pathways programs have reached approximately 550 individuals and included nearly 50 partners who join in course delivery, including our primary program partner, WCCC. Nearly 50% of participants were from Washington County, with others across the State of Maine, and beyond.

Maine APEX Accelerator (formerly Maine PTAC)

The APEX Counselor was involved in various outreach events throughout Washington County in 2025. These events were designed to meet businesses where they are physically located, and focus on local contracting opportunities, marketing, and understanding solicitations. The Counselor provided one-on-one counseling, assistance with certifications and registrations, bid match services, and bid/proposal assistance. In 2025, the number of active APEX clients in Washington County increased from 116 to 123.

DownEast Acadia Regional Tourism (DART)

DownEast Acadia Regional Tourism (DART) successfully secured FY26 funding beginning July 1st, 2025, with its tourism marketing and promotion grant increased to \$300,000—a \$50,000 increase from 2024. This enhanced funding supports expanded service delivery, a more robust paid advertising strategy, the return of the DART annual event, and increased distribution of visitor resources. DART delivered 20,000 Region Maps featuring advertisers from across the region—the first reprint in five years—and printed 35,000 copies of its Region Guide, while actively promoting the digital guide through social media ads, events, and regional outreach. Additionally, DART contributed one quarter of the cost of a short-term rental data purchase to support SCEC's affordable housing study.

National Heritage Area (NHA)

After overcoming funding uncertainties in the first half of the year, the NHA management planning team and partners met in September and identified heritage-based projects that multiple groups can collaborate on to unite them as stewards of the Downeast Maine NHA. The NHA planning team developed four subcommittees to develop specific projects to advance the team's mission, including strategies for engaging the public. SCEC continues to work closely with the National Park Service to develop a public engagement strategy. SCEC communications staff developed a new website that provides information for interested people and organizations during the planning process and that will expand as program implementation begins. The coordinator participated in several visioning meetings of trails, conservation, recreation, and heritage organizations across the region. The coordinator also participated in conversations regarding a Friends group for the St. Croix Island International Historic Site in Calais.

INFRASTRUCTURE

Sustainable Prosperity Initiative (SPI)

Throughout 2025, SCEC advanced infrastructure and resilience initiatives focused on coastal adaptation, fisheries sustainability, energy reliability, and community planning. The Upper Machias Bay Master Plan progressed through data gathering, stakeholder coordination, and public engagement. Early work identified key challenges related to the Machias Dike replacement project, downtown Machias flooding, water quality concerns in Machias Bay, and conservation considerations. Two public meetings were held in November and December to share information and discuss options related to dike replacement and flood adaptation. Final recommendations will be developed in early 2026 in coordination with municipal, state, and federal partners.

SCEC continued to serve as a regional hub for the Alternative Lobster Gear Testing Program in partnership with the Maine Department of Marine Resources. Participation increased during the year, and by December, thirteen Washington County lobster harvesters were actively testing ropeless and on-demand gear systems. Feedback from the testing was shared with gear developers and regulators and presented at the Ropeless Consortium conference. Through the Energy Technology Innovation Partnership Project, SCEC collaborated with the Island Institute, Versant Power, and the National Renewable Energy Laboratory to increase public understanding of grid operations, outage prevention, and safety. Outreach efforts were delivered through public events and the "Power to the People" campaign. Materials are being developed to assist municipalities with outage prevention and safety.

SCEC supported shoreline access and working waterfront infrastructure, including assistance with planning and implementation of access improvements for commercial shellfish harvesting at Federal Harbor in Lubec. A year-long technical assistance project conducted by the National Centers for Coastal and Ocean Science concluded with the release of a Community Risk Assessment Portfolio for coastal and inland portions of Washington County and the Greater East Grand region. The assessment examined hazard profiles, infrastructure risk, road isolation risk, and areas at risk of community isolation, and will inform future municipal and regional planning efforts.

Downeast Fisheries Partnership (DFP)

The Downeast Fisheries Partnership continued regional collaboration around watershed health, fisheries education, and climate resilience. DFP completed its two-year watershed education project, engaging approximately 100 students annually in grades 5-8 across Washington County in field-based learning focused on water quality, invasive species, sea-run fish migration, fish passage, and flooding mitigation. The project also included professional development opportunities for regional educators. DFP hosted a regional convening, bringing together approximately 40 partners to reflect on priorities and the future of regional fisheries. The Partnership initiated a comprehensive review of its 2020–2025 Strategic Plan and also advanced the Downeast Trail Revitalization Project, completing the trail sign evaluation phase and securing initial funding to begin restoration and content updates.

Loans & Grants

SCEC administered loan and grant programs supporting infrastructure-related business activity and long-term economic resilience across the county. During the first quarter, SCEC originated an internal loan to assist a commercial fisherman with vessel maintenance, helping retain one full-time and one part-time job. Later in the year, two additional loans supported the expansion of a locally owned wine shop and the opening of a new café. These investments sustained four existing full-time positions and supported three planned full-time hires in 2026. SCEC worked with prospective borrowers navigating financing readiness, bookkeeping challenges, and loan application requirements. Technical assistance included business planning, financial projections, and preparation for lending review. County and internal loan programs leveraged private investment while supporting job retention and growth across multiple sectors, including commercial fishing, retail, food service, and trades, with activity extending into the Unorganized Territories.

Broadband

Broadband infrastructure and digital equity remained key priorities in 2025. SCEC coordinated with the Maine Connectivity Authority as the Broadband Equity, Access, and Deployment (BEAD) program underwent federal guidance changes and revised deployment timelines. Public-private investments expanded fiber connectivity across Washington County, including more than 4,000 homes under the Rural Digital Opportunity Fund, with additional BEAD-eligible locations pending final awards. Through funding from the Maine Connectivity Authority, SCEC partnered with giveIT.getIT to establish a technology sponsorship fund providing refurbished computers to low-income households. Additional partnerships with public libraries, adult education providers, and recovery centers expanded access to devices, digital skills training, and workforce-focused technology education.

Municipal Assistance and Outreach

SCEC provided ongoing planning, technical assistance, and coordination support to municipalities and unorganized territories throughout 2025. This included assistance with comprehensive planning, hazard mitigation planning, Brownfields assessments, shoreline resilience initiatives, and capital project development. The Washington County Hazard Mitigation Plan update advanced through drafting and review stages. Danforth completed and submitted its comprehensive plan for state review, with additional municipal plans in progress. Brownfields assessments continued at multiple sites. SCEC assisted municipalities in securing and implementing funding for working waterfront improvements, transportation safety initiatives, dam and fish passage projects, waterfront infrastructure, and energy efficiency upgrades. Installation of doors, windows, and heat pumps at the Whitneyville Hillgrove Community Center resulted in no fuel oil use during the 2024–2025 heating season, reducing carbon dioxide emissions by approximately 14,000 pounds. Work progressed on the Whiting Mill Pond Dam and Fish Passage project and Jonesport's Henry Point Working Waterfront project. Regular communications through News for Communities provided municipal leaders with information about funding opportunities, training resources, and technical assistance.

SCEC participated in regional and statewide planning networks and continued to provide staffing and fiscal services to the Washington County Council of Governments. Through its role as Community Resilience Partnership Service Provider and Regional Coordinator, SCEC supported multiple Washington County communities in resilience planning and project development. Calais, Machiasport, East Machias, and Pembroke completed Community Resilience Partnership enrollment steps, including self-assessments and community input sessions. SCEC assisted communities with the development of Community Action Grant proposals, including projects related to public water feasibility, erosion mitigation, energy efficiency upgrades, and infrastructure planning. Community vulnerability assessments progressed for Machias, Machiasport, Roque Bluffs, Cutler, and East Machias. A coastal erosion workshop hosted in Machias brought together more than sixty landowners and municipal leaders to review nature-based shoreline approaches.

Greater East Grand Economic Council

The Greater East Grand Economic Council (GEGEC) became an independent entity at the end of 2025, fulfilling a goal of the organization. SCEC will continue to partner with GEGEC on projects to benefit the region.

ORGANIZATIONS & INITIATIVES

None of this would be possible without the help of our partners and supporters: Aroostook Mental Health Center, Coastal Enterprises Inc, College of the Atlantic, Cooperative Development Institute, Community Caring Collaborative, C.O.R.E, Downeast Acadia Regional Tourism, Downeast Community Partners, Downeast Institute, Downeast Public Health Council, Downeast Salmon Federation, Eastern Maine Development Corporation, Eastern Maine Electric Cooperative, Greater East Grand Economic Council, GrowSmart Maine, Healthy Acadia, Hancock County Planning Commission, Island Institute, Machias Savings Bank, Maine Center for Coastal Fisheries, Maine Coast Heritage Trust, Maine Community Foundation, Maine Development Foundation, Maine Office of Community Development, Maine APEX, Maine Seacoast Mission, Maine Sea Grant, Maine Small Business Development Center, Mano en Mano, Manomet, National Digital Equity Center, Northeastern Workforce Development Board, Northern Border Regional Commission, Northern Maine Development Commission, Northern Forest Center, State of Maine, University of Maine at Machias, Wabanaki Aspirations, Washington County Adult and Community Education, Washington County Community College, Washington County Development Authority, and Washington County Government.



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Mission

The mission of University of Maine Cooperative Extension is to help Maine people improve their lives through an educational process that uses research-based knowledge focused on issues and needs.

UMaine Cooperative Extension is the doorway to University of Maine expertise. For over 110 years, we've been putting university research to work in homes, businesses, farms, and communities — in every corner of Maine. Our educational efforts focus on the Maine Food System and Youth Development through 4-H programs.

We are part of the nationwide Cooperative Extension System, which works through the land-grant universities in each U.S. state. Maine's land-grant university is in Orono at the University of Maine. In addition to our state offices in Orono, we have a network of county-based offices staffed by experts who provide practical, locally-based solutions for farmers, small business owners, youth, parents, consumers, and others.

We receive federal support through USDA-NIFA, state support through the University of Maine, and local support through Maine county governments.

Here in Washington County, we are pleased to report the following 2025 program highlights.

4-H Youth Development

University of Maine Cooperative Extension conducts the state's most successful out-of-school youth educational program through 4-H. 4-H is a youth development organization that empowers young people to reach their full potential and prepare them to be Beyond Ready in a changing world through 4-H projects and programs.

During the 2024-2025 4-H year, which runs from October 1st to September 31st, 947 youth participated in 4-H in Washington County. Youth engage in 4-H in various contexts and modalities, such as county events, workshop series, afterschool programs, cultural celebrations, state and national conferences, competitions, Greenland Point 4-H Camp and Learning Center, and more.

- 17 4-H volunteers contributed to programming efforts, chaperoning trips, and supporting youth sparks.
- 52 youth participated in 4-H Science Fridays at the University of Maine at Machias campus. Goals of this program include getting youth and families familiar with the UMM campus, engaging in high-quality programming, and promoting interest and enjoyment in STEM.
- 97 youth enrolled in Washington County 4-H
- 279 youth attended Greenland Point 4-H Camp and Learning Center in Princeton for summer week-long programs, such as Warden Camp, Leadership Camp, Hooked on Bass, and more.
- 432 youth participated in collaborative 4-H programs with 17 schools, libraries, and community organizations. Programs included the Downeast Birding Festival School Days, Institute for Curious Youth, Downeast Teen Leadership Camp and Black Bear Camp at UMM.

Many youth in Washington County are interested in STEM. 4-H is able to respond to this by offering programs focused on STEM, providing youth with opportunities through collaborations, and connecting youth with career professionals and experts in the field. In 2025, a group of 4-H'ers (ages 11-15) participated in a virtual series that included a space mission led by the Challenger Learning Center. After reflecting on their experience, skills learned, and related career aspirations, youth expressed interest in going to the Challenger Learning Center in Bangor. In Spring 2025, 17 youth from Hancock and Washington counties engaged in an interactive space mission at the learning center, where they met other youth with similar interests, provided feedback on the experience, and talked about future goals in the subject. Through "learn by doing" experiences like these, 4-H'ers are acquiring the skills and knowledge to be Beyond Ready for work and life after their adolescent years.

Beginning in 2023, Oh Yea! 4-H Grows True Leaders project working in collaboration with Mano en Mano, has reached an audience of underrepresented youth in rural Maine. This grant funded program designed for grades K-12, reaches youth through workshops, field trips, conferences, and experiential learning experiences under the themes of STEM, healthy living, cultural and traditional ties, food systems, career pathways, and service learning. Highlights from 2024/2025 include:

- 40 youth participated in food preparation and cooking workshops while exploring food systems.
- More than 120 youth participated in healthy living events, such as monthly hiking trips and an annual family ice-skating field trip.
- Over 200 people across generations celebrated cultural ties at craft workshops making traditional Mexican "calevara" masks for Dia de los

Muertos and screen printed t-shirts and bags at Dia de los Madres Festivals.

- 16 teenagers represented their county and their culture at the Maine Youth Action Network Conference.
- 10 teen teachers implemented the 4-H Summer of Science curriculum at Mano en Mano's Blueberry Harvest School, which provided 79 children of seasonal workers with a summer camp-like experience. They received an honorarium for their hard work and training.
- 4-H partnered with Maine Department of Education's Extended Learning Opportunity program to engage five teens in career pathways exploration.
- 50 youth participated in food drives at Mano en Mano and trail maintenance with Maine Coast Heritage Trust as part of a service learning initiative.
- 20 teenagers participated in 4-H youth council meetings to discuss and plan the annual Regional Youth Council meeting and to decide the direction of OH YEA 4-H in Washington county.
- Eight teens attended the 4-H Ignite Conference in Washington D.C. The four-day interactive summit helped teens find their spark through inspiring speakers, hands-on workshops, off-site experiences, career exploration and connection with peers. Participants gave a presentation at the Washington County Extension Association Annual Meeting.

Maine Food Systems

Sustainable agriculture experts assisted 14 producers with technical assistance through on-farm visits and discussions. Topics included livestock health and husbandry practices, value-added product development, and environmental management for healthier farm systems.

In April, 2025, a Small Ruminant Parasite management course was held at the county office. This half-day event allowed producers from across the county and state to grow in their sheep and goat health care skills and become certified in diagnostic practices.

The Eastern Maine Regional Opportunities for Ocean, Timber, and Soil (ROOTS) Conference was held in Washington County, highlighting dozens of speakers and vendors from across the Downeast region. This conference focuses on industry-specific challenges and opportunities, as well as cross-cutting efforts and novel approaches.

Over 100 people from the Downeast region, and beyond, attended this conference. Seventeen individuals participated in the Introduction to Beekeeping Course. The eight-week course taught by Master Beekeeper, Andrew Dewey, focused on the basics

of keeping honey bees in the traditional Langstroth beehive, from hive construction to honey bee behavior and honey production.

91 people attended the Wild Blueberry Spring Conference. Topics included fresh pack and harvesting innovations, the latest pest management tools, and nutrient management knowledge.

118 growers participated in Blueberry Hill Farm Field Day in Jonesboro. This annual day-long event brings in experts to discuss relevant topics such as insect and disease management, crop and industry updates.

Five Master Gardener Volunteers spent over 220 hours assisting with food insecurity projects in the county. Their efforts at sites like the Downeast Restorative Harvest Garden and Washington Academy Harvest for Hunger Garden, both part of Healthy Acadia's Downeast Gleaning Initiative, and the Incredible Edible Garden in Milbridge provided over 13,000 pounds of produce to Washington county food banks, soup kitchens, or other donation sites.

39 Washington County residents participated in virtual gardening learning opportunities including the Maine Gardener and Horticulture Apprentice Programs.

Client Assistance

Ninety five Washington County residents received research-based information and guidance on issues including insect identification and management, ticks, PFAS concerns, plant disease diagnostics, gardening including soil testing, food preservation, livestock and farming from direct contact with the Washington County office through office visits, telephone and emails.

Washington County Extension Association

President: Nicholas MacDonald

Vice President & Secretary: Robin Pinto

Treasurer: Lisa Hanscom

Members: Edward Latham III, Inez Lombardo, Amanda Smith

Staff

Gabrielle Brodek, 4-H Youth Development Professional

Jason Palomo, Oh Yea! 4-H Grows True Leaders Professional

Rachel White, Assistant Extension Professor, Sustainable Ag & Livestock Educator

Tara Wood, Administrative Specialist

Finance Department

County of Washington

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Grace Falzarano, Provisional Treasurer
treasurer@washingtoncountymaine.gov

Sondra Small, Finance Office Manager
financeclerk@washingtoncountymaine.gov

Megan Huffman, Finance Clerk
appayroll@washingtoncountymaine.gov

To the Citizens of Washington County,

To say this past year was a bit tumultuous is certainly an understatement. Hopefully, this is the last time Washington County goes through such a time.

As the new person on the scene, I came into the Finance Department in late August of last year. By mid-September, I was appointed as your provisional treasurer. The hard work of trying to figure how we arrived at such a crossroad and then how to correct the problem from beginning to end had already begun.

In my opinion, Washington County has been blessed with two people in the finance department who did not run when the going got tough. Instead, they stayed, took on additional duties, and then helped me (your provisional treasurer), the manager and commissioners figure out the true picture.

It was with the help of the Washington County Department Heads, Budget Advisory Committee, the Commissioners, the Washington County Legislative Delegates, and multiple people behind the scenes that helped get us all through this very difficult time.

Let us not forget the most important help received was from you, the citizens of Washington County. Without the willingness and understanding you gave us, the tasks at hand would have been so much more difficult. It was your help that enabled us to pay off the 2025 Tax Anticipated Note (TAN). We really do appreciate our citizens!

Looking forward to 2026, the Budget Advisory Committee (BAC) and the Commissioners added to the 2026 budget a new position of Finance Director. This role will be a person who has the qualification and experience to run the Finance Department.

The BAC and Commissioners have also included funds for an individual to process pre-audits beginning with 2023. This person will be helping to ensure our accounts are prepped and ready for auditing. It will also help an auditor to complete the audits in a timely manner. The goal is to have two audit years – 2023 and 2024 – completed by December 2026. The next goal is to complete 2025 and 2026 during the 2027 calendar year. Moving forward, this means the budgets will be increased to include these additional costs for auditing.

With all of this said, we cannot forget our local bank. It is with the help and generosity of Machias Savings Bank that the County was able to obtain a Tax Anticipation Note (TAN) for the 2026 calendar year. As they should, Machias Savings Bank did require loan conditions. Those conditions are

1. Submit monthly expense/revenue budgets;
2. hire a full-time finance director;
3. Complete audited financial statements for 2023 and 2024.

Currently, we are having to use the 2026 TAN to pay our staff and vendors. It would be helpful to us if any of the Washington County Municipalities would be able to make monthly payments for their 2026 tax assessment. We currently do have four municipalities that are trying to do this. Though most municipalities may not have the funds to pay, any amount would be helpful. The more we receive from them now, the less we must use from the TAN and less in interest we would have to pay.

With the 2027 budget quickly approaching, we are continuing to make changes for a more positive financial future here in Washington County. We invite citizens to attend all Commissioners' meetings and/or send comments that you feel may be helpful. The Commissioners typically meet on the second Thursday of each month. Please check Facebook for a posted agenda.

Respectfully submitted,



Grace L. Falzarano, Provisional Treasurer

2026 Budget

County of Washington

STATE OF MAINE

Presented by the Budget Advisory Committee for approval by:

Washington County Commissioners



David C. Burns, Chairman



Courtney Hammond, Commissioner



Billy Howard, Commissioner

Attested: Washington County Manager



Renée Gray

12/29/2025

Date

Washington County

Washington County Budget
Computation of Tax Levy

12/17/2025 - FINAL Budget

<u>Expenditures</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Variance \$ Change</u>	<u>Variance % Change</u>
Departments	11,211,630.00	11,701,655.00	13,215,719.00	1,514,064.00	12.94%
Reserves	100,000.00	100,000.00	111,000.00	11,000.00	11.00%
Contingencies	0.00	0.00	100,000.00	100,000.00	100.00%
	<u>11,311,630.00</u>	<u>11,801,655.00</u>	<u>13,426,719.00</u>	<u>1,625,064.00</u>	<u>13.77%</u>

<u>Revenues</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Variance Change \$</u>	<u>Variance Change %</u>
Departments					
Fund balance - Surplus	1,599,954.00	1,925,166.00	1,854,121.00	-71,045.00	-3.69%
Fund balance - Carry Overs	0.00	0.00	0.00	0.00	0.00%
Fund balance - Contingency	1,613,460.17	0.00	0.00	0.00	0.00%
	<u>3,213,414.17</u>	<u>1,925,166.00</u>	<u>1,854,121.00</u>	<u>-71,045.00</u>	<u>100.00%</u>
				<u>-71,045.00</u>	<u>-3.69%</u>

<u>Amount to be raised by taxation</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Variance Change \$</u>	<u>Variance Change %</u>
Expenditures minus revenues	8,098,215.83	9,876,489.00	11,572,598.00	1,696,109.00	17.17%
Overlay	40,491.08	49,382.45	*		
	<u>8,138,706.91</u>	<u>9,925,871.45</u>	<u>11,572,598.00</u>		

Washington County

Washington County Budget
Expenditures by Department

12/17/2025 - FINAL Budget

Department - Expenditures	2024		2025		2026		2026 Request vs 2025 Budget	
	Budget	Actual	Budget	YTD	Request	Approved	vs	
							2025 Budget	% Change
Dept 602 EMA	131,544.00	173,189.94	137,553.00	120,274.88	139,304.00		1,751.00	1.27%
Dept 603 District Attorney	369,621.00	355,531.66	396,039.00	330,809.27	386,158.00		-9,881.00	-2.49%
Dept 604 County Admin	245,640.00	270,080.98	283,314.00	273,142.43	275,320.00		-7,994.00	-2.82%
Dept 605 County Finance	156,923.00	150,678.89	166,098.00	142,452.06	327,424.00		161,326.00	97.13%
Dept 606 County Buildings	447,089.00	388,232.22	360,232.00	390,551.93	543,700.00		183,468.00	50.93%
Dept 607 RCC	1,145,184.00	1,130,322.73	1,327,697.00	1,201,512.24	1,363,932.00		36,235.00	2.73%
Dept 609 Registry of Deeds	211,510.00	215,466.28	227,273.00	206,639.07	232,974.00		5,701.00	2.51%
Dept 610 Probate Court	244,135.00	244,434.23	277,982.00	234,642.12	241,249.00		-36,733.00	-13.21%
Dept 611 Sheriff's Depart	2,388,645.00	2,622,293.04	2,375,008.00	2,314,024.33	2,635,369.00		260,361.00	10.96%
Dept 612 IT	0.00	0.00	0.00	0.00	221,800.00		221,800.00	100.00%
Dept 614 Gov't Third Party	52,500.00	50,000.00	44,500.00	44,500.00	0.00		-44,500.00	-100.00%
Dept 618 Third Party Req	13,000.00	10,000.00	16,500.00	10,000.00	0.00		-16,500.00	-100.00%
Dept 619 Insurance	261,000.00	93,225.40	0.00	176,972.44	305,000.00		305,000.00	100.00%
Dept 620 Employee Ben	3,110,074.00	2,075,472.79	3,385,279.00	2,346,591.01	2,385,882.00		-999,397.00	-29.52%
Dept 622 Debt Service	24,000.00	124,068.70	75,000.00	0.00	150,000.00		75,000.00	100.00%
Dept 699 County Jail	2,410,265.00	3,669,460.09	2,629,180.00	3,688,225.13	4,007,607.00		1,378,427.00	52.43%
SUB-TOTALS	11,211,130.00	11,572,456.95	11,701,655.00	11,480,336.91	13,215,719.00		1,514,064.00	12.94%
Dept 660 Capital Reserves	100,000.00	11,425.53	100,000.00	5,750.42	111,000.00		11,000.00	11.00%
Dept 662 Contingency	0.00	0.00	0.00	0.00	100,000.00		100,000.00	100.00%
TOTALS	11,311,130.00	11,583,882.48	11,801,655.00	11,486,087.33	13,426,719.00		1,625,064.00	13.77%

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Expense

		2022	2023	2024	2025	2025	2026	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
		Actual	Actual	Actual	Budget	YTD	Initial		
Dept: 602 Emergency Management Agency									
3100 Wages		89,104.60	93,533.33	98,237.39	108,063.00	99,750.76	109,624.00	1,561.00	1.44%
3150 Regular Full Time Overtime		0.00	0.00	84.71	0.00	0.00	0.00	0.00	.00%
4004 IT Services Contract		6,000.00	18,167.00	12,639.95	15,000.00	11,550.00	15,000.00	0.00	.00%
4006 Website Maintenance		0.00	0.00	0.00	500.00	0.00	500.00	0.00	.00%
4104 Auto Expense		1,292.97	1,739.56	703.87	0.00	0.00	0.00	0.00	.00%
4105 Auto mileage		109.98	396.93	0.00	300.00	0.00	300.00	0.00	.00%
4110 Meals		53.95	62.80	163.48	500.00	360.00	500.00	0.00	.00%
4115 Lodging		261.47	246.03	353.16	1,500.00	253.29	1,500.00	0.00	.00%
4205 Gas/oil/grease vehicles		0.00	560.70	1,958.94	2,500.00	1,370.95	2,500.00	0.00	.00%
4210 Vehicle Mnt		0.00	0.00	1,722.18	500.00	0.00	500.00	0.00	.00%
4314 Internet Expense		466.66	700.00	817.69	750.00	1,390.01	940.00	190.00	25.33%
4315 Telephone bill		1,044.73	1,460.20	1,618.77	1,600.00	1,400.86	1,600.00	0.00	.00%
4413 Lease Agreement		0.00	242.52	3,368.32	2,640.00	2,719.99	2,640.00	0.00	.00%
4632 Equipment Repair/Maintena		0.00	0.00	0.00	500.00	0.00	500.00	0.00	.00%
4655 Radios-base repairs/maint		45.00	0.00	0.00	200.00	240.00	200.00	0.00	.00%
4675 Equipment Repair/Maintena		0.00	365.00	1,419.96	500.00	385.00	500.00	0.00	.00%
~generator maintenance									
4676 Computer upgrade & mainte		255.39	48.00	844.65	400.00	0.00	400.00	0.00	.00%
4805 Advertising		0.00	0.00	0.00	50.00	0.00	50.00	0.00	.00%
4820 Dues & Bonds		75.00	75.00	50.00	50.00	50.00	50.00	0.00	.00%
4835 Postage		1.26	3.78	134.71	50.00	0.69	50.00	0.00	.00%
4840 Printing/Publications		0.00	0.00	0.00	50.00	246.48	50.00	0.00	.00%
4940 Training/education		400.00	106.70	375.69	1,000.00	0.00	1,000.00	0.00	.00%
5335 Office Supplies		934.50	185.12	272.85	400.00	186.51	400.00	0.00	.00%
5385 Computer supplies		0.00	0.00	0.00	500.00	370.34	500.00	0.00	.00%
7314 Office Equipment		0.00	40.08	0.00	0.00	0.00	0.00	0.00	.00%
7345 Motor Vehicles - Reserve		27.06	0.00	48,423.62	0.00	0.00	0.00	0.00	.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 602 Emergency Management Agency CONTD								
Emergency Management Agency	100,072.57	117,932.75	173,189.94	137,553.00	120,274.88	139,304.00	1,751.00	1.27%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 603 District Attorney								
3100 Wages	196,984.45	206,107.15	230,347.87	253,719.00	228,809.65	270,608.00	16,889.00	6.66%
3150 Regular Full Time Overtime	80.78	245.39	183.05	0.00	238.69	0.00	0.00	.00%
3200 Part Time - Regular	25,264.63	25,579.45	25,370.78	27,169.00	18,265.03	0.00	-27,169.00	-100.00%
4020 Victim/witness Contract	1,911.53	3,035.31	2,335.95	2,500.00	2,068.40	2,500.00	0.00	.00%
4021 Fed Vic-Wit Cont Pmt	24,790.84	15,032.01	31,321.25	27,500.00	31,395.73	27,500.00	0.00	.00%
4080 Transcripts	120.00	26.50	200.20	1,200.00	164.50	800.00	-400.00	-33.33%
4105 Auto mileage	5,623.69	7,082.40	3,681.14	14,000.00	4,588.15	8,000.00	-6,000.00	-42.86%
4110 Meals	778.09	159.33	78.15	2,000.00	97.74	500.00	-1,500.00	-75.00%
4115 Lodging	1,110.00	1,997.70	2,996.50	5,000.00	3,631.50	5,000.00	0.00	.00%
4114 Internet Expense	700.00	700.00	700.00	701.00	728.01	940.00	239.00	34.09%
4315 Telephone bill	9,299.88	9,913.95	11,552.99	10,600.00	9,475.18	10,560.00	-40.00	-.38%
~Machias and Calais								
4322 Share File (DA Office)	0.00	0.00	79.75	3,100.00	1,632.00	3,100.00	0.00	.00%
4411 Calais office rent	3,500.00	2,500.00	3,000.00	3,000.00	3,000.00	3,000.00	0.00	.00%
4630 Equipment Lease	1,828.55	2,818.08	2,711.09	3,000.00	2,749.64	3,000.00	0.00	.00%
4676 Computer upgrade & mainte	18,859.98	20,131.90	21,735.75	25,000.00	14,062.69	25,000.00	0.00	.00%
4722 Insurance - Other	377.02	490.25	367.69	500.00	1,476.88	400.00	-100.00	-20.00%
4820 Dues & Bonds	1,152.50	1,057.50	1,145.00	1,650.00	1,140.00	1,650.00	0.00	.00%
4835 Postage	1,817.45	2,029.91	1,756.45	1,900.00	416.23	1,300.00	-600.00	-31.58%
~Machias and Calais								
4840 Printing/Publications	0.00	760.00	0.00	800.00	281.38	300.00	-500.00	-62.50%
5335 Office Supplies	4,417.88	4,690.50	5,974.97	5,200.00	3,477.51	5,000.00	-200.00	-3.85%
5375 Training & training suppl	1,125.00	1,350.00	1,000.00	1,500.00	688.00	1,500.00	0.00	.00%
5510 Statutes & reference book	3,466.00	3,240.15	4,108.65	6,000.00	2,422.36	4,000.00	-2,000.00	-33.33%
7320 Computer upgrade	4,646.05	1,386.10	4,118.88	0.00	0.00	8,000.00	8,000.00	100.00%
7325 Equipment & furniture	2,088.30	1,634.69	765.55	0.00	0.00	500.00	500.00	100.00%

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Expense

	2022	2023	2024	2025	2025	2026	Init Req vs	Init Req vs
	Actual	Actual	Actual	Budget	YTD	Initial	Curr Bud	Curr Bud
							Change \$	Change %
Dept: 603 District Attorney CONT'D								
7332 Software Reserve	0.00	0.00	0.00	0.00	0.00	3,000.00	3,000.00	100.00%
~future software purchase								
District Attorney	309,942.62	311,968.27	355,531.66	396,039.00	330,809.27	386,158.00	-9,881.00	-2.49%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 604 County Administration								
3100 Wages	154,261.22	175,247.16	163,638.80	180,013.00	165,988.02	181,740.00	1,727.00	.96%
3230 Part Time - IT wages	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	.00%
4000 Professional services	13,018.62	8,248.17	18,141.40	6,000.00	27,833.65	30,000.00	24,000.00	400.00%
~TAN Services								
4004 IT Services Contract	0.00	0.00	0.00	6,000.00	3,500.00	2,000.00	-4,000.00	-66.67%
4005 Audit Services	5,932.53	0.00	8,000.00	20,000.00	8,000.00	20,000.00	0.00	.00%
4006 Website Maintenance	1,132.29	625.00	625.00	1,000.00	1,430.52	1,000.00	0.00	.00%
4105 Auto mileage	5,837.65	5,546.35	4,857.10	2,500.00	5,006.05	3,000.00	500.00	20.00%
4310 Meals	323.25	284.85	427.27	500.00	193.78	500.00	0.00	.00%
4315 Lodging	945.05	493.76	0.00	500.00	111.93	500.00	0.00	.00%
4309 Phone Repair/Maintenance	0.00	0.00	75.00	0.00	0.00	0.00	0.00	.00%
4314 Internet Expense	700.00	720.00	700.00	701.00	727.98	1,450.00	749.00	106.85%
~includes email (7)								
4315 Telephone bill	9,004.18	10,131.32	10,518.83	11,000.00	8,910.94	10,880.00	-120.00	-1.09%
4630 Equipment Lease	2,656.39	1,709.60	2,429.60	2,000.00	2,426.96	2,000.00	0.00	.00%
4676 Computer upgrade & mainte	23.88	2,142.41	2,047.01	2,000.00	2,665.00	1,500.00	-500.00	-25.00%
4805 Advertising	1,128.60	3,088.10	2,432.16	2,000.00	1,501.80	2,000.00	0.00	.00%
4820 Dues & Bonds	10,301.16	10,800.25	10,863.36	11,200.00	11,362.36	11,500.00	300.00	2.68%
4835 Postage	253.19	1,410.89	2,979.61	2,800.00	-1,280.74	3,200.00	400.00	14.29%
4840 Printing/Publications	243.00	237.48	113.76	150.00	890.03	1,000.00	850.00	566.67%
4920 Miscellaneous	684.26	734.12	1,804.16	950.00	370.55	950.00	0.00	.00%
4930 Registration/enrollment f	268.99	0.00	225.94	300.00	69.99	300.00	0.00	.00%
4940 Training/education	0.00	35.00	0.00	0.00	85.00	100.00	100.00	100.00%
5335 Office Supplies	748.10	900.39	1,423.63	1,500.00	1,432.82	1,500.00	0.00	.00%
5505 Books & periodicals(subsc	40.00	63.88	97.78	200.00	73.90	200.00	0.00	.00%
7314 Office Equipment	43.99	1,081.40	0.00	0.00	0.00	0.00	0.00	.00%
7325 Equipment & furniture	0.00	25.00	410.59	0.00	79.00	0.00	0.00	.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 604 County Administration CONT'D								
7336 Econ. Dev. - SCEC	18,000.00	24,000.00	24,000.00	24,000.00	24,000.00	0.00	-24,000.00	-100.00%
~SCEC								
7340 Archive	9,601.65	11,145.25	8,769.98	8,000.00	7,762.89	0.00	-8,000.00	-100.00%
County Administration	235,148.00	258,670.38	270,080.98	283,314.00	273,142.43	275,320.00	-7,994.00	-2.82%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 605 County Finance								
3100 Wages	119,237.40	129,835.14	129,747.37	142,722.00	127,294.83	208,738.00	66,016.00	46.25%
3200 Part Time - Regular	0.00	0.00	0.00	0.00	0.00	36,226.00	36,226.00	100.00%
4000 Professional services ~payroll	6,326.85	6,906.96	7,613.21	9,000.00	6,140.25	9,000.00	0.00	.00%
4004 IT Services Contract	0.00	0.00	0.00	0.00	0.00	2,000.00	2,000.00	100.00%
4005 Audit Services	0.00	0.00	0.00	0.00	0.00	50,000.00	50,000.00	100.00%
4105 Auto mileage	0.00	24.89	127.30	500.00	0.00	250.00	-250.00	-50.00%
4110 Meals	0.00	47.51	0.00	400.00	0.00	250.00	-150.00	-37.50%
4115 Lodging	0.00	0.00	0.00	400.00	0.00	0.00	-400.00	-100.00%
4114 Internet Expense ~includes email (3)	700.00	700.00	700.00	701.00	728.02	1,160.00	459.00	65.48%
4315 Telephone bill	1,057.48	1,086.09	1,562.07	1,600.00	1,055.00	1,400.00	-200.00	-12.50%
4630 Equipment Lease	409.83	369.95	360.01	425.00	357.57	0.00	-425.00	-100.00%
4676 Computer upgrade & mainte ~TRIO software maintenance	3,728.71	3,971.07	4,308.62	6,000.00	5,463.71	11,000.00	5,000.00	83.33%
4805 Advertising	0.00	80.00	0.00	100.00	0.00	100.00	0.00	.00%
4820 Dues & Bonds	0.00	0.00	0.00	50.00	50.00	0.00	-50.00	-100.00%
4835 Postage	1,510.29	1,541.49	1,478.76	1,500.00	1,491.59	2,000.00	500.00	33.33%
4920 Miscellaneous	0.00	0.00	237.20	0.00	0.00	0.00	0.00	.00%
4940 Training/education	0.00	519.00	238.99	700.00	0.00	500.00	-200.00	-28.57%
5335 Office Supplies	1,114.81	1,457.70	1,207.77	2,000.00	-128.91	2,000.00	0.00	.00%
7305 County computer upgrade	1,593.52	48.00	3,097.59	0.00	0.00	1,800.00	1,800.00	100.00%
7314 Office Equipment	0.00	0.00	0.00	0.00	0.00	1,000.00	1,000.00	100.00%
County Finance	135,678.89	146,587.80	150,678.89	166,098.00	142,452.06	327,424.00	161,326.00	97.13%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 606 County Buildings								
3100 Wages	113,452.71	138,255.52	182,867.68	208,375.00	193,015.00	214,636.00	6,261.00	3.00%
~court reimburses 1.5 positions								
3200 Part Time - Regular								
4104 Auto Expense	589.83	1,371.30	3,600.00	0.00	0.00	0.00	0.00	.00%
4205 Gas/oil/grease vehicles	1,127.94	669.08	2,513.38	1,500.00	249.99	1,500.00	0.00	.00%
4305 Electricity	32,478.03	31,505.53	756.45	1,300.00	562.23	1,300.00	0.00	.00%
4309 Phone Repair/Maintenance	0.00	0.00	34,666.52	37,000.00	47,827.21	37,000.00	0.00	.00%
4310 Sewer bill	5,258.23	7,203.50	0.00	500.00	0.00	500.00	0.00	.00%
~ 311 Water bill	1,968.63	2,616.69	7,509.83	7,600.00	8,794.51	10,114.00	2,514.00	33.08%
~ 315 Telephone bill	1,507.36	1,026.00	2,349.39	2,500.00	4,469.27	5,500.00	3,000.00	120.00%
4605 Parking lot/grounds/snow	5,805.30	9,360.89	1,520.66	1,200.00	1,470.40	1,200.00	0.00	.00%
~cost to be shared by courts			9,772.88	18,107.00	18,122.34	18,800.00	693.00	3.83%
4610 Building/structure mainte	1,053.45	20,224.08	11,321.15	17,250.00	10,874.86	17,250.00	0.00	.00%
~combined with 4625, 4632, 4640, 4645								
4620 Elevator Maintenance Contract	2,960.93	3,239.52	4,014.85	2,000.00	3,583.18	2,000.00	0.00	.00%
~4 elevators (3 to be reimbursed by courts)								
4622 Fire Alarm Inspections	1,293.00	1,293.00	1,449.00	1,500.00	2,123.73	2,000.00	500.00	33.33%
~Norris contract								
4625 Electrical Repairs	879.95	0.00	0.00	0.00	0.00	0.00	0.00	.00%
~see 4610								
4632 Equipment Repair/Maintena	4,127.40	0.00	22.39	0.00	0.00	0.00	0.00	.00%
~see 4610								
4635 HVAC repairs	168.49	0.00	8,164.74	7,500.00	5,176.09	7,500.00	0.00	.00%
4640 Painting (repairs/mainten	841.20	0.00	0.00	0.00	0.00	0.00	0.00	.00%
~see 4610								

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 606 County Buildings CONT'D								
4645 Plumbing (repairs/mainten ~see 4610	3,199.43	0.00	0.00	0.00	0.00	0.00	0.00	.00%
4660 Rubbish Removal/Shredding	1,823.81	2,962.93	6,000.92	2,500.00	2,079.00	2,500.00	0.00	.00%
5205 Fuel - Buildings	35,994.53	35,563.49	33,162.40	44,500.00	31,459.39	44,500.00	0.00	.00%
5325 Maintenance supplies	6,207.01	4,200.53	6,725.24	4,000.00	2,113.84	6,000.00	2,000.00	50.00%
5335 Office Supplies	200.86	138.98	162.97	150.00	115.98	150.00	0.00	.00%
5405 Uniforms/clothing allowan	0.00	340.69	248.37	2,750.00	771.87	2,750.00	0.00	.00%
7205 Building improvements	12,500.52	1,804.82	38,269.98	0.00	21,855.39	100,000.00	100,000.00	100.00%
10 Jail Roof	0.00	0.00	14,580.00	0.00	35,693.45	10,000.00	10,000.00	100.00%
11 HVAC	0.00	0.00	0.00	0.00	0.00	50,000.00	50,000.00	100.00%
~boilers								
7325 Equipment & furniture	152.38	32,728.94	7,664.58	0.00	0.00	8,500.00	8,500.00	100.00%
7345 Motor Vehicles - Reserve	0.00	0.00	10,730.00	0.00	0.00	0.00	0.00	.00%
7380 Building Signage	0.00	0.00	158.84	0.00	194.20	0.00	0.00	.00%
County Buildings	233,590.99	294,505.49	388,232.22	360,232.00	390,551.93	543,700.00	183,468.00	50.93%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 607 Regional Communications Center								
3100 Wages	666,706.52	717,528.95	886,505.40	1,089,077.00	962,164.25	1,133,515.00	44,438.00	4.08%
3115 Night Shift Differential	0.00	0.00	0.00	0.00	0.00	8,000.00	8,000.00	100.00%
3150 Regular Full Time Overtime	35,345.24	46,478.73	53,304.74	50,000.00	56,485.60	80,000.00	30,000.00	60.00%
3200 Part Time - Regular	90,008.69	67,569.82	34,257.36	40,000.00	7,599.31	20,000.00	-20,000.00	-50.00%
3230 Part Time - IT wages	0.00	0.00	17,409.69	31,200.00	13,859.64	0.00	-31,200.00	-100.00%
4004 IT Services Contract	17,333.16	18,546.32	19,929.15	19,667.00	43,076.64	0.00	-19,667.00	-100.00%
4105 Auto mileage	1,235.91	1,248.44	4,133.50	2,000.00	767.06	2,000.00	0.00	.00%
4110 Meals	541.34	607.54	3,969.39	1,500.00	1,484.36	1,500.00	0.00	.00%
4115 Lodging	410.00	70.00	1,696.00	1,000.00	910.00	1,000.00	0.00	.00%
4205 Gas/oil/grease vehicles	0.00	0.00	0.00	0.00	0.00	2,400.00	2,400.00	100.00%
4305 Electricity	1,823.23	2,945.11	1,439.73	2,000.00	956.41	1,500.00	-500.00	-25.00%
4314 Internet Expense	10,339.15	11,551.90	11,575.19	10,515.00	13,918.91	10,515.00	0.00	.00%
4315 Telephone bill	700.00	700.00	700.00	800.00	728.02	940.00	140.00	17.50%
4320 Datelines	4,038.23	4,229.12	5,492.63	4,230.00	4,701.27	3,880.00	-350.00	-8.27%
4321 Computer Maintenance Agre	3,510.30	2,948.29	2,867.14	1,678.00	1,600.81	1,678.00	0.00	.00%
~includes Spillman	1,930.41	8,956.86	22,563.92	11,187.00	21,541.22	23,384.00	12,197.00	109.03%
4450 Communications Equipment Maint	0.00	0.00	0.00	0.00	0.00	7,500.00	7,500.00	100.00%
4630 Equipment Lease	1,580.78	271.33	228.54	271.00	247.82	230.00	-41.00	-15.13%
4655 Radios-base repairs/maint	36,728.91	43,200.00	39,600.00	36,000.00	43,200.00	43,200.00	7,200.00	20.00%
~PCT contract								
4657 Recorder/Maintenance	16,000.00	0.00	0.00	0.00	0.00	6,818.00	6,818.00	100.00%
4675 Equipment Repair/Maintena	162.88	365.00	1,277.70	1,000.00	1,525.00	1,000.00	0.00	.00%
4722 Insurance - Other	0.00	1,159.00	1,110.00	1,500.00	0.00	1,500.00	0.00	.00%
4820 Dues & Bonds	342.00	347.00	499.00	347.00	200.00	347.00	0.00	.00%
4835 Postage	9.87	0.00	4.14	25.00	0.00	25.00	0.00	.00%
4940 Training/education	294.00	765.85	1,278.33	1,500.00	575.00	1,500.00	0.00	.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 607 Regional Communications Center CONT'D								
5206 Propane-Towers	0.00	0.00	2,128.58	1,000.00	0.00	1,000.00	0.00	.00%
5335 Office Supplies	1,954.83	1,071.61	2,953.51	1,500.00	514.77	1,500.00	0.00	.00%
5360 Public Safety	0.00	0.00	0.00	18,000.00	16,627.00	0.00	-18,000.00	-100.00%
5405 Uniforms/clothing allowan	215.65	1,398.63	200.00	1,500.00	658.60	1,500.00	0.00	.00%
5810 Employee Recognition	1,128.83	190.00	269.03	200.00	52.75	0.00	-200.00	-100.00%
7310 Communications Equipment Maint	36,959.75	8,005.59	14,045.77	0.00	8,010.00	7,500.00	7,500.00	100.00%
7325 Equipment & furniture	1,267.62	492.36	884.29	0.00	107.80	0.00	0.00	.00%
Regional Communications Center	930,567.30	940,647.45	1,130,322.73	1,327,697.00	1,201,512.24	1,363,932.00	36,235.00	2.73%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 609 Registry of Deeds								
3100 Wages	136,868.93	133,798.26	149,289.46	164,223.00	151,549.08	169,714.00	5,491.00	3.34%
4004 IT Services Contract	0.00	0.00	166.25	500.00	0.00	0.00	-500.00	-100.00%
4314 Internet Expense	700.00	700.00	700.00	750.00	728.01	1,160.00	410.00	54.67%
~includes email (3)								
4315 Telephone bill	504.05	488.24	647.46	700.00	513.20	700.00	0.00	.00%
4630 Equipment Lease	247.78	1,809.79	5,144.55	5,800.00	5,163.82	5,800.00	0.00	.00%
4632 Equipment Repair/Maintena	522.50	533.96	0.00	600.00	0.00	500.00	-100.00	-16.67%
4820 Dues & Bonds	150.00	150.00	200.00	200.00	200.00	200.00	0.00	.00%
4825 Scanning & Imaging	50,224.50	42,769.50	52,628.25	50,000.00	44,982.00	49,000.00	-1,000.00	-2.00%
4835 Postage	1,304.52	1,554.43	1,431.75	1,700.00	1,518.60	1,800.00	100.00	5.88%
4920 Miscellaneous	0.00	0.00	170.98	0.00	0.00	500.00	500.00	100.00%
4930 Registration/enrollment f	0.00	0.00	60.00	300.00	199.00	300.00	0.00	.00%
5335 Office Supplies	915.57	1,539.70	1,621.56	2,500.00	1,785.36	2,800.00	300.00	12.00%
7325 Equipment & furniture	562.74	359.19	3,406.02	0.00	0.00	500.00	500.00	100.00%
Registry of Deeds	192,000.59	183,703.07	215,466.28	227,273.00	206,639.07	232,974.00	5,701.00	2.51%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 610 Probate Court								
3100 Wages	182,020.92	191,776.42	203,634.35	224,002.00	206,771.04	173,209.00	-50,793.00	-22.68%
4000 Professional services	7,558.33	11,877.61	19,933.47	30,000.00	11,075.90	40,000.00	10,000.00	33.33%
4004 IT Services Contract	0.00	0.00	0.00	1,800.00	150.00	2,000.00	200.00	11.11%
4105 Auto mileage	154.44	979.22	1,000.31	1,000.00	512.40	1,000.00	0.00	.00%
4110 Meals	0.00	102.78	78.04	300.00	96.31	200.00	-100.00	-33.33%
4115 Lodging	0.00	0.00	0.00	500.00	0.00	250.00	-250.00	-50.00%
4314 Internet Expense	700.00	849.90	700.00	750.00	728.01	1,190.00	440.00	58.67%
~includes emails (2)								
15 Telephone bill	873.16	516.85	675.79	700.00	536.27	700.00	0.00	.00%
30 Equipment Lease	1,580.78	1,409.04	1,355.55	1,400.00	1,374.82	1,400.00	0.00	.00%
4632 Equipment Repair/Maintena	105.00	0.00	0.00	150.00	0.00	150.00	0.00	.00%
4676 Computer upgrade & mainte	84.00	500.00	24.94	500.00	329.90	1,100.00	600.00	120.00%
~Quickbooks/Adobe								
4805 Advertising	0.00	0.00	0.00	100.00	0.00	100.00	0.00	.00%
4820 Dues & Bonds	688.00	863.00	751.00	1,050.00	600.00	1,050.00	0.00	.00%
4835 Postage	2,117.29	2,377.28	2,705.56	1,630.00	2,453.73	1,800.00	170.00	10.43%
4845 Notice Publications	9,925.00	9,125.00	6,648.64	11,000.00	5,200.00	10,000.00	-1,000.00	-9.09%
5335 Office Supplies	843.85	1,441.75	2,096.77	1,800.00	1,213.96	1,800.00	0.00	.00%
5338 Record Management System	0.00	0.00	0.00	0.00	0.00	3,000.00	3,000.00	100.00%
5510 Statutes & reference book	1,329.62	1,196.48	1,303.39	1,300.00	1,179.78	1,300.00	0.00	.00%
7320 Computer upgrade	732.44	1,336.86	967.07	0.00	0.00	1,000.00	1,000.00	100.00%
7325 Equipment & furniture	293.46	1,108.43	139.35	0.00	0.00	0.00	0.00	.00%
7370 ICON Docket System	2,420.00	2,420.00	2,420.00	0.00	2,420.00	0.00	0.00	.00%
Probate Court	211,426.29	227,880.62	244,434.23	277,982.00	234,642.12	241,249.00	-36,733.00	-13.21%

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Expense

	2022	2023	2024	2025	2025	2026	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
	Actual	Actual	Actual	Budget	YTD	Initial		
Dept: 611 Sheriff's Department								
3100 Wages	1,065,587.71	1,199,499.04	1,631,948.22	1,774,660.00	1,620,368.46	1,705,516.00	-69,144.00	-3.90%
3103 Lubec Wages	4,004.10	297.06	0.00	0.00	1,500.00	0.00	0.00	.00%
3105 SO-Outside Detail	4,815.00	10,530.00	14,149.68	0.00	29,570.00	0.00	0.00	.00%
3106 MDEA Regular Wages	153,945.56	147,305.60	0.00	0.00	0.00	0.00	0.00	.00%
3107 MDEA Overtime Wages	3,583.76	5,115.72	0.00	0.00	0.00	0.00	0.00	.00%
3109 Jonesport Wages	13,500.00	10,341.25	14,670.00	0.00	15,600.00	0.00	0.00	.00%
3110 UMM Security	6,885.00	0.00	0.00	0.00	0.00	0.00	0.00	.00%
3111 Military Pay	3,299.60	842.15	4,634.75	0.00	0.00	0.00	0.00	.00%
12 Homeland Security Detail	19,580.95	173.16	0.00	0.00	1,458.48	0.00	0.00	.00%
50 Regular Full Time Overtime	126,092.60	167,676.77	205,795.52	135,000.00	0.00	0.00	0.00	.00%
3200 Part Time - Regular	19,628.51	56,509.11	14,575.34	15,000.00	226,669.65	220,000.00	85,000.00	62.96%
3230 Part Time - IT wages	0.00	0.00	17,410.38	31,200.00	5,333.65	12,000.00	-3,000.00	-20.00%
3240 Civil Process	22,800.00	35,912.00	39,556.00	45,000.00	13,860.30	0.00	-31,200.00	-100.00%
4000 Professional services	3,125.00	3,500.00	2,425.00	3,000.00	35,920.00	45,000.00	0.00	.00%
4004 IT Services Contract	17,333.68	18,546.84	19,929.16	19,667.00	200.00	3,000.00	0.00	.00%
4105 Auto mileage	480.09	533.61	179.16	1,000.00	43,077.12	0.00	-19,667.00	-100.00%
4110 Meals	1,165.10	889.74	639.52	1,500.00	80.57	1,000.00	0.00	.00%
4115 Lodging	4,377.82	2,580.75	6,463.34	6,000.00	0.00	1,500.00	0.00	.00%
4117 Tolls	10.25	6.25	3.50	50.00	968.32	5,000.00	-1,000.00	-16.67%
4140 Civil Process Expenses	17,788.17	29,273.25	36,291.63	42,000.00	3.90	50.00	0.00	.00%
4205 Gas/oil/grease vehicles	113,554.70	114,052.54	97,387.01	100,000.00	25,619.07	42,000.00	0.00	.00%
4210 Vehicle Mnt	40,654.77	61,293.61	56,576.59	50,000.00	80,466.37	95,000.00	-5,000.00	-5.00%
4305 Electricity	3,187.93	3,405.30	3,575.91	3,600.00	54,152.64	45,000.00	-5,000.00	-10.00%
4314 Internet Expense	700.00	700.00	700.00	701.00	3,964.84	80,000.00	76,400.00	212.22%
4315 Telephone bill	31,020.67	36,561.71	36,880.86	39,400.00	830.12	912.00	211.00	30.10%
4630 Equipment Lease	3,161.55	1,680.37	1,584.09	2,670.00	30,112.63	39,160.00	-240.00	-6.1%
4656 Mobile radios/repairs-mai	408.00	669.43	743.00	600.00	1,622.63	2,670.00	0.00	.00%
					365.50	600.00	0.00	.00%

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	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 611 Sheriff's Department CONT'D								
4676 Computer upgrade & mainte	4,102.25	19,690.05	25,432.66	15,525.00	39,332.18	77,485.00	61,960.00	399.10%
4820 Dues & Bonds	1,192.00	992.00	1,100.00	1,200.00	1,350.00	1,200.00	0.00	.00%
4835 Postage	1,938.44	1,760.80	1,961.78	2,500.00	2,132.76	2,500.00	0.00	.00%
4840 Printing/Publications	3,578.32	1,877.33	2,297.18	3,550.00	2,256.33	3,800.00	250.00	7.04%
~combining 4805, 4840, and 5510								
4905 Criminal investigation ex	3,365.18	3,541.24	2,417.01	12,000.00	8,608.85	19,000.00	7,000.00	58.33%
4935 Fitness Incentive	5,500.00	7,250.00	4,750.00	14,000.00	2,000.00	7,000.00	-7,000.00	-50.00%
4940 Training/education	21,231.99	20,568.66	27,504.86	1,800.00	5,942.00	30,000.00	28,200.00	1566.67%
4935 Office Supplies	5,771.55	4,918.79	7,069.81	7,400.00	2,475.05	7,400.00	0.00	.00%
5338 Record Management System	10,083.88	535.25	3,025.56	0.00	2,738.04	3,200.00	3,200.00	100.00%
5360 Public Safety	4,855.06	3,581.58	3,892.68	6,000.00	3,361.03	6,000.00	0.00	.00%
5385 Computer supplies	104.48	0.00	0.00	0.00	0.00	0.00	0.00	.00%
5405 Uniforms/clothing allowan	16,816.13	21,666.51	17,859.38	17,605.00	6,882.92	17,600.00	-5.00	-.03%
5520 FireArm Associated Expense	13,391.14	19,840.78	17,215.81	12,380.00	103.16	10,899.00	-1,481.00	-11.96%
5525 Taser Expense	0.00	0.00	0.00	10,000.00	11,674.79	10,000.00	0.00	.00%
5850 K-9 Expense	0.00	0.00	0.00	0.00	0.00	5,877.00	5,877.00	100.00%
7050 Officer Acquisition	0.00	0.00	0.00	0.00	0.00	30,000.00	30,000.00	100.00%
7320 Computer upgrade	17,184.30	10,291.66	21,978.25	0.00	547.36	0.00	0.00	.00%
7325 Equipment & furniture	266.19	564.98	368.49	0.00	85.49	0.00	0.00	.00%
7345 Motor Vehicles - Reserve	255,193.00	160,679.00	253,922.72	0.00	0.00	55,000.00	55,000.00	100.00%
7346 Motor Vehicle Equipment Res	68,462.11	102,861.64	14,901.81	0.00	18,274.83	20,000.00	20,000.00	100.00%
7350 Portable Radio	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00	.00%
7390 Bullet-proof vests	11,800.00	6,746.00	2,203.00	0.00	2,313.00	22,500.00	22,500.00	100.00%
7391 K-9 Reserve	0.00	4,854.56	8,273.38	0.00	12,202.29	7,500.00	7,500.00	100.00%
Sheriff's Department	2,133,026.54	2,300,116.09	2,622,293.04	2,375,008.00	2,314,024.33	2,635,369.00	260,361.00	10.96%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 612 Information Technology								
3200 Part Time - Regular	0.00	0.00	0.00	0.00	0.00	46,800.00	46,800.00	100.00%
4004 IT Services Contract	0.00	0.00	0.00	0.00	0.00	175,000.00	175,000.00	100.00%
Information Technology	0.00	0.00	0.00	0.00	0.00	221,800.00	221,800.00	100.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 614 Governmental Third Party								
4702 Was.Cty. Soil & Water Con	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	0.00	-12,000.00	-100.00%
4703 Was.Cty. Extension Associ	37,600.00	32,800.00	38,000.00	32,500.00	32,500.00	0.00	-32,500.00	-100.00%
Governmental Third Party	49,600.00	44,800.00	50,000.00	44,500.00	44,500.00	0.00	-44,500.00	-100.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 618 Third Party Requests								
4714 Wash. Cty. Firefighters A	6,500.00	6,500.00	5,000.00	5,000.00	5,000.00	0.00	-5,000.00	-100.00%
4715 Orono Fire Region Respons Team	0.00	0.00	0.00	5,000.00	0.00	0.00	-5,000.00	-100.00%
4716 Downeast Institute	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	0.00	-5,000.00	-100.00%
4717 Next Step	1,500.00	1,500.00	0.00	1,500.00	0.00	0.00	-1,500.00	-100.00%
Third Party Requests	13,000.00	13,000.00	10,000.00	16,500.00	10,000.00	0.00	-16,500.00	-100.00%

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	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 619 Insurance								
4721 Liability Insurance	52,818.43	55,527.01	61,974.07	0.00	74,795.06	80,000.00	80,000.00	100.00%
4755 Workers Compensation	121,812.09	58,234.86	31,251.33	0.00	102,177.38	225,000.00	225,000.00	100.00%
Insurance	174,630.52	113,761.87	93,225.40	0.00	176,972.44	305,000.00	305,000.00	100.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 620 Employee Benefits								
4724 Health Insurance	1,138,880.96	1,215,500.80	1,371,294.53	2,225,875.00	1,527,179.85	1,533,265.00	-692,610.00	-31.12%
4730 Paid Family Medical Leave	0.00	0.00	0.00	15,000.00	19,821.60	20,837.00	5,837.00	38.91%
4735 MSRS	283,534.20	327,624.38	385,807.90	632,538.00	447,266.34	492,981.00	-139,557.00	-22.06%
4740 IRA match	9,200.00	6,300.00	13,100.00	20,000.00	6,800.00	20,000.00	0.00	.00%
4750 FICA County match	230,089.28	261,681.28	305,270.36	491,866.00	345,523.22	318,799.00	-173,067.00	-35.19%
Employee Benefits	1,661,704.44	1,811,106.46	2,075,472.79	3,385,279.00	2,346,591.01	2,385,882.00	-999,397.00	-29.52%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 622 Debt Service								
4800 TAN Interest	0.00	93,550.85	124,068.70	75,000.00	0.00	150,000.00	75,000.00	100.00%
Debt Service	0.00	93,550.85	124,068.70	75,000.00	0.00	150,000.00	75,000.00	100.00%

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Expense

	2022	2023	2024	2025	2025	2026	Init Req vs	Init Req vs
	Actual	Actual	Actual	Budget	YTD	Initial	Curr Bud	Change %
Dept: 660 Capital Reserves								
7501 Leave Reimbursement Reser	0.00	61,612.06	0.00	75,000.00	0.00	80,000.00	5,000.00	6.67%
7502 Unemployment Reserves	6,576.78	25,652.91	11,287.00	25,000.00	5,750.42	25,000.00	0.00	.00%
7503 Earned Paid Leave	0.00	210.00	138.53	0.00	0.00	6,000.00	6,000.00	100.00%
Capital Reserves	6,576.78	87,474.97	11,425.53	100,000.00	5,750.42	111,000.00	11,000.00	11.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 662 Contingency								
8001 Contingency	28,925.00	0.00	0.00	0.00	0.00	100,000.00	100,000.00	100.00%
Contingency	28,925.00	0.00	0.00	0.00	0.00	100,000.00	100,000.00	100.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 699 County Jail								
1002 Ambulance Services	381.94	978.20	1,452.73	2,200.00	2,448.09	2,200.00	0.00	.00%
1017 In-house Medical Providers	135,111.89	140,658.45	150,225.87	133,224.00	132,928.66	152,464.00	19,240.00	14.44%
1026 Psychological Services	0.00	1,293.75	3,521.25	9,000.00	2,336.35	9,000.00	0.00	.00%
1028 Sanitation/Pest Control	1,208.00	1,326.00	1,434.00	1,300.00	1,290.00	1,300.00	0.00	.00%
1102 Automobile Mileage	61.23	0.00	132.66	0.00	0.00	0.00	0.00	.00%
1104 Lodging	1,522.42	2,663.28	6,885.90	10,000.00	5,716.63	12,000.00	2,000.00	20.00%
1106 Meals - Staff	1,889.53	2,676.80	6,478.73	7,675.00	4,038.12	7,500.00	-175.00	-2.28%
1108 Other (Tolls, Parking)	179.00	162.70	239.95	150.00	120.05	150.00	0.00	.00%
1203 Gasoline	8,662.49	8,221.94	8,432.78	11,000.00	7,008.81	10,000.00	-1,000.00	-9.09%
1209 Vehicle Repairs and Maint.	5,661.54	5,795.92	7,651.93	9,000.00	11,152.87	10,000.00	1,000.00	11.11%
1302 Electric (Utilities)	36,452.96	46,963.30	46,489.76	50,000.00	30,963.10	50,000.00	0.00	.00%
1303 Fuel Oil/Heating Oil	37,378.87	37,207.61	36,662.12	40,000.00	32,541.14	40,000.00	0.00	.00%
1305 Gas-Propane (Kitchen)	4,574.13	4,803.37	3,962.84	5,500.00	4,036.35	5,500.00	0.00	.00%
1308 Sewer (Utilities)	10,431.17	15,003.70	15,515.29	17,000.00	17,956.17	20,650.00	3,650.00	21.47%
1310 Telephone/Internet	3,121.46	2,995.78	3,158.31	3,600.00	2,599.71	3,240.00	-360.00	-10.00%
1312 Water (Utilities)	2,238.29	3,191.61	3,170.85	4,000.00	3,432.72	4,000.00	0.00	.00%
1405 Lease Agreement	247.78	271.33	1,407.71	1,100.00	2,580.62	2,200.00	1,100.00	100.00%
1602 Building Structure Maint.	5,996.36	27,663.24	16,476.16	26,300.00	19,996.26	26,300.00	0.00	.00%
1606 Elevator Maintenance	150.00	0.00	155.00	155.00	161.00	0.00	-155.00	-100.00%
1607 Equip/Furn. Maint.	2,696.73	7,770.82	2,433.16	8,000.00	1,133.04	6,500.00	-1,500.00	-18.75%
1612 Maintenance Agreements	0.00	350.00	350.00	350.00	784.55	350.00	0.00	.00%
1620 Radio Repair	873.57	196.35	1,122.87	1,000.00	171.38	1,000.00	0.00	.00%
1621 Rubbish Removal	4,798.09	6,751.61	6,943.51	6,000.00	5,646.00	6,000.00	0.00	.00%
1676 Computer Upgrade/Maintenance ~includes FLEX	1,077.02	758.77	22,931.01	7,000.00	10,838.09	13,917.00	6,917.00	98.81%
1703 Insurance-Liability	48,038.98	48,081.33	49,795.18	0.00	53,422.00	60,000.00	60,000.00	100.00%
1810 Jail Employee Recognition	0.00	0.00	500.00	600.00	0.00	300.00	-300.00	-50.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 699 County Jail CONT'D								
1815 Postage	0.00	0.60	0.00	0.00	2.04	0.00	0.00	.00%
1817 TAN Interest	0.00	2,000.00	6,000.00	20,000.00	0.00	50,000.00	30,000.00	150.00%
1840 Printing/Publications	166.29	730.45	0.00	0.00	0.00	0.00	0.00	.00%
1907 Registration/Enrollment Fees	450.00	270.00	270.00	500.00	297.00	500.00	0.00	.00%
1909 Training & Education	6,118.95	10,447.03	10,552.24	15,000.00	5,334.96	15,000.00	0.00	.00%
2101 Food	105,329.15	127,309.82	104,331.14	114,000.00	131,580.43	114,000.00	0.00	.00%
2214 Cleaning Supplies	14,903.22	15,213.55	17,412.84	15,000.00	17,604.69	15,000.00	0.00	.00%
2221 Institutional Bedding	3,419.37	2,486.68	2,039.52	4,000.00	5,333.67	4,000.00	0.00	.00%
2225 Inmate Medical	73,753.41	71,278.31	52,531.16	70,000.00	117,849.43	70,000.00	0.00	.00%
2226 Kitchen Supplies	7,928.60	9,097.35	9,840.31	9,000.00	9,255.71	9,000.00	0.00	.00%
2230 Office Supplies	2,421.57	3,987.26	2,194.40	4,000.00	2,018.35	4,000.00	0.00	.00%
2239 Statutes/Reference Books	272.00	354.00	272.00	300.00	288.00	300.00	0.00	.00%
2301 Correction Officer Uniforms	6,730.38	11,468.48	9,188.34	10,000.00	4,946.22	10,000.00	0.00	.00%
2303 Prisoner Uniforms	7,587.58	6,637.91	3,708.92	7,000.00	5,433.44	8,000.00	1,000.00	14.29%
2360 Recruitment & PR	1,684.83	3,502.00	3,613.62	1,500.00	151.68	750.00	-750.00	-50.00%
2805 Computer Upgrade	1,872.81	10,218.15	9,535.49	15,634.00	99.96	15,900.00	266.00	1.70%
2806 Security Cameras	0.00	0.00	0.00	1,800.00	0.00	1,800.00	0.00	.00%
2827 Control Panel (fixture)	0.00	0.00	11,003.83	9,000.00	0.00	9,000.00	0.00	.00%
2845 Motor Vehicles - Reserve	0.00	0.00	0.00	0.00	0.00	5,000.00	5,000.00	100.00%
3100 Wages	1,425,338.47	1,480,832.14	1,674,530.39	1,666,002.00	1,681,056.68	1,857,775.00	191,773.00	11.51%
3115 Night Shift Differential	0.00	0.00	0.00	0.00	0.00	11,000.00	11,000.00	100.00%
3150 Regular Full Time Overtime	68,448.28	94,829.26	157,655.94	150,000.00	246,895.60	178,000.00	28,000.00	18.67%
3200 Part Time - Regular	61,401.97	110,829.26	106,168.13	108,000.00	57,592.58	80,000.00	-28,000.00	-25.93%
3230 Part Time - IT wages	0.00	0.00	17,409.93	31,200.00	13,860.06	0.00	-31,200.00	-100.00%
4000 Professional services	0.00	0.00	0.00	0.00	0.00	200.00	200.00	100.00%
4004 IT Services Contract	17,333.16	18,546.84	19,929.15	19,667.00	43,076.64	0.00	-19,667.00	-100.00%
4724 Health Insurance	523,480.84	567,921.46	612,053.22	0.00	565,901.05	734,390.00	734,390.00	100.00%

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Expense

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 699 County Jail CONT'D								
4730 Paid Family Medical Leave	0.00	0.00	0.00	0.00	9,203.73	9,289.00	9,289.00	100.00%
4735 MSRS	137,507.99	145,198.56	192,029.72	0.00	196,747.12	210,204.00	210,204.00	100.00%
4750 FICA County match	118,971.92	129,468.52	149,695.79	0.00	124,623.15	142,120.00	142,120.00	100.00%
4755 Workers Compensation	72,832.53	76,795.96	93,936.47	0.00	89,573.24	0.00	0.00	.00%
5525 Taser Expense	0.00	0.00	0.00	3,423.00	0.00	5,408.00	1,985.00	57.99%
7322 Replacement locks	0.00	5,005.00	4,209.67	0.00	6,008.00	2,400.00	2,400.00	100.00%
7325 Equipment & furniture	1,578.87	773.04	1,818.30	0.00	189.99	0.00	0.00	.00%
County Jail	2,972,285.64	3,270,987.49	3,669,460.09	2,629,180.00	3,688,225.13	4,007,607.00	1,378,427.00	52.43%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 602 Emergency Management Agency								
6208 Federal Matching Funds	42,365.29	233,488.18	85,796.50	69,777.00	96,032.34	59,777.00	-10,000.00	-14.33%
6210 State Matching Funds	0.00	11,076.67	84,128.09	0.00	67,142.97	0.00	0.00	.00%
Emergency Management Agency	42,365.29	244,564.85	169,924.59	69,777.00	163,175.31	59,777.00	-10,000.00	-14.33%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs. Curr Bud Change %
Dept: 603 District Attorney								
6315 Witness Advocate(Federal)	49,581.65	45,158.18	47,548.34	55,000.00	67,333.28	55,000.00	0.00	.00%
6321 Admin. Fee-Deferred Disp.	6,515.00	7,181.00	8,115.00	5,500.00	10,937.00	10,500.00	5,000.00	90.91%
6325 Miscellaneous Revenue	531.30	1,198.82	75.00	0.00	650.93	0.00	0.00	.00%
District Attorney	56,627.95	53,538.00	55,738.34	60,500.00	78,921.21	65,500.00	5,000.00	8.26%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 604 County Administration								
6400 County Tax	6,621,520.00	7,299,797.00	8,138,707.00	0.00	9,925,871.00	0.00	0.00	.00%
6401 County Tax Interest	40.51	0.00	9.71	0.00	223.48	0.00	0.00	.00%
6455 Miscellaneous Revenue	801.50	2,765.03	0.00	0.00	166.21	0.00	0.00	.00%
6475 UT Admin. Fees	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	30,000.00	10,000.00	50.00%
6476 UT Building Rental	2,400.00	2,400.00	2,400.00	2,400.00	2,000.00	4,800.00	2,400.00	100.00%
County Administration	6,644,762.01	7,324,962.03	8,161,116.71	22,400.00	9,948,260.69	34,800.00	12,400.00	55.36%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 605 County Finance								
6500 INTEREST INCOME - G/F	17,341.04	90,521.29	21,296.97	50,000.00	0.00	0.00	-50,000.00	-100.00%
6501 Deeds Interst - ICS Acct.	1,303.56	9,090.23	8,553.75	8,000.00	7,140.55	6,000.00	-2,000.00	-25.00%
County Finance	18,644.60	99,611.52	29,850.72	58,000.00	7,140.55	6,000.00	-52,000.00	-89.66%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 606 County Buildings								
6645 Building Rental Wcty Ext	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00	.00%
6650 Court Costs Reimbursement	164,820.49	202,418.16	284,844.77	72,031.00	217,392.55	80,735.00	8,704.00	12.08%
County Buildings	169,620.49	202,418.16	284,844.77	72,031.00	217,392.55	80,735.00	8,704.00	12.08%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 609 Registry of Deeds								
6064 Web Revenues	7,939.16	4,245.20	3,323.25	5,000.00	4,881.01	5,000.00	0.00	.00%
6065 Register of Deeds Fees	266,767.39	278,304.66	234,202.00	270,000.00	271,611.58	280,000.00	10,000.00	3.70%
6066 Transfer tax	97,507.08	94,438.08	80,071.42	75,000.00	94,570.14	70,000.00	-5,000.00	-6.67%
6068 Surcharge	18,933.00	19,206.00	15,222.00	0.00	17,295.00	0.00	0.00	.00%
Registry of Deeds	391,146.63	396,193.94	332,818.67	350,000.00	388,357.73	355,000.00	5,000.00	1.43%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 610 Probate Court								
6101 SURCHARGE	3,620.00	3,921.02	3,255.43	2,500.00	1,390.00	2,500.00	0.00	.00%
6102 Register of Probate Fees	104,985.72	101,285.10	79,182.21	70,000.00	83,351.15	70,000.00	0.00	.00%
6104 Postage	0.00	0.00	782.86	0.00	1,394.35	0.00	0.00	.00%
6105 Notice & Publications	0.00	0.00	2,600.00	0.00	3,600.00	0.00	0.00	.00%
Probate Court	108,605.72	105,206.12	85,820.50	72,500.00	89,735.50	72,500.00	0.00	.00%

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Revenue

	2022	2023	2024	2025	2025	2026	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
	Actual	Actual	Actual	Budget	YTD	Initial		
Dept: 611 Sheriff's Department								
6113 MDEA Reimbursement	122,848.06	139,005.81	241,218.41	213,408.00	314,189.10	212,368.00	-1,040.00	-.49%
6175 Sheriff Civil Process	48,561.75	85,615.13	84,596.32	87,000.00	84,288.47	87,000.00	0.00	.00%
6176 Sheriff Insurance Reports	1,670.00	1,660.00	2,403.11	2,200.00	1,810.50	2,300.00	100.00	4.55%
6179 DETAIL FEES	6,360.00	14,280.00	17,180.00	0.00	38,150.00	0.00	0.00	.00%
6183 Jonesport Patrol	17,980.80	16,953.85	17,400.00	0.00	22,260.00	0.00	0.00	.00%
6184 Lubec Patrol	5,046.96	1,428.06	0.00	0.00	2,520.00	0.00	0.00	.00%
6200 MDEA Building Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	.00%
Sheriff's Department	202,467.57	258,942.85	362,797.84	302,608.00	463,218.07	309,468.00	7,800.00 6,860.00	100.00% 2.27%

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Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 619 Insurance								
6190 Worker's Comp Reimbursement	11,488.00	7,648.00	4,136.00	13,086.00	4,596.00	13,052.00	-34.00	-.26%
Insurance	11,488.00	7,648.00	4,136.00	13,086.00	4,596.00	13,052.00	-34.00	-.26%

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Revenue

	2022	2023	2024	2025	2025	2026	Init Req vs Curr Bud	Change %
	Actual	Actual	Actual	Budget	YTD	Initial	Change \$	
Dept: 620 Employee Benefits								
6201 Reimbursement	0.00	0.00	0.00	101,519.00	0.00	106,582.00	5,063.00	4.99%
Employee Benefits	0.00	0.00	0.00	101,519.00	0.00	106,582.00	5,063.00	4.99%

Custom Budget Report

Revenue

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 YTD	2026 Initial	Init Req vs Curr Bud Change \$	Init Req vs Curr Bud Change %
Dept: 699 County Jail								
6949 DOC Supplemental Funding	0.00	0.00	0.00	0.00	0.00	109,104.00	109,104.00	100.00%
6950 DOC Investment Fund	535,191.53	156,152.75	708,950.75	480,985.00	514,529.50	548,303.00	67,318.00	14.00%
6956 Misc Income (SSI Payments)	3,955.00	3,700.70	1,585.00	4,000.00	0.00	4,000.00	0.00	.00%
6959 MEDICAL CO-PAYS	2,620.98	392.33	92.75	2,800.00	395.72	2,800.00	0.00	.00%
6961 Community Confine. Pgm	0.00	315.00	0.00	0.00	145.00	0.00	0.00	.00%
6963 Court Surcharge/Fees	1,313.07	8,009.30	3,989.67	6,500.00	9,255.25	6,500.00	0.00	.00%
6964 Office of Substance Abuse Cont	33,333.31	86,666.70	79,999.99	0.00	66,666.68	80,000.00	80,000.00	100.00%
6965 Opioid Settlement Funds	0.00	0.00	0.00	308,460.00	308,460.00	0.00	-308,460.00	-100.00%
County Jail	576,413.89	255,236.78	794,618.16	802,745.00	899,452.15	750,707.00	-52,038.00	-6.48%

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Revenue

	2022	2023	2024	2025	2025	2026	Init Req vs	Init Req vs
	Actual	Actual	Actual	Budget	YTD	Initial	Curr Bud	Change %
Dept: 800 Court								
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	.00%
Revenue Totals:	8,222,151.26	8,948,381.06	10,281,724.65	1,925,166.00	12,260,297.21	1,854,121.00	-71,045.00	-3.69%

COUNTY TAX FOR 2026

The following is a list of the assessments upon the estates of the municipalities and upon the Unorganized Territories in the County of Washington, with their due proportion of the total amount to be raised, which is \$11,804,050 the sum as granted by resolve of the Washington County Budget Advisory Committee and the Washington County Commissioners being \$11,572,598.00 plus an overlay added by the County of Washington being \$231,451.96 and the tax rate being 0.00190999409 per dollar, as fixed by the Washington County Commissioners on January 14, 2026.

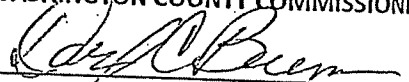
Municipality	2026 State Valuation		2026 Mill Rate		2026 Tax (Rounded to nearest whole dollar)
Addison	\$280,600,000	x	0.00190999409	=	\$535,944
Alexander	\$79,000,000	x	0.00190999409	=	\$150,890
Baileyville	\$428,250,000	x	0.00190999409	=	\$817,955
Baring Plantation	\$20,350,000	x	0.00190999409	=	\$38,868
Beals	\$140,950,000	x	0.00190999409	=	\$269,214
Beddington	\$78,900,000	x	0.00190999409	=	\$150,699
Calais	\$312,650,000	x	0.00190999409	=	\$597,160
Charlotte	\$61,750,000	x	0.00190999409	=	\$117,942
Cherryfield	\$170,800,000	x	0.00190999409	=	\$326,227
Columbia	\$70,550,000	x	0.00190999409	=	\$134,750
Columbia Falls	\$78,100,000	x	0.00190999409	=	\$149,171
Cooper	\$39,450,000	x	0.00190999409	=	\$75,349
Crawford	\$24,900,000	x	0.00190999409	=	\$47,559
Cutler	\$116,400,000	x	0.00190999409	=	\$222,323
Danforth	\$108,400,000	x	0.00190999409	=	\$207,043
Deblois	\$57,950,000	x	0.00190999409	=	\$110,684
Dennysville	\$26,250,000	x	0.00190999409	=	\$50,137
East Machias	\$162,950,000	x	0.00190999409	=	\$311,234
Eastport	\$267,850,000	x	0.00190999409	=	\$511,592
Grand Lake Stream Plantation	\$59,800,000	x	0.00190999409	=	\$114,218
Harrington	\$197,100,000	x	0.00190999409	=	\$376,460
Jonesboro	\$98,050,000	x	0.00190999409	=	\$187,275
Jonesport	\$292,600,000	x	0.00190999409	=	\$558,864
Lubec	\$329,750,000	x	0.00190999409	=	\$629,821
Machias	\$222,850,000	x	0.00190999409	=	\$425,642
Machiasport	\$219,950,000	x	0.00190999409	=	\$420,103
Marshfield	\$60,150,000	x	0.00190999409	=	\$114,886
Meddybemps	\$41,450,000	x	0.00190999409	=	\$79,169
Milbridge	\$337,750,000	x	0.00190999409	=	\$645,101
Northfield	\$72,550,000	x	0.00190999409	=	\$138,570
Pembroke	\$135,500,000	x	0.00190999409	=	\$258,804
Perry	\$170,200,000	x	0.00190999409	=	\$325,081

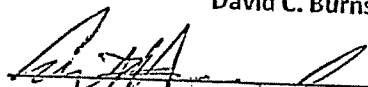
Princeton	\$87,950,000	x	0.00190999409	=	\$167,984
Robbinston	\$70,250,000	x	0.00190999409	=	\$134,177
Roque Bluffs	\$138,950,000	x	0.00190999409	=	\$265,394
Steuben	\$334,850,000	x	0.00190999409	=	\$639,562
Talmadge	\$8,050,000	x	0.00190999409	=	\$15,375
Topsfield	\$28,100,000	x	0.00190999409	=	\$53,671
Vanceboro	\$12,400,000	x	0.00190999409	=	\$23,684
Waite	\$10,950,000	x	0.00190999409	=	\$20,914
Wesley	\$33,900,000	x	0.00190999409	=	\$64,749
Whiting	\$127,750,000	x	0.00190999409	=	\$244,002
Whitneyville	\$18,500,000	x	0.00190999409	=	\$35,335
Passamaquoddy Nation	\$8,800,000	x	0.00190999409	=	\$16,808
Subtotal—All Municipalities	\$5,644,200,000				\$10,780,389
Unorganized Territory	\$535,950,000	x	0.00190999409	=	\$1,023,661
Subtotal—Unorganized Territory	\$535,950,000				\$1,023,661
TOTAL VALUATION/TAX	\$6,180,150,000				\$11,804,050

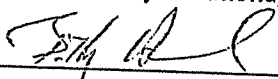
ORDERED:

That warrants be issued to the assessors of municipalities and Unorganized Territories, as assessed in the above list, requiring them to assess upon the polls and estates of the inhabitants and the estates of the non-resident properties the sums assessed upon them and commit a list thereof requiring the appropriate officer in each to transmit the collected, assessed amount to the Washington County Provisional Treasurer, Grace Falzarano, or Ms. Falzarano's successor by September 1, 2026.

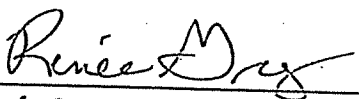
WASHINGTON COUNTY COMMISSIONERS:


David C. Burns, Chairman


Courtney Hammond, Commissioner


Billy Howard, Commissioner

A true copy.
Attest:


Renée Gray, County Manager

Date:

1/29/2026

ATTESTED COPY TO BE SENT TO FISCAL ADMINISTRATOR FOR UNORGANIZED TERRITORIES AND TO THE STATE OF MAINE DEPARTMENT OF TAXATION.

County of Washington, Maine

Audited Financial Statements

December 31, 2022

Stephen T. Hopkins, CPA, PC

Auditing, Accounting, and Consulting Services

County of Washington, Maine
December 31, 2022
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Stephen T. Hopkins, CPA, PC

Auditing, Accounting, and Consulting Services

214 Holmes Road / Scarborough, Maine 04074 / Phone: (207) 885 - 5038 / Fax: (207) 470 - 5050

Independent Auditors' Report

County Commissioners
County of Washington, Maine

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of Washington, Maine, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County of Washington, Maine's basic financial statements as listed in the table of contents.

Unmodified Opinions on Each Major Fund and the Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the County of Washington, Maine, as of December 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adverse Opinion on Governmental Activities

In our opinion, because of the significance of the matter discussed in the Basis for Unmodified and Adverse Opinions section of the report, the accompanying financial statements referred to above do not present fairly the financial position of the governmental activities of the County of Washington, Maine, as of December 31, 2022, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Washington, 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 unmodified and adverse opinions.

Matters Giving Rise to Adverse Opinion on Governmental Activities

The financial statements do not include all of the capital assets of the County of Washington, Maine. Accounting principles generally accepted in the United States of America require that capital assets be capitalized and depreciated when present, which would increase the assets, net position and expenses of the governmental activities. The amount by which this departure would affect the assets, net position and expenses of the governmental activities has not been determined.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 15 to the financial statements, effective January 1, 2022, the County of Washington, Maine adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statement No. 87, *Leases*. This new guidance requires lessees to recognize a right to use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all applicable leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

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 Washington, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America and *Government Auditing Standards* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County of Washington, 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 substantial doubt about the County of Washington, 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 the pension and OPEB schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 Washington, Maine's basic financial statements. The accompanying combining and individual fund financial statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and other supplemental schedules as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, on our consideration of the County of Washington, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Washington, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Washington, Maine's internal control over financial reporting and compliance.

Stephen T. Hopkins, CPA, PC



Scarborough, Maine
December 17, 2025

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

Our discussion and analysis of the County of Washington, Maine's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2022. Please read this analysis in conjunction with the basic financial statements, notes to the financial statements, and required supplementary information of the County. This management discussion and analysis is being presented for the current fiscal year with a focus on the comparative analysis of the information on the governmental activities of the County as found in the government-wide financial statements.

Financial Highlights - Government-Wide Financial Statements

- The County's unrestricted cash balance as of the end of the current fiscal year was \$725,863. This compares to \$1,878,104 as of the end of the prior fiscal year. This represents a decrease of (\$1,152,241) or approximately 61.35%. The County's restricted cash balance as of the end of the current fiscal year was \$5,838,321. This compares to \$3,075,740 as of the end of the prior fiscal year. This represents an increase of \$2,762,581. The County's restricted cash balance is made up of the ending fund balance amount of the deeds and probate surcharge accounts as well as any unearned grant revenue balances. Therefore, the current fiscal year increase in restricted cash is simply due to the current fiscal year change in fund balance for these surcharge accounts and an increase in the corresponding unearned grant revenues balance. The individual balances making up this restricted cash balance can be seen in note 2 on page 29 of the financial statements.
- The County's total liabilities and deferred inflows of resources exceeded its total assets and deferred outflows of resources by (\$1,706,399) (net position) as of the end of the current fiscal year. This compares to the prior fiscal year balance of (\$469,967). This represents a decrease of (\$1,236,432) or approximately 263.09%. This decrease in the net position balance of the County relates to a number of different items though it is an approximation of the current fiscal year fund financial statements general fund deficit from operations in the amount of (\$1,328,424).
- The County's restricted net position is made up of two different material components. The first component is the expendable portion which is made up of amounts which are restricted for certain purposes and which can only be expended for those purposes. State statutes created the ability for the County to collect a deeds and probate surcharge on certain transactions and outlined the manner in which these collected funds could be expended. These statutes are considered a form of enabling legislation imposed by the State. This expendable component of the total restricted net position balance of the County was \$319,081 as of the end of the current fiscal year. This compares to the prior fiscal year balance of \$178,657. This represents an increase of \$140,424 or approximately 78.60%. This increase is due in large part to the current fiscal year receipt of opioid settlement funds in the amount of \$114,825 which are restricted in their use based on the terms of the settlements.
- The second component of the County's restricted net position balance is non-expendable funds which are made up of funds which are either nonspendable based on donor imposed restrictions or based on the form of the item. Examples of non-expendable balances would be the principal portion of trust funds which cannot be spent and the offset of the recorded inventory and prepaid item balances which are not in a spendable form. This component of the total restricted net position balance of the County was \$4,614 as of the end of the current fiscal year. This compares to the prior fiscal year balance of \$2,245. This represents an increase of \$2,369. This increase is due entirely to a change in the amount of recorded prepaid expenditure items which is the only non-expendable item the County currently has recorded.
- The County's unrestricted net position balance is the component of net position which is used to finance the day-to-day activities and operations without constraints imposed by creditors, grantors, contributors, annual or special County meetings, or other rules and regulations as imposed by other governments or enabling legislation. The total unrestricted net position balance of the County was (\$2,034,327) as of the end of the current fiscal year. This compares to the prior fiscal year balance of (\$650,869). This represents an unfavorable decrease of (\$1,383,458) or approximately 208.29% and relates in large part to the current fiscal year change in net position.
- The County's total revenues for its governmental activities were \$9,074,446 for the current fiscal year. This compares to \$8,451,665 for the prior fiscal year. This represents an increase of \$622,781 or approximately 7.37%. This increase is due to a number of smaller changes in revenues in the current fiscal year as compared to the prior fiscal year. Page 7 more fully compares the change in revenues by type between the current fiscal year and the prior fiscal year.
- The County's total expenses for its governmental activities were \$10,310,878 for the current fiscal year. This compares to \$8,590,490 for the prior fiscal year. This represents an increase of \$1,720,388 or approximately 20.06%. This increase is due to a number of smaller changes in expenses in the current fiscal year as compared to the prior fiscal year. Page 7 more fully compares the change in expenses by type between the current fiscal year and the prior fiscal year.

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

Using this Annual Report

This annual report consists of a series of financial statements. The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities which are shown on pages 12 and 13 and which provide information about the activities of the County as a whole and present a longer-view of the County's finances. The fund financial statements consist of the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances which are shown on pages 14 and 16 and tell how the services of the County were financed in the short-term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide financial statements by providing information about the County's most significant funds. The fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position which are shown on page 18. Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore cannot be used to support the programs of the County.

Reporting the County as a Whole

Our analysis of the County as a whole begins on page 12 with the statement of net position. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the current fiscal years activities?" The statement of net position and the statement of activities report information about the County as a whole and about its activities in a way that helps answer this question. The statement of net position includes all of the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the County using the accrual basis of accounting. This basis of accounting is similar to the accounting policies and procedure utilized by most private-sector (for profit) companies. All of the current fiscal year revenues and expenses are taken into account regardless of when cash is received or paid in the statement of activities.

These two statements report the County's net position and the changes in this net position. You can think of this net position as one way to measure the financial health and financial position of the County. The net position balance is made up of the difference between the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the County. Over time, increases and decreases in the County's net position is one indicator of whether its financial health is improving or deteriorating. However, you also need to consider other non-financial factors which affect the overall financial health of the County such as changes in the tax assessment base, the conditions of the capital assets of the County, and the general economy present at the time. These two statements are divided into three different kinds of activities on the reporting level. These categories are governmental, business-type, and discretely presented component units. The County's activities are classified as governmental activities as follows:

- Governmental activities - All of the County's basic services are reported here, including general government activities such as general administration, finance, buildings operation and maintenance, court costs, the district attorneys office, registry of deeds and probate services as well as public safety activities such as emergency management, the regional communications center, the sheriffs department and the County jail. Tax assessments, charges for services, state and federal operating and capital grants and other funding, interest income and other miscellaneous revenues finance these activities in whole or in part.

Reporting the County's Most Significant Funds

Our analysis of the County's major funds begins on page 14 with the balance sheet. The fund financial statements provide detailed information about the most significant funds of the County but not a combined picture of the County as a whole. Some of these funds could be required to be established by State law or by bond covenants. In addition, the County commissioners have the authority to establish funds which it may use to help control and manage the funds of the County for particular purposes or to show that it is meeting any legal responsibilities for using certain taxes, grants, or other funds granted to the County. The County uses governmental funds which are characterized as follows:

- Governmental funds - All of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end that are available for spending. These funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting measures cash and all other financial assets that can readily be converted into cash. The governmental fund financial statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs and activities. The relationship between governmental activities and governmental funds is presented in a reconciliation after each of these fund financial statements.

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

The County as a Trustee

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore cannot be used to support the programs of the County. Fiduciary funds can be classified as pension or other employee benefit trust funds, investment trust funds, private purpose trust funds and custodial funds. The fiduciary activities of the County are classified as custodial funds as they relate jail inmate account balances, district attorney restitution funds which have been collected but not yet paid out as directed in the specific court order, estate funds which have been deposited with the County until the specific court proceedings have directed the payment of such funds to a beneficiary or other designee and the general operating fund and the TIF fund of the Unorganized Territories of Washington County.

The County as a Whole - Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position

The information provided below represents government-wide information for the governmental activities of the County for the current fiscal year as compared to the prior fiscal year. The current ratio compares the current assets of the County to its current and other liabilities and gives an indication of the County's ability to pay current obligations. As of the end of the current fiscal year the current ratio of the County was 1.086 to 1 compared to the end of the prior fiscal year when the current ratio was 1.50 to 1. This represents a decrease of approximately (27.60%). Another indication of the County's ability to meet its current obligations with current assets is called its working capital. This is calculated by subtracting the current and other liabilities from the current assets. As of the end of the current fiscal year, the County's working capital balance was a positive \$547,330. This compares to the prior fiscal year balance of a positive \$1,742,135. This represents a decrease of approximately (68.58%).

	Governmental Activities		Percentage of Total	
	2022	2021	2022	2021
Current assets	\$ 6,887,559	\$ 5,202,369	99.42%	97.40%
Other assets	-	139,127	-	2.60%
Capital assets	40,362	-	0.58%	-
Total assets	<u>6,927,921</u>	<u>5,341,496</u>	<u>100.00%</u>	<u>100.00%</u>
Deferred outflows of resources - pensions	<u>973,957</u>	<u>939,838</u>	<u>100.00%</u>	<u>100.00%</u>
Current and other liabilities	6,340,229	3,460,234	71.66%	74.21%
Long-term liabilities	2,507,482	1,202,710	28.34%	25.79%
Total liabilities	<u>8,847,711</u>	<u>4,662,944</u>	<u>100.00%</u>	<u>100.00%</u>
Deferred inflows of resources - pensions	<u>760,566</u>	<u>2,088,357</u>	<u>100.00%</u>	<u>100.00%</u>
Net position:				
Net investment in capital assets	4,233	-	0.25%	-
Restricted	323,695	180,902	118.97%	238.49%
Unrestricted	-2,034,327	-650,869	-119.22%	-138.49%
Total net position	<u>\$ -1,706,399</u>	<u>\$ -469,967</u>	<u>100.00%</u>	<u>100.00%</u>
Restricted net position:				
Expendable:				
Restricted surcharge funds	\$ 204,256	\$ 178,657		
Other restricted program funds	114,825	-		
Non-expendable:				
Prepaid items	<u>4,614</u>	<u>2,245</u>		
	<u>\$ 323,695</u>	<u>\$ 180,902</u>		

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

The County as a Whole - Revenues, Expenses, and Changes in Net Position

The information provided below represents government-wide information for the governmental activities of the County for the current fiscal year as compared to the prior fiscal year, as restated. The revenues and expenses shown below are recorded on the accrual basis of accounting. Program revenues received by the County specifically relating to or generated by individual departments are applied to the departmental expenditures to determine the amount and percentage of total County expenditures actually financed by general revenues. This amount and percentage is shown at the bottom of this schedule and should be used to give the reader an indication of how the County's activities were funded during the current fiscal year in comparison to the prior fiscal year. The expenses shown below indicate the general make-up of the County's spending by department and as a percentage of total spending.

	Governmental Activities		Percentage of Total	
	2022	2021	2022	2021
Program revenues				
Charges for services	\$ 645,831	\$ 667,388	7.12%	7.90%
Operating grants	1,270,103	1,211,040	14.00%	14.33%
Capital grants	310,377	152,344	3.42%	1.80%
General revenues				
Tax assessments	6,621,520	6,281,783	72.97%	74.33%
Interest income	44,348	33,065	0.49%	0.39%
Miscellaneous revenues	182,267	106,045	2.00%	1.25%
Total revenues	<u>9,074,446</u>	<u>8,451,665</u>	<u>100.00%</u>	<u>100.00%</u>
Expenses				
Administration	233,296	228,425	2.26%	2.66%
Finance	141,915	128,600	1.38%	1.50%
Buildings	227,803	212,104	2.21%	2.47%
Court costs	107,229	87,184	1.04%	1.01%
District attorney	295,234	245,723	2.86%	2.86%
Registry of deeds	186,716	269,340	1.81%	3.13%
Registry of probate	213,870	172,508	2.07%	2.01%
Employee benefits	1,751,335	1,338,675	16.99%	15.58%
Benefit reserves	18,467	81,538	0.18%	0.95%
Insurances	179,286	225,211	1.74%	2.62%
Third party requests	153,654	118,300	1.49%	1.38%
Emergency management agency	240,917	230,123	2.33%	2.68%
Regional communications center	948,305	767,744	9.20%	8.94%
Sheriffs department	2,210,272	1,880,053	21.44%	21.89%
County jail	3,038,046	2,445,078	29.46%	28.46%
Capital outlay	334,758	153,096	3.25%	1.78%
Debt service interest	29,775	6,788	0.29%	0.08%
Total expenses	<u>10,310,878</u>	<u>8,590,490</u>	<u>100.00%</u>	<u>100.00%</u>
Change in net position	-1,236,432	-138,825		
Net position - January 1	<u>-469,967</u>	<u>-331,142</u>		
Net position - December 31	<u>\$ -1,706,399</u>	<u>\$ -469,967</u>		
Expenses financed by general revenues:				
Total expenses	\$ 10,310,878	\$ 8,590,490		
Less program revenues	-2,226,311	-2,030,772		
	<u>\$ 8,084,567</u>	<u>\$ 6,559,718</u>	<u>78.41%</u>	<u>76.36%</u>

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

Capital Asset

The capital assets of the County may include land, land improvements, buildings, building improvements, equipment, vehicles, right to use assets, infrastructure and improvements, and all other tangible and intangible assets which may arise that are used in the operations of the County and that have an initial useful life extending beyond a single fiscal year. Infrastructure assets are long-lived capital assets that are normally stationary in nature and can normally be preserved for a significantly greater number of years than most capital assets. The County currently only records right to use capital assets on the government-wide financial statements. The financial statements do not presently include the remaining capital asset balances and other information of the County due to a lack of complete and accurate detail of these items. As a result, the independent auditors' report has been modified. More detailed information on the capital assets of the County can be found in note 1J on page 23 and note 5 on page 30.

	Governmental Activities		Percentage of total	
	2022	2021	2022	2021
Right to use assets	\$ 42,736	\$ -	100.00%	-
Less accumulated depreciation	<u>-2,374</u>	<u>-</u>		
Total capital assets (net)	<u>\$ 40,362</u>	<u>\$ -</u>		

Debt Administration

The types of long-term debt which may be incurred by the County include bonds, notes, and right to use leases payable. The types of short-term debt which may be incurred by the County include tax anticipation notes. The types of other debt related liabilities of the County include accrued compensated balances (earned vacation and sick time balances) in accordance with the established personnel policies and the various union contracts of the County and pension and other post employment benefit liabilities or assets in accordance with generally accepted accounting principles. All long-term and short-term debt is incurred through the approval of the County commissioners in accordance with applicable state statutes. The short-term debt incurred by the County during the current and prior fiscal year was paid back prior to the end of each fiscal year and as such there was no outstanding balance at the end of either fiscal year. More detailed information on the short-term debt activity for the current fiscal year can be found in note 8 on page 32. The net pension information is provided to the County through the annual Schedules of Employer and Non-Employer Entity Allocations and Pension Amounts by Employer for the PLD Consolidated Plan and the State Employee and Teacher Plan while the life insurance OPEB information is provided to the County through the annual Schedules of Employer and Non-Employer Entity Allocations and Other Post-Employment Benefit (OPEB) Amounts by Employer for the PLD Consolidated Plan and the State Employee and Teacher Plan both for the Maine Public Employees Retirement System while the health insurance OPEB information is provided to the County through the annual GASB Statement No. 75 report from the Maine Municipal Employees Health Trust. More detailed information on the debt related liabilities of the County can be found in note 7 starting on page 31.

	Governmental Activities		Percentage of total	
	2022	2021	2022	2021
Outstanding payables:				
Portion due within one year	\$ 6,805	\$ -	0.27%	-
Portion due after one year	29,324	-	1.17%	-
Other liabilities:				
Accrued compensated balances	531,466	462,045	21.14%	43.44%
Net pension liability	1,242,807	-	49.43%	-
Net pension asset	-	-139,127	-	-13.08%
Net OPEB liability - Life insurance	44,313	31,080	1.76%	2.92%
Total OPEB liability - Health insurance	<u>659,572</u>	<u>709,585</u>	<u>26.23%</u>	<u>66.72%</u>
Total debt	<u>\$ 2,514,287</u>	<u>\$ 1,063,583</u>	<u>100.00%</u>	<u>100.00%</u>

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

The previous sections of this management discussion and analysis have been presented for the current fiscal year with a focus on the comparative analysis of the information on the governmental activities of the County as found in the government-wide financial statements. Comparative financial information has not been included for the fund financial statements of the County. The following financial highlights, however, do relate to the balances and results of the activities of the County's individual funds as found in its fund financial statements. Detailed current fiscal year information on the County's individual funds can be found on the balance sheet on page 14, the statement of revenues, expenditures, and changes in fund balances on page 16 and in the required supplementary information budget to actual statement for the general fund on pages 47 through 50.

Financial Highlights - Fund Financial Statements

- The total assets of the County's governmental funds exceeded the total liabilities by \$6,188,200 which represents the fund balance of these funds as of the end of the current fiscal year. This compares to the prior fiscal year balance of \$4,639,218, an increase of \$1,548,982 or approximately 33.39%. This increase is due to the negative results of the general fund of (\$1,328,424), the positive results of the ARPA grant major fund of \$2,737,125 and the positive results of the non-major governmental funds of \$140,281. These increases and decreases can be seen by reviewing Statement D on page 16 and the corresponding combining schedule as shown in the table of contents.
- The total revenues of the County's governmental funds were \$11,811,428 for the current fiscal year. This compares to the prior fiscal year balance of \$11,345,599. This represents an increase of \$465,829 or approximately 4.11%. This is due to a number of increases and decreases in revenue categories though the majority of the increase is related to the current fiscal year increase in tax assessments revenue in the amount of \$339,737. This higher tax assessment was simply due to more funds being budgeted to be raised by taxes. In addition, miscellaneous revenues increased by \$76,222 relating in part to current fiscal year opioid settlement funds which were not received during the prior fiscal year. These opioid settlement funds are being accounted for within the non-major governmental funds. Within these non-major governmental funds, intergovernmental revenues decreased during the current fiscal year by (\$150,649) which was related to increases and decreases in a number of different County grant programs but which was made up in large part by a decrease in the Operation Stonegarden grant revenues of (\$257,397).
- The total expenditures of the County's governmental funds were \$10,305,182 for the current fiscal year. This compares to the prior fiscal year balance of \$8,850,249. This represents an increase of \$1,454,933 or approximately 16.44%. This is due to a number of increases and decreases in general fund departmental expenditures such as district attorney costs which increase by \$49,252, registry of probate costs which increased by \$40,916, employee benefits which increased by \$181,605, regional communication center costs which increased by \$168,888, sheriffs department costs which increased by \$541,616 and County jail costs which increased by \$529,468. Other general fund departmental expenditures did decrease such as benefit reserves which decreased by (\$63,071) and insurances which decreased by (\$45,925). Expenditures within the ARPA grants fund increased by \$181,662 due to additional grant funds being expended during the current fiscal year. In addition, within the non-major governmental funds expenditures decreased by (\$250,787). These non-major funds are made up of grants and other similar activities of the County and as such increases and decreases relate directly to grant expenditure activity. The largest part of this current fiscal year decrease related to the Operation Stonegarden grant for which the current fiscal year expenditures were \$7,713 in comparison to prior fiscal year expenditures of \$265,110 which is a decrease of (\$257,397).
- The total assets of the County's general fund exceeded the total liabilities by \$235,054 which represents the general fund balance as of the end of the current fiscal year. This compares to the prior fiscal year when total assets exceeded total liabilities by \$1,563,478, an unfavorable decrease of (\$1,328,424) or approximately 84.96%. This decrease in the general fund is due in large part to the amount of fund balance which was budgeted to be used which is in effect budgeting for a loss.
- The fund balance of the general fund includes nonspendable amounts related to prepaid expenditures, committed amounts related to budget amounts approved to be used during the upcoming fiscal year prior to the end of the current fiscal year and unassigned general fund balance representing the residual of these three amounts. The nonspendable general fund balance was \$4,614 as of the end of the current fiscal year which compares to the prior fiscal year balance of \$2,245, an increase of approximately 105.52%. The committed general fund balance was \$1,626,361 as of the end of the current fiscal year which compares to the prior fiscal year balance of \$1,545,016, an increase of approximately 5.26%. The unassigned general fund balance was a negative (\$1,395,921) as of the end of the current fiscal year which compares to the prior fiscal year balance of \$16,217. This negative unassigned fund balance represents that the County has committed or included in the upcoming fiscal years budget more funds than were actually available as of the end of the current fiscal year.
- The net change in fund balance (excess or deficiency of revenues over-under expenditures) for the County's general fund was a negative (\$1,328,424) for the current fiscal year in comparison to a negative (\$332,444) for the prior fiscal year. This represents an unfavorable decrease which relates in part to the following selected current fiscal year budget to actual highlights.

**County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022**

Financial Highlights - Fund Financial Statements (continued)

- The total revenues of the County's general fund were \$8,273,143 for the current fiscal year in comparison to \$7,787,801 in the prior fiscal year. This represents an increase of \$485,342 or approximately 6.23%. The actual revenues received in the County's general fund were \$365,842 higher than the budgeted revenues for the current fiscal year which is a favorable variance. This compares to general fund revenues which were \$440,498 higher than the budgeted revenues in the prior fiscal year which was also a favorable variance. This "over collection" of budgeted revenues relates to a number of budgeted revenue categories. State court cost reimbursements were \$139,754 over the budgeted amount, MDEA cost reimbursements were \$53,808 over the budgeted amount, State Bureau of Corrections funds were \$179,367 over the budgeted amount and registry of probate charges for services revenues were \$45,486 over the budgeted amount. In addition, emergency management performance grant revenues were (\$52,521) under the budgeted amount while miscellaneous revenues were (\$37,061) under the budgeted amount.
- The total expenditures of the County's general fund were \$9,601,567 for the current fiscal year in comparison to \$8,120,245 in the prior fiscal year. This represents an increase of \$1,481,322 or approximately 18.24%. The actual program expenditures in the County's general fund were \$1,119,168 lower than the budgeted expenditures for the current fiscal year which is a favorable variance. This compares to general fund expenditures which were \$1,766,886 lower than the budgeted expenditures in the prior fiscal year which was also a favorable variance. These current fiscal year budgeted expenditures include the original approved expenditures amount of \$9,419,374 plus the approved budget carryover amounts from the prior fiscal year in the amount of \$1,301,361 for total budgeted expenditures of \$10,720,735. Administration was underspent by \$96,385 including contracted services of \$72,871, buildings was underspent by \$690,898 including capital reserve accounts of \$584,164, court costs were over expended by (\$107,972) which is due to the fact that no amount is budgeted for this department, the district attorneys office was underspent by \$81,897 including capital reserve accounts of \$22,371, employee benefits was underspent by \$772,904 including health insurance of \$569,043, insurances were underspent by \$273,248 including workers comp of \$223,533, the budgeted contingency amount was underspent by \$333,458 as no amounts were used during the current fiscal year, the regional communications center was overspent by (\$8,388) including wages of (\$54,577), the sheriffs department was overspent by (\$90,155) including wages of (\$133,775) and the county jail was over expended by (\$1,125,941) including benefits of (\$849,254) for which an amount was not budgeted for the current fiscal year.
- The current fiscal year budget was approved by the County Commissioners on December 9, 2021 and included using \$1,445,016 of unassigned general fund balance towards the budgeted expenditures and \$100,000 of unassigned general fund balance towards the budgeted contingency amount. In addition, on July 14, 2022 the County Commissioners approved \$1,301,361 of prior fiscal year calculated unexpended balances which had flowed down to unassigned general fund balance to be carried forward to the current fiscal year which is in effect the same as approving the use of unassigned general fund balance. In total, the County Commissioners approved the use of \$2,846,377 of the unassigned general fund balance during the current fiscal year. The prior fiscal year ending general fund balance was \$1,563,478 so as a result the County budgeted to use all of its prior fiscal year ending general fund balance as well as an additional amount of (\$1,282,899) which could have resulted in an ending general fund deficit in this amount. Budgeting to use any portion of fund balance is in effect the same as budgeting for a loss due to the fact that prior year accumulated balances cannot be shown as current year revenues.

Economic Factors and Next Year's Budgets and Rates

The County would like to move towards maintaining a sufficient general unassigned fund balance to sustain the governmental activities and operations for an estimated two month period of time which would represent approximately 17% of the current fiscal year general fund expenditures. However, during the current fiscal year the unassigned general fund balance decreased from the prior fiscal year balance of \$16,217 which represented approximately .20% of the prior fiscal year general fund expenditures to the current fiscal year negative balance of (\$1,395,921). This unassigned general fund balance amount is negative in part because the County approved the use of \$1,626,361 of unassigned fund towards the 2023 fiscal year budget which was an amount that was not actually available within the unassigned fund balance of the general fund. The following relate to currently known facts, decisions and conditions as of the date of this audit report that the County believes may effect the financial position or results of the operations of the County in the future:

- The County receives both direct and pass-through intergovernmental revenues from the State of Maine. Maine's economy moves in the same general cycle as the national economy, which may affect the amount of intergovernmental revenues the County will receive during future fiscal years.

County of Washington, Maine
Management's Discussion and Analysis
December 31, 2022

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or need additional financial information, contact the County Treasurers office at 85 Court Street, Machias, Maine 04654.

County of Washington, Maine
Statement of Net Position
December 31, 2022

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 725,863
Restricted cash and cash equivalents	5,838,321
Receivables, net:	
Intergovernmental	293,754
Other	3,869
Prepaid expenditures	4,614
Due from fiduciary funds	21,138
Net pension asset	-
Right to use capital assets, net	40,362
Total assets	<u>6,927,921</u>
 Deferred outflows of resources	
Related to Pensions	788,445
Related to OPEB - Life insurance	14,765
Related to OPEB - Health insurance	170,747
Total deferred outflows of resources	<u>973,957</u>
 Liabilities	
Accounts payable	351,708
Accrued payroll	193,298
Other liabilities	134,363
Unearned revenue	5,654,055
Noncurrent liabilities	
Portion due within one year	6,805
Portion due after one year	560,790
Net pension liability	1,242,807
Net OPEB liability - Life insurance	44,313
Total OPEB liability - Health insurance	659,572
Total liabilities	<u>8,847,711</u>
 Deferred inflows of resources	
Related to pensions	521,613
Related to OPEB - Life insurance	18,513
Related to OPEB - Health insurance	220,440
Total deferred inflows of resources	<u>760,566</u>
 Net position	
Net investment in capital assets	4,233
Restricted	
Expendable	319,081
Non-expendable	4,614
Unrestricted	-2,034,327
Total net position	<u>\$ -1,706,399</u>

See the accompanying notes to the financial statements.

County of Washington, Maine
Statement of Activities
For the year ended December 31, 2022

Statement B

Primary government:	Expenses	Program Revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	Total governmental activities
Governmental activities:					
General government					
Administration	\$ -233,296	\$ 29,600	\$ 1,000	\$ -	\$ -202,696
Finance	-141,915	-	-	-	-141,915
Buildings	-227,803	-	90,422	-	-137,381
Court costs	-107,229	-	107,229	-	-
District attorney	-295,234	-	29,630	-	-265,604
Registry of deeds	-186,716	424,412	-	-	237,696
Registry of probate	-213,870	102,416	-	-	-111,454
Employee benefits	-1,751,335	-	-	-	-1,751,335
Benefit reserves	-18,467	-	-	-	-18,467
Insurances	-179,286	-	-	-	-179,286
Third party requests	-153,654	-	88,654	-	-65,000
Contingency	-	-	-	-	-
Public safety					
Emergency management agency	-240,917	-	203,223	-	-37,694
Regional communications center	-948,305	-	-	-	-948,305
Sheriffs department	-2,210,272	89,403	174,754	-	-1,946,115
County jail	-3,038,046	-	575,191	-	-2,462,855
Capital outlay	-334,758	-	-	310,377	-24,381
Debt service					
Interest expense	-29,775	-	-	-	-29,775
	<u>\$ -10,310,878</u>	<u>\$ 645,831</u>	<u>\$ 1,270,103</u>	<u>\$ 310,377</u>	<u>-8,084,567</u>
General revenues:					
Tax assessments					6,621,520
Interest income					44,348
Miscellaneous revenues					182,267
Total general revenues					<u>6,848,135</u>
Change in net position					-1,236,432
Net position - January 1					<u>-469,967</u>
Net Position - December 31					<u>\$ -1,706,399</u>

See the accompanying notes to the financial statements.

County of Washington, Maine
Balance Sheet - Governmental Funds
December 31, 2022

	General fund	ARPA grant funds	Non-major governmental funds	Total governmental funds
Assets				
Cash and cash equivalents	\$ 1,025,689	\$ 5,327,673	\$ 210,822	\$ 6,564,184
Receivables (net of allowance)				
Intergovernmental	110,361	-	183,393	293,754
Other	3,869	-	-	3,869
Prepaid items	4,614	-	-	4,614
Due from fiduciary funds	21,138	-	-	21,138
Due from other funds	177,331	304,609	183,660	665,600
Total assets	\$ 1,343,002	\$ 5,632,282	\$ 577,875	\$ 7,553,159
Liabilities				
Accounts payable	\$ 272,028	\$ -	\$ 79,680	\$ 351,708
Accrued payroll	193,298	-	-	193,298
Other liabilities	134,363	-	-	134,363
Unearned revenue	19,990	-	-	19,990
Due to other funds	488,269	-	177,331	665,600
Total liabilities	1,107,948	-	257,011	1,364,959
Fund Balances				
Nonspendable	4,614	-	-	4,614
Restricted	-	5,632,282	320,864	5,953,146
Committed	1,626,361	-	-	1,626,361
Assigned	-	-	-	-
Unassigned	-1,395,921	-	-	-1,395,921
Total fund balances	235,054	5,632,282	320,864	6,188,200
Total liabilities and fund balances	\$ 1,343,002	\$ 5,632,282	\$ 577,875	\$ 7,553,159

See the accompanying notes to the financial statements.

County of Washington, Maine
Reconciliation of Statement C to Statement A
for all Governmental Funds and Activities
December 31, 2022

Fund balances of governmental funds as shown on Statement C

\$ 6,188,200

Amounts reported for governmental activities in the government-wide financial statements (Statement A) differ from the amounts reported in the fund financial statements (Statement C):

1	Right to use capital assets used in governmental activities are not financial resources and are not reported on Statement C however they are reported on Statement A and must be added in:		
	Cost	42,736	
	Less accumulated amortization	-2,374	40,362
2	Certain grant revenues received by the County are recorded as revenue when the amounts are available and measurable in the fund financial statements on the modified accrual basis of accounting. However, the government-wide financial statements record revenues when they have been earned on the accrual basis of accounting and therefore these revenue amounts are deferred on Statement A and therefore must be subtracted out:		-5,634,065
3	Deferred outflows and inflows of resources represent a consumption or acquisition of net position that applies to a future period, and therefore will not be recognized as an expenditure or revenue until then, and therefore, they are not reported in the fund financial statements:		
	Deferred outflows of resources related to pensions	788,445	
	Deferred outflows of resources related to OPEB - Life insurance	14,765	
	Deferred outflows of resources related to OPEB - Health insurance	170,747	
	Deferred inflows of resources related to pensions	-521,613	
	Deferred inflows of resources related to OPEB - Life insurance	-18,513	
	Deferred inflows of resources related to OPEB - Health insurance	-220,440	213,391
4	Long-term liabilities and in some cases assets, are not due and payable and or receivable in the current period and therefore are not reported in the fund financial statements. However, they are reported in the government-wide financial statements and therefore must either be subtracted out or added in:		
	Right to use lease payable	-36,129	
	Accrued compensated absences	-531,466	
	Net pension liability	-1,242,807	
	Net pension asset	-	
	Net OPEB liability - Life insurance	-44,313	
	Total OPEB liability - Health insurance	-659,572	-2,514,287
5	Inter fund receivable and payable balances between governmental funds are reported in the fund financial statements but are eliminated in the government-wide financial statements:		
	Inter fund receivables	665,600	
	Inter fund payables	-665,600	-
	Net position of governmental activities as shown on Statement A		\$ -1,706,399

See the accompanying notes to the financial statements.

County of Washington, Maine
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the year ended December 31, 2022

	General fund	ARPA grant funds	Non-major governmental funds	Total governmental funds
Revenues				
Tax assessments	\$ 6,621,520	\$ -	\$ -	\$ 6,621,520
Intergovernmental	943,991	3,047,502	325,969	4,317,462
Charges for services	622,025	-	23,806	645,831
Interest income	18,165	24,381	1,802	44,348
Miscellaneous revenues	67,442	-	114,825	182,267
Total revenues	8,273,143	3,071,883	466,402	11,811,428
Expenditures				
Current:				
General government				
Administration	233,450	-	1,000	234,450
Finance	138,594	-	-	138,594
Buildings	232,903	-	-	232,903
Court costs	107,972	-	-	107,972
District attorney	294,534	-	-	294,534
Registry of deeds	187,774	-	-	187,774
Registry of probate	214,118	-	-	214,118
Employee benefits	1,661,424	-	-	1,661,424
Benefit reserves	18,467	-	-	18,467
Insurances	179,286	-	-	179,286
Third party requests	65,000	-	88,654	153,654
Contingency	-	-	-	-
Public safety				
Emergency management agency	68,184	-	170,366	238,550
Regional communications center	934,026	-	-	934,026
Sheriffs department	2,164,402	-	26,101	2,190,503
County jail	3,076,739	-	40,000	3,116,739
Capital outlay	-	334,758	-	334,758
Non-cash capital outlay	42,736	-	-	42,736
Debt service				
Interest expense	24,694	-	-	24,694
Total expenditures	9,644,303	334,758	326,121	10,305,182
Excess (deficiency) of revenues over (under) expenditures	-1,371,160	2,737,125	140,281	1,506,246
Other financing sources (uses)				
Non-cash capital proceeds	42,736	-	-	42,736
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	42,736	-	-	42,736
Net change in fund balances	-1,328,424	2,737,125	140,281	1,548,982
Fund balances - January 1	1,563,478	2,895,157	180,583	4,639,218
Fund balances - December 31	\$ 235,054	\$ 5,632,282	\$ 320,864	\$ 6,188,200

See the accompanying notes to the financial statements.

County of Washington, Maine
Reconciliation of Statement D and Statement B
for all Governmental Funds and Activities
For the year ended December 31, 2022

Net changes in governmental fund balances as shown on Statement D		\$ 1,548,982
Amounts reported for governmental activities in the government-wide financial statements (Statement B) differ from the amounts reported in the fund financial statements (Statement D):		
1	Right to use asset payments are recorded as expenditures in Statement D and are capitalized and shown as amortization expense in Statement B: Current year right to use assets to be capitalized Current year amortization on right to use assets	42,736 <u>-2,374</u> 40,362
2	The basis of presentation and revenue recognition is different from the fund financial statements to the government-wide financial statements as follows: Prior year unearned revenue amounts to be recognized Current year revenue amounts to be recorded as unearned	2,897,083 <u>-5,634,065</u> -2,736,982
3	Deferred outflows and inflows of resources represent a consumption or acquisition of net position applied to future periods, therefore it will not be recognized as an expenditure or revenue until then, and therefore, they are not reported in the fund financial statements but are recorded in the government-wide financial statements: Amortization of and changes in deferred outflows for pensions Amortization of and changes in deferred inflows for pensions Amortization of and changes in deferred outflows for OPEB Amortization of and changes in deferred inflows for OPEB	-22,694 1,389,361 -17,307 <u>-61,570</u> 1,287,790
4	Current year employer pension contributions represent a use of current financial resources and are recorded as expenditures in the fund financial statements. These contributions are reported as deferred outflows of resources in the government-wide financial statements and therefore they must be added back in. Some expenses reported in the government-wide financial statements do not require the use of current financial resources and, therefore, are not reported as expenditures in the fund financial statements: Prior fiscal year employer pension contributions Current fiscal year employer pension contributions Prior fiscal year employer OPEB contributions - Life insurance Current fiscal year employer OPEB contributions - Life insurance Prior fiscal year employer OPEB contributions - Health insurance Current fiscal year employer OPEB contributions - Health insurance	-153,792 230,215 -557 634 -7,688 <u>5,308</u> 74,120
5	Payments on and changes in long-term liabilities and in some cases assets are recorded as current year activities on Statement D however they are shown as increases or decreases in liability accounts in the government-wide financial statements and therefore must be adjusted accordingly: Right to use lease liability proceeds Right to use lease payable principal repayment Accrued compensated balances increase Net pension liability increase Net pension asset decrease Net OPEB liability increase - Life insurance Total OPEB liability decrease - Health insurance	-42,736 6,607 -69,421 -1,242,807 -139,127 -13,233 <u>50,013</u> -1,450,704
Change in net position of governmental activities as shown on Statement B		\$ <u><u>-1,236,432</u></u>

See the accompanying notes to the financial statements.

County of Washington, Maine
Statement of Net Position and Statement of Changes
in Net Position - Fiduciary Funds
As of and for the year ended December 31, 2022

	Custodial funds
Assets	
Cash and cash equivalents	\$ 2,693,721
Accounts receivable	-
Prepaid items	-
Due from other funds	-
Total assets	<u>2,693,721</u>
Liabilities	
Accounts payable	-
Accrued payroll	-
Other liabilities	-
Unearned revenue	-
Due to other governments	2,634,892
Due to other funds	21,138
Total liabilities	<u>2,656,030</u>
Net position	
Restricted	
Expendable	37,691
Non-expendable	-
Unrestricted	-
Total net position	<u>37,691</u>
Total liabilities and net position	<u>\$ 2,693,721</u>
Additions	
Collections of restitution funds	\$ 47,447
Collections of inmate funds	70,847
Interest income	148
Miscellaneous	-
Total additions	<u>118,442</u>
Deductions	
Payments of restitution funds	53,009
Return of inmate funds	23,798
Commissary payments	34,958
Miscellaneous	3,218
Total deductions	<u>114,983</u>
Change in net position	3,459
Net position - January 1	<u>34,232</u>
Net position - December 31	<u>\$ 37,691</u>

See the accompanying notes to the financial statements.

County of Washington, Maine
Notes to the Financial Statements
December 31, 2022

The County of Washington, Maine (the County) was incorporated as a County on June 25, 1789 and is located in the eastern section of Maine. The County was organized under the Board of Commissioners form of government and provides services to its citizens through the following departments: administration, finance, buildings, court costs, the district attorneys office, the registry of deeds and probate, employee benefits, benefit reserves, insurances, third part requests, contingency, emergency management agency, the regional communications center, the sheriffs department and the county jail.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting. The basic financial statements of the County consist of government-wide financial statements and fund financial statements. The basis of presentation, measurement focus, and basis of accounting differ for these two types of financial statements and are described separately in Section B and C below. The other following sections represent a summary of the significant accounting policies as applied by the County.

A. Reporting Entity

The financial reporting entity consists of the primary government and its component units, organizations for which the primary government is financially accountable or for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. The determination of whether an entity should be included as a component unit of the primary government includes not only the application of the aforementioned criteria but a consideration as to whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based upon this criteria, the County has determined that it has no component units at this time.

B. Government-Wide Financial Statements

1. Basis of Presentation

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information about the County as a whole without displaying individual funds or fund types. These statements distinguish between the primary government as well as the governmental and business-type activities of the County as may be applicable. These statements do not include information about the fiduciary activities and funds of the County or component units which are fiduciary in nature. Fiduciary activities and funds report assets which are held by the County in a trustee or custodial capacity and which cannot be used to support the activities and programs of the County.

The statement of net position presents the financial position of the governmental and business-type activities (when present) of the primary government of the County at the end of the fiscal year. This statement reports the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the County. The assets and liabilities are presented in the order of their relative liquidity. The liquidity of assets is determined by how readily they are expected to be converted into cash and whether there are restrictions in place limiting their use by the County. The liquidity of liabilities is determined by their maturity or by when cash will be used to liquidate them. The net position balance of the County consists of the net investment in capital assets (net of accumulated depreciation and reduced by the total outstanding debt incurred to purchase the assets - when present), restricted and unrestricted amounts. Restricted net position is present when constraints are imposed externally by creditors, grantors, contributors, other governments, or by law through constitutional provisions or enabling legislation. Unrestricted net position consists of all net position balances not meeting the definition of invested in capital assets or restricted. Internal balances between individual funds within the governmental and business-type activities (when present) are eliminated in this statement to minimize the "grossing-up" of assets and liabilities. These internal balances are also known as inter-fund receivables and payables and are shown in the fund financial statements as due to and due from other funds. Any residual amounts due between the governmental and business-type activities (when present) of the County would be shown as an internal balance and disclosed separately. Amounts due between the governmental and fiduciary activities of the County would be shown as an internal balance on the statement of net position.

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The statement of activities presents the operations of the governmental and business-type activities (when present) of the primary government of the County for the fiscal year. The operations of the County are shown in a format which reports the net (expense) revenue of the individual functions (sometimes referred to as departments) of the County. The purpose of this net (expense) revenue format is to report the relative financial burden of each of the County's functions on the tax assessment base. Program revenue is applied to each function based on which function generated the specific charges for services and for which functions the operating and capital grants have been received. All tax assessments are shown as general revenues regardless of whether they were levied for a specific purpose or function. The categories of individual functions correspond to the different functions of the County. Depreciation or amortization expense (when present) is allocated to the specific functions of the County based on which function purchased or benefits from the assets. Depreciation or amortization on assets shared between two or more functions is allocated based on the percentage purchased by each function. If the benefit received from these assets shifts from the function making the purchase to another function in a material amount, the amount being charged will be shifted accordingly. Depreciation or amortization on capital assets which benefit all of the functions of the County, such as infrastructure assets, is shown as a separate line item. Internal activity between individual funds within the governmental and business-type activities (when present) are eliminated in this statement. This internal activity is also known as transfers in and out and is shown in the fund financial statements as such. The above information relating to the government-wide financial statements basis of presentation reference both governmental and business-type activities. The County currently does not have any business-type activities.

2. Measurement Focus and Basis of Accounting

The statement of net position and the statement of activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting would be used for both governmental and business-type activities of the primary government of the County. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. In other words, revenues and the related assets are recognized when they are earned and expenses and the related liabilities are recognized when they are incurred. The County does not have an established policy relating to the use of restricted and unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Absent of an established policy which addresses this situation, accounting guidance states that it should consider that restricted amounts would be reduced first and then unrestricted amounts.

C. Fund Financial Statements

1. Basis of Presentation

The fund financial statements of the County consist of a balance sheet with a reconciliation to the government-wide statement of net position, a statement of revenues, expenditures, and changes in fund balances with a reconciliation to the government-wide statement of activities and a statement of fiduciary net position and a statement of changes in fiduciary net position. These fund financial statements are designed to report additional and more detailed information about the primary government. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts which records cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with any special regulations, restrictions, or limitations which may exist. The types of funds shown for the County are governmental funds and fiduciary funds. The focus of these fund financial statements are on major funds as defined by GASB Statement No. 34. All major funds are reported in a separate column with all non-major funds being aggregated and reported in a single column.

Governmental fund reporting focuses primarily on the sources, uses, and balances of the current financial resources of the County. The governmental funds used by the County include the general fund, and other major and non-major governmental fund types such as special revenue funds, capital project funds, and permanent funds. The general use and purpose of these individual governmental fund types are as follows. The individual names of each fund within each non-major governmental fund type can be found in the accompanying combining schedules and the purpose of the fund is generally self explanatory within each title.

- a. General fund - The general fund is the general operating fund of the County and accounts for all revenues and expenditures of the County with the exception of those required to be accounted for in another fund. All general tax assessment revenues and other receipts that (a) are not allocated by law, contractual agreement, governing body motion or County meeting to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the general fund.
- b. Special revenue funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

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- b. Special revenue funds (continued) - The specific restricted or committed revenues may be initially received in another fund and subsequently distributed to a special revenue fund. Those amounts should not be recognized as revenue in the fund initially receiving them but rather in the special revenue fund in which they will be expended. The restricted or committed proceeds of the specific revenue sources should be expected to continue to make up a substantial portion of the resources flowing into the fund. Other financial resources such as investment income and transfers from other funds may also be reported within a special revenue fund as long as those resources are restricted, committed or assigned to the specified purpose of the fund.
- c. Capital project funds - Capital project funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, such as the acquisition or construction of capital facilities and other capital assets or for the accumulation of funds for these purposes. The County does not currently have any capital project funds.
- d. Permanent funds - Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs and in effect the benefit of the County or citizens within the County. The County does not currently have any permanent funds.

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and cannot be used to support the programs of the County. Fiduciary funds can be classified as pension or other employee benefit trust funds, investment trust funds, private purpose trust funds and custodial funds.

- e. Custodial funds - Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

County fiduciary funds consist of County jail inmate account balances, district attorney restitution funds which have been collected but not yet paid out as directed by a specific court order, estate funds which have been deposited with the County until the specific court proceedings have directed the payment of such funds to a beneficiary or other designee and the funds of the Unorganized Territories of Washington County. The unorganized territory (UT) of Maine is that area of Maine having no local, incorporated municipal government. Duties related to providing services and property tax administration in the UT is shared among various state agencies and county governments. The Maine Legislature serves as the "local governing body" for the UT, as it annually reviews and approves the various budgets from state agencies and county governments necessary to provide services and property tax administration in the UT. The Unorganized Territories of Washington County are not considered a component unit of the County given that the Maine Legislature serves as the local governing body and given that the County is not financially accountable for the entity. The County acts in a purely trustee or custodial capacity in relation to all of these fiduciary funds which are not accessible or available to support County programs.

The balance sheet is used to report information about the current financial resources (assets, deferred outflows of resources, liabilities, deferred inflows of resources and fund balances) of each major governmental fund and for all non-major governmental funds in the aggregate. The fund balance amounts within the governmental funds are segregated between nonspendable, restricted, committed, assigned and unassigned amounts. These balances are shown on the face of the balance sheet in the aggregate but are broken out into the required detail in note 1U starting on page 28. An accompanying schedule is also required to be completed to reconcile the total governmental fund balance to the total net position balance of the governmental activities of the County as shown on the government-wide statement of net position.

The statement of revenues, expenditures, and changes in fund balances is used to report information about the inflows, outflows, and balances of current financial resources of each major governmental fund and for all non-major governmental funds in the aggregate. Revenues are classified by major revenue sources while expenditures are classified by categories of individual functions corresponding to the different departments and operations of the County. The proceeds from the issuance of long-term debt and operating transfers between individual funds are shown as other financing sources and uses. An accompanying schedule is also required to be completed to reconcile the total change in governmental fund balances to the total change in net position of the governmental activities of the County as shown on the government-wide statement of activities.

Budgetary comparison information is required supplementary information which is presented for the general fund and each major special revenue or capital project fund that has a legally adopted annual budget. The County includes this required supplementary information for the general fund as shown in the table of contents. This budgetary comparison information shows the original budget as voted on and appropriated, the changes made to each individual departmental line item within the budget and the final budget which is compared to the actual revenue and expenditure balances to come up with the favorable or unfavorable variance numbers. The statement of fiduciary net position shows information in regard to the assets and liabilities of the fiduciary funds of the County which consist of custodial funds. The statement of changes in fiduciary net position shows information in regard to the additions to, subtractions from, and net increase or decrease for the year in fiduciary fund net position.

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2. Measurement Focus and Basis of Accounting

The balance sheet and the statement of revenues, expenditures, and changes in fund balances are prepared using the current financial resources measurement focus and the modified accrual basis of accounting for all governmental and fiduciary funds. Capital assets and long-term debt (when present) are not recorded as assets or liabilities on the balance sheet of the County. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Tax assessment revenues are recognized when they become available. Available includes those tax assessment receivables which are expected to be collected within the first sixty days after the end of the current fiscal year. Miscellaneous revenues are recorded when received because they are generally not measurable until actually received. Intergovernmental revenues are accrued, when their receipt occurs soon enough after the end of the accounting period so as to be both measurable and available. The County generally considers intergovernmental revenues which are received within the first sixty days after the end of the current fiscal year to be both measurable and available. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred. Exceptions to this general rule include general long-term debt principal and interest payments which are recognized when due.

D. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand as well as amounts in demand deposit accounts and short-term investments with original maturities of three months or less from the date of acquisition. The County may classify money market accounts, certificates of deposit accounts and other higher yielding accounts as investments regardless of maturity when they are used to gain a higher interest rate in order to more accurately reflect how the County's cash balances are being used for the benefit of the County.

E. Investments

The County's policy is to value investments at their fair value as of the end of the fiscal year. Some of the types of investments authorized by the State of Maine include certificates of deposit, obligations of the United States Government, obligations fully insured or guaranteed by the government or governmental agency and repurchase agreements. The County may vote to accept investments other than those authorized by the State of Maine in situations where they have been donated to the County. During and as of the end of the current fiscal year, the County did not have any investments nor did it classify any cash and cash equivalents as investments.

F. Receivables & Allowance for Doubtful Accounts

All tax assessment, intergovernmental and other receivables are reported net of any allowance for doubtful accounts. The current year fund financial statement accounts receivable balances include intergovernmental receivables of \$293,754 and other receivable amounts of \$3,869. The intergovernmental receivables within the general fund totaled \$110,361 and are made up of drug enforcement agency reimbursement payments due from the State of Maine in the amount of \$27,750, court cost reimbursements due from the State of Maine in the amount of \$49,917, victim advocacy grant payments due from the State of Maine in the amount of \$14,538, emergency management performance grant payments due from the State of Maine in the amount of \$13,357 and sheriffs department patrol payments due from participating municipalities in the amount of \$4,799. The intergovernmental receivables within the non-major special revenue funds totaled \$183,393 and are made up of Federal Emergency Management Agency homeland security grant payments due from the State of Maine in the amount of \$167,036, Federal Emergency Management Agency operation stone garden grant payments due from the State of Maine in the amount of \$3,776, Maine Emergency Management Agency operating and training grant payments due from the State of Maine in the amount of \$5,434, a medicated assisted treatment for opiate use disorder jail grant in the amount of \$6,667 and other miscellaneous state grant receivables in the amount of \$480. The other receivable amounts within the general fund totaled \$3,869 and are made up of miscellaneous vendor refund amounts due of \$3,850 and miscellaneous amounts due from employees relating to insurances paid in the amount of \$19. The current year government-wide financial statements include all of the above mentioned receivable types. The County will book an unbilled receivable in situations when a grant or contract has incurred expenditures which will be reimbursed by a funding source but which have not yet been fully received in cash for the amount incurred. The current allowance for doubtful accounts in relation to the above mentioned accounts receivable balances was estimated to be \$0. The County considers past experience with receivable balance collections and current aging report details when determining its calculation for an allowance for doubtful accounts. Receivables are only written off once it has been determined that all other methods of collection have been utilized without success.

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G. Prepaid Items

Payments made to vendors for goods and services that will benefit periods beyond the end of the fiscal year are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expense-expenditure in the subsequent year (s) in which the goods or services are consumed. Expenditures relatively minor in nature for insurance and similar services extending over more than one accounting period need not be allocated between or among accounting periods, but may be accounted for as expenditures of the period of acquisition. The County generally considers relatively minor in nature to include aggregated similar items not exceeding \$2,500. Payments made to vendors for goods and services that will only benefit periods beyond the end of the fiscal year generally are recorded as prepaid items regardless of the dollar amount.

H. Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used which is in accordance with the consumption method. On the fund financial statements, inventories are presented at cost on a first-in, first-out basis and are recorded as expenditures when used. The County currently has no material and reported inventory amounts.

I. Inter Fund Receivables and Payables

Inter fund receivables and payables represent the balance of activity between the different funds of the County. These activities include but are not limited to transfers which were not physically made but need to be recorded to keep track of the individual fund balances and cash receipts which may have been deposited in the cash account of one fund but which are for the use of another fund. Expenditures for one fund paid for out of another fund are also included in these balances. The inter fund balances and related activities of the governmental funds have been eliminated in the government-wide statement of net position and the statement of activities, however, the inter fund balances and related activity between the governmental and fiduciary fund activities of the County are not eliminated on these statements. The current fiscal year due from fiduciary funds amount of \$21,138 is made up of amounts due from the Unorganized Territories of Washington County which is considered a fiduciary fund of the County.

J. Capital Assets

The County currently only records right to use capital assets on the government-wide financial statements. This is not in accordance with generally accepted accounting principles and therefore the audit report has been modified for this omission. The County does plan to record all of its capital assets at some future date and accordingly this description is being included to describe how the right to use capital assets and eventually all of the capital assets of the County will be accounted for. Capital assets of the County may include land and improvements, buildings and improvements, vehicles, equipment, right to use and subscription assets, infrastructure, and all other tangible and intangible assets which may arise that are used in operations and that have an initial useful life extending beyond a single fiscal year. Infrastructure assets are long-lived capital assets that are normally stationary in nature and can normally be preserved for a significantly greater number of years than most capital assets. The County does not have any infrastructure assets. All capital assets of the County are or would be recorded at historical cost or estimated historical cost when the actual amount is not available. The historical cost of these assets include or would include not only the cost of the asset but other direct costs associated with placing the asset into its intended location and its intended use. The County generally will maintain a capitalization threshold of \$5,000 for all capital assets. Donated capital assets are reported at their estimated fair value at the time of acquisition. Additions and improvements that significantly extend the useful lives of assets would be capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives would not be capitalized.

Land is not depreciated. All other individual capital assets of the County are or would be depreciated over their estimated useful lives using the straight line method. Under this method, the recorded cost of each capital asset less any estimated residual value is divided by the estimated useful life resulting in an even amount of depreciation to be taken on an annual basis. The estimated residual value is the amount that the capital asset is expected to be worth at the end of its useful life. The general estimated useful lives for specific types of capital assets are 3 - 10 years for equipment, 5 - 10 years for vehicles and 30 - 50 years for buildings and building improvements. Capital assets which are under construction but not yet completed would be recorded as construction in progress. These capital assets would not begin to be depreciated until they are completed. Depreciation expense is allocated to the specific functions (sometimes referred to as departments) of the County based on which function purchased or benefits from the assets. Depreciation on assets shared between two or more functions is allocated based on the percentage purchased by each function. Depreciation on capital assets which benefit all of the functions of the County would be shown as a separate line item.

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K. Leases and Right to Use Lease Assets

The County may at times lease land, buildings and equipment as part of lease agreements under which the County is the lessee. Under these lease agreements, the County recognizes a lease liability and an intangible right to use lease asset (lease asset) in the applicable governmental activities and business-type activities in the government wide financial statements and in the proprietary fund financial statements. The County generally recognizes lease liabilities with an initial, individual value of \$5,000 or more though lease liabilities are considered individually and in the aggregate.

At the beginning of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. The future lease payments should be discounted using the interest rate the lessor charges the lessee, which may be the interest rate implicit in the lease. If the interest rate cannot be readily determined by the County, the County's estimated incremental borrowing rate (an estimate of the interest rate that would be charged for borrowing the lease payment amounts during the lease term) should be used. Subsequently, the lease liability is reduced by the principal portion of lease payments made. Lease liabilities are reported with long-term debt on the statement of net position. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The lease asset is amortized on a straight line basis over the shorter of the lease term or the estimated useful life of the underlying asset. If a lease contains a purchase option that the lessee has determined is reasonably certain of being exercised, the lease asset should be amortized over the useful life of the underlying asset. Lease assets are reported with other capital assets on the statement of net position.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that individually or in the aggregate are expected to significantly affect the amount of the lease liability. Examples of changes that may occur to a lease that may result in the need for a remeasurement of the lease liability would include a change in the lease term, a change in the interest rate the lessor charges the County or an assessment that indicates that the likelihood of a purchase option being exercised has changed from reasonably certain to not reasonably certain, or vice versa.

L. Subscription Liabilities and Right to Use Subscription Assets

The County may at times enter into Subscription Based Information Technology Arrangements (SBITA's). A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. Under these SBITA agreements, the County recognizes a subscription liability and an intangible right to use subscription asset (subscription asset) in the applicable governmental activities and business-type activities in the government wide financial statements and in the proprietary fund financial statements (when present). The County generally recognizes subscription liabilities with an initial, individual value of \$5,000 or more though subscription liabilities are considered individually and in the aggregate.

At the beginning of a SBITA, the County initially measures the subscription liability at the present value of payments expected to be made during the term of the agreement. These future payments should be discounted using the interest rate the vendor charges the County, which may be the interest rate implicit in the agreement. If the interest rate cannot be readily determined by the County, the County's estimated incremental borrowing rate (an estimate of the interest rate that would be charged for borrowing the payment amounts during the term of the agreement) should be used. Subsequently, the subscription liability is reduced by the principal portion of the payments made. Subscription liabilities are reported with long-term debt on the statement of net position.

The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the agreement commencement date, plus certain initial direct costs. The subscription asset is amortized on a straight line basis over the shorter of the agreement term or the estimated useful life of the underlying asset.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the subscription asset and liability if certain changes occur that individually or in the aggregate are expected to significantly affect the amount of the subscription liability. Examples of changes that may occur to a SBITA that may result in the need for a remeasurement of the subscription liability would include a change in the agreement term and a change in the interest rate the vendor charges the County.

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M. Unearned Revenue and Deferred Inflows and Outflows of Resources

In the government-wide financial statements, revenue amounts which have been received in cash but not yet earned are recorded as unearned revenue. The current fiscal year unearned revenue balance of the governmental activities of the County as shown on the statement of net position totaled \$5,654,055. This balance is made up of \$5,634,065 which represents unspent state grant program balances which will be used during upcoming fiscal years and \$19,990 which represents a settlement amount received by the County relating to a prior fiscal year grant award program and a specific prior year grant award recipient. In the fund financial statements, revenues are recognized when they are both measurable and available to pay current liabilities. The current fiscal year unearned revenue balance of the governmental funds of the County as shown on the balance sheet totaled \$19,990 which represents the above mentioned settlement amount received by the County relating to a prior fiscal year grant award program and a specific prior year grant award recipient.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element 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) until that time. The governmental activities have deferred outflows that relate to the net pension liability, the net OPEB liability for life insurance and the total OPEB liability for health insurance. The deferred outflows include the County's current fiscal year plan contributions made subsequent to the measurement date, which are recognized as a reduction of the plan liability in the subsequent fiscal year and may include actuarial determined differences between expected and actual experience, changes in assumptions and changes in the proportionate share of contributions, which would be deferred and amortized over the average expected remaining service lives of active and inactive members as noted within each plan. They may also include the actuarial determined net difference between projected and actual earnings on plan investments, which would be deferred and amortized over a five-year period as noted within each plan. The current fiscal year deferred outflows of resources balance of the governmental activities of the County as shown on the statement of net position totaled \$973,957. In relation to the pension plan, this balance is made up of current fiscal year contributions made by the County subsequent to the measurement date of \$230,215, the differences between expected and actual experience of \$230,968, changes of assumptions of \$252,247 and changes in the proportionate share of \$75,015. In relation to the OPEB life insurance plan, this balance is made up of current fiscal year contributions made by the County subsequent to the measurement date of \$634, the differences between expected and actual experience of \$2,155, the difference between expected and actual investment earnings of \$3,831, changes of assumptions of \$3,685 and changes in the proportionate share of \$4,460. In relation to the OPEB health insurance plan, this balance is made up of current fiscal year contributions made by the County subsequent to the measurement date of \$5,308, the differences between expected and actual experience of \$552 and changes of assumptions of \$164,887.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period (s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental activities have deferred inflows that relate to the net pension liability, the net OPEB liability for life insurance and the total OPEB liability for health insurance. The deferred inflows may include actuarial determined differences between expected and actual experience, changes in assumptions and changes in the proportionate share of contributions, which would be deferred and amortized over the average expected remaining service lives of active and inactive members as noted within each plan. They may also include the actuarial determined net difference between projected and actual earnings on plan investments, which would be deferred and amortized over a five-year period as noted within each plan. The current fiscal year deferred outflows of resources balance of the governmental activities of the County as shown on the statement of net position totaled \$760,566. In relation to the pension plan, this balance is made up of the differences between expected and actual investment earnings of \$521,613. In relation to the OPEB life insurance plan, this balance is made up of the difference between expected and actual experience of \$392, changes of assumptions of \$13,837 and changes in the proportionate share of \$4,284. In relation to the OPEB health insurance plan, this balance is made up the differences between expected and actual experience of \$189,670 and changes of assumptions of \$30,770.

N. Accounts Payable, Accrued Payroll and Other Liabilities

On the government-wide and the fund financial statements, the accounts payable balance of the County is used to account for the expenses or expenditures related to goods and services received during the current fiscal year for which the related invoices have not yet been paid as of the end of the current fiscal year. Under both the accrual and modified accrual basis of accounting expenses and expenditures are recorded when they are incurred. The accrued payroll balances of the County represent amounts earned for hours worked prior to the end of the fiscal year which were not physically paid until after the end of the fiscal year. The other liabilities balance of \$134,363 is made up of payroll withholding amounts which have either been withheld or accrued not yet physically paid in the amount of \$14,086 and sheriff's department forfeited asset funds not yet disbursed in the amount of \$120,277.

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O. Long-Term Obligations and Related Costs

Long-term debt and other long-term obligations are reported as liabilities on the governmental-wide statement of net position. Bond premiums and discounts are capitalized and amortized over the life of the bonds using the straight line method, which approximates the effective interest method. The unamortized portion is presented as a component of bonds payable. Bond issuance costs are reported as expenses when incurred. The governmental fund financial statements recognize bond premiums and discounts, as well as bond issuance costs, during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and related pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (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, 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. Investment income is recognized when earned and investment expenses are recorded when incurred. The aforementioned pension information was included in the actuarial report provided to the management of the County by the Maine Public Employees Retirement System.

Q. Other Post Employment Benefits (OPEB) - Life Insurance

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and related OPEB expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (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, 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. Investment income is recognized when earned and investment expenses are recorded when incurred. The aforementioned OPEB information was included in the actuarial report provided to the management of the County by the Maine Public Employees Retirement System.

R. Other Post Employment Benefits (OPEB) - Health Insurance

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and related OPEB expense, information about the fiduciary net position of the Maine Municipal Employees Health Trust (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, 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. Investment income is recognized when earned and investment expenses are recorded when incurred. The aforementioned OPEB information was included in the actuarial report provided to the management of the County by the Maine Municipal Employees Health Trust.

S. Budgets

The annual budget is the financial plan for the operation of the County of Washington, Maine for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the government. The budget process for the County is outlined in Title 30-A, Part 1, Chapter 3, Subchapter 1, Article 13 of the Maine State Statutes as follows.

The County Commissioners shall hold one or more public hearings on the budget estimate for the upcoming fiscal year no later than 90 days before the end of the current fiscal year and shall hold an informational meeting, in conjunction with the budget advisory committee, with the Washington County legislative delegation no later than 30 days before the end of the current fiscal year. The County Commissioners shall submit a budget estimate for the upcoming fiscal year to the budget advisory committee no later than 90 days before the end of the current fiscal year. The budget advisory committee shall review the budget estimate and make

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recommendations to the commissioners no later than 45 days before the end of the current fiscal year. The County Commissioners shall act on the budget in a timely manner and, in any event, no later than 15 days before the end of the current fiscal year. If the County Commissioners wish to make changes to the budget recommendations made by the budget advisory committee, the County Commissioners shall schedule one or more meetings with the budget advisory committee no later than 15 days before the end of the current fiscal year for the purpose of negotiating a final budget.

If, following negotiations, a final budget that is acceptable to the budget advisory committee is not approved by the County Commissioners at least 15 days before the end of the current fiscal year, the budget advisory committee shall adopt a final budget and transmit that budget to the County Commissioners. The budget adopted by the budget advisory committee may be changed by a majority vote of the Board of County Commissioners. If the adopted budget is changed by the County Commissioners, the budget advisory committee may reject the changes by a 2/3 vote of its membership. The budget is final and not subject to further action by either the County Commissioners or the budget advisory committee upon failure of the commissioners to recommend changes in the budget transmitted from the budget advisory committee or upon acceptance or rejection of changes to the budget advisory committee. The entire budget approval process must be completed by the last day of the current fiscal year. If the budget is not approved before the start of the new fiscal year, the county shall operate on an interim budget, that may not exceed 80% of the previous fiscal years budget, until a budget is finally adopted. The budget for the current fiscal year was approved by the County Commissioners on December 9, 2021.

T. Major Funds

Within the fund financial statements, the focus of the governmental funds of the County is on the major funds. The general fund of the County must always be shown as a major fund. Other governmental funds are shown as major based on the following criteria.

- a. The total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, and expenditures of an individual governmental or enterprise (if present) fund are at least 10% of the corresponding totals for all funds of the governmental or enterprise (if present) fund type and
- b. The total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, and expenditures of an individual governmental or enterprise (if present) fund are at least 5% of the corresponding totals for all governmental and enterprise (if present) funds combined.
- c. Any other individual governmental or enterprise (if present) fund that the County believes is particularly important to the financial statement users whether because of public interest, consistency, or other reasons.

For the purposes of the current fiscal year fund financial statements, the following individual governmental fund has been classified as major. A brief description of the fund and the activities reported within the fund is as follows.

- d. ARPA grant funds - This fund is used to account for the financial resources received by the County under the American Rescue Plan Act of 2021 (ARPA). The acceptable use of these funds as outlined in the Final Rule of the U.S. Department of the Treasury include replacing lost public sector revenue, addressing public health and economic impacts, premium pay and water, sewer & broadband infrastructure. These grant funds must be obligated by December 31, 2024 and expended by December 31, 2026.

For the purposes of the current fiscal year fund financial statements, the following selected individual governmental funds have been classified as non-major. A brief description of the fund and the activities reported within the fund is as follows. Only those non-major funds whose purpose is not readily apparent from the description of the fund have been included below.

- e. Deeds surcharge account - This non-major special revenue fund is used to account for the specific surcharge fees collected by the registry of deeds of the County in accordance with enabling legislation Title 30, Chapter 11, Sub-chapter 4, Section § 752 Records preservation surcharge. Surcharge fees collected in accordance with this section must be transferred to the County treasurer and deposited into a separate non-lapsing account within 30 days of their receipt. These funds must be used for the restoration, re-creation and preservation of the records recorded in the office of the register of deeds. These funds may not be used for the initial recording of documents and they may not be used as general revenue of the County. The register of deeds of each county shall report annually to the joint standing committee of the Legislature having jurisdiction over state and local government matters on the amount of surcharge funds raised and expended and the use of those funds.
- f. Probate surcharge account - This non-major special revenue fund is used to account for the specific surcharge fees collected by the registry of probate of the County in accordance with enabling legislation Title 18-C, Article 1, Part 6, Section § 1-607 Surcharge for restoration, storage and preservation of records. Surcharge fees collected in accordance with this section must be transferred to the County treasurer and deposited into a separate non-lapsing account within 30 days of their receipt. These funds must be used for the restoration, storage and preservation of the records filed in the office of the register and in the court.

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U. Fund Balance Classification Policies and Procedures

Within the fund financial statements, the fund balance amounts of the governmental funds of the County as shown on the balance sheet are broken down between nonspendable, restricted, committed, assigned and unassigned. These fund balance classifications are described as follows:

- a. **Nonspendable fund balance** - Nonspendable fund balance include amounts that cannot be spent because they are either (a) not in a spendable form such as inventories or prepaid expenditure items or (b) they are legally or contractually required to be maintained intact such as the principal portion of a permanent fund. The nonspendable fund balance amounts as reported by the County consist solely of the corresponding amount of the recorded prepaid expenditure items and inventory when present.
- b. **Restricted fund balances** - Restricted fund balance include amounts that are restricted to a specific purpose when the restraints are placed on the use of the resources either by (a) externally imposed creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge or otherwise mandate payment of resources from external sources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The restricted fund balance amounts of the County would, when present, consist of the residual fund balance amounts at the end of the fiscal year as they relate to grants received from either state, federal or local funding sources or contributions received to be spent for specific purposes. These amounts are restricted to be expended on the items outlined within the funding agreements with the County and cannot be used for any other specified purposes. In addition, both the deeds surcharge account and the probate surcharge account relate to the collection of specific fees for specific purposes as outlined in each applicable State of Maine statute. These mandates are considered a form of enabling legislation imposed by the State of Maine and therefore any remaining funds are classified as restricted fund balance.
- c. **Committed fund balance** - Committed fund balance include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision making authority. These committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The County Commissioners are considered to be the highest level of decision making authority within the County for determining committed fund balance amounts. The County Commissioners have the final approval for the annual budget amounts which would in turn include the establishment of any specific special revenue or capital project funds when included in the annual budget. The approval of the annual County budget may occasionally include amounts characterized as specific revenue sources as a portion of either the annual tax assessment or other specific revenue sources contained and voted on within the annual County budget. An example of a committed fund balance amount would relate to an approved transfer to an established special revenue or capital project fund. The residual fund balance amount within these types of funds at the end of the fiscal year would be classified as committed fund balance. Any subsequent change in the specific purpose or use of these committed funds would need to be approved as part of the annual County budget process or during a meeting of the County Commissioners. Current fiscal year remaining balances that have been approved to be carried forward to the next fiscal year and subsequent fiscal year budgeted appropriations of the unassigned general fund balance would be reported as committed fund balance amounts as long as they have been approved prior to the end of the current fiscal year.
- d. **Assigned fund balance** - Assigned fund balance includes amounts that are constrained by the County with the intent to be used for specific purposes, but which are neither restricted or committed. The intent to use funds for specific purposes would be assigned during either the annual County budget process or during a meeting of the County Commissioners. The County Commissioners have the authority to accept funds on behalf of the County which are specific revenue sources to be used for specific purposes and to establish special revenue or capital project funds to account and report these amounts. Assigned special revenue and capital project funds are usually made up of small streams of specific revenue sources for specific purposes for which there is a perceived benefit to segregating and reporting the funds rather than including them within the general fund. If the County utilized encumbrance accounting, annual budgetary encumbrances outstanding at the end of the fiscal year would be classified by the County as assigned amounts within the general or specific special revenue or capital project funds. The County did not have any assigned fund balance amounts as of the end of the current fiscal year.
- e. **Unassigned fund balance** - Unassigned fund balance is the residual classification for the general fund of the County. This classification represents fund balance amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the general fund. Unassigned fund balance amounts are normally only recorded within the general fund. However, unassigned amounts can be recorded within any fund when they represent the residual deficit fund balances of a particular fund which has no restricted, committed or assigned fund balance amounts which can absorb the deficit.

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The County does not have an established policy relating to the use of unrestricted fund balance amounts as it relates to when it considers committed, assigned or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of these three unrestricted classifications could be used. Absent of an established policy which addresses this situation, accounting guidance states that it should consider that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts. In addition, restricted fund balance amounts are considered to have been spent prior to unrestricted amounts under the same circumstances. The following table is designed to provide more detailed information regarding the aggregated fund balance classifications which are included on the balance sheet.

	General fund	ARPA grant funds	Non-major governmental funds	Total governmental funds
Fund balances:				
Nonspendable:				
Prepaid items	\$ 4,614	\$ -	\$ -	\$ 4,614
Restricted:				
Deeds surcharge account	-	-	153,466	153,466
Probate surcharge account	-	-	50,790	50,790
County grants and related funds	-	5,632,282	116,608	5,748,890
	-	5,632,282	320,864	5,953,146
Committed:				
Unassigned fund balance approved to be applied against the upcoming budget	1,626,361	-	-	1,626,361
Unassigned:				
Residual general fund balance	-1,395,921	-	-	-1,395,921
Total fund balances	\$ 235,054	\$ 5,632,282	\$ 320,864	\$ 6,188,200

V. Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of the materials or services. For budgetary purposes, most appropriations lapse at fiscal year-end. The County does not utilize encumbrance accounting, therefore, an assignment of fund balance is not provided for at December 31, 2022. Accordingly, no difference exists between actual results and the applicable budgetary data presented in the accompanying combined financial statements.

W. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results may differ from those estimates.

Note 2 - Restricted Cash and Cash Equivalents

Within the government-wide financial statements, the County breaks cash and cash equivalents down between a regular asset and a restricted asset on the statement of net position. The restricted cash and cash equivalents amount is made up of certain cash balances which are restricted for a specific purpose in subsequent fiscal years. The current fiscal year amount shown on the statement of net position can be broken down as follows.

Restricted deeds surcharge account	\$ 153,466
Restricted probate surcharge account	50,790
Unearned state, federal, and other grant program balances	5,634,065
	<u>\$ 5,838,321</u>

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Note 3 - Cash

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County does not have a formal deposit policy for custodial credit risk beyond the requirements of State statutes. The bank accounts of the County are covered by FDIC insurance up to \$250,000 in demand deposit accounts and up to \$250,000 in time deposit accounts per financial institution. At year end, the carrying amount of the County's deposits was \$9,257,905 which is shown in the financial statements on Statement C in the amount of \$6,564,184 and Statement E in the amount of \$2,693,721 for the fiduciary custodial funds of the County. The corresponding bank balances of accounts at various financial institutions totaled \$9,365,742 with the difference between the two amounts being represented by timing differences with outstanding checks and deposits in transit. The main account of the County is an Insured Cash Sweep account in which the financial institution deposits funds with other member financial institutions in amounts not exceeding the FDIC amount of \$250,000 totaling the ending monthly statement balance. Of these bank balances, \$649,176 was covered by FDIC, \$1,716,566 representing balances that were not insured or collateralized with the remaining \$7,000,000 representing balances that were not covered by FDIC but which were collateralized by liability insurance in the name of the County's main financial institution in the amount of \$7,000,000 with the County named as the certificate holder.

Note 4 - Inter Fund Receivables and Payables

The County maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is displayed on the balance sheet as "due to or from other funds" under each fund's caption. The purpose for interfund balances is to keep track of each fund's position in this cash pool. These balances are not expected to be repaid due to the fact that they simply represent funds collected or spent by one fund on behalf of another fund. The following information represents interfund receivables and payables by individual major fund and non-major funds in the aggregate. Only the balances for major funds are being shown below. The following fund financial statement inter fund balances are eliminated in the government-wide financial statements.

	Receivable due from	Payable due to
General fund:		
ARPA grant funds	\$ -	\$ 304,609
Non-major special revenue funds	177,331	183,660
	<u>177,331</u>	<u>488,269</u>
	21,138	-
Fiduciary funds	<u>\$ 198,469</u>	<u>\$ 488,269</u>
ARPA grant funds:		
General fund	<u>\$ 304,609</u>	<u>\$ -</u>

Note 5 - Right to Use Capital Assets

The following schedule shows the right to use capital asset activity for the fiscal year ended December 31, 2022. Information about the specific accounting policies of the County in relation to capital assets can be found in note 1J on page 23 of the notes to the financial statements.

	Balance 01/01/22	Additions	Retirements	Balance 12/31/22
Governmental activities:				
Capital assets being depreciated:				
Right to use assets	\$ -	\$ 42,736	\$ -	\$ 42,736
Less accumulated depreciation for:				
Right to use assets	-	-2,374	-	-2,374
Governmental activities capital assets (net)	<u>\$ -</u>	<u>\$ 40,362</u>	<u>\$ -</u>	<u>\$ 40,362</u>

County of Washington, Maine
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Note 6 - Net Position Balances - Net Investment in Capital Assets

The net investment in capital assets net position amount on the government-wide statement of net position consisted of the following items as of December 31, 2022.

	Governmental activities
Recorded value of capital assets	\$ 42,736
Less accumulated depreciation	-2,374
Book value of capital assets	40,362
Less capital assets related debt	-36,129
Total net investment in capital assets	<u>\$ 4,233</u>

Note 7 - Long-Term Debt and Other Liabilities

Within the government-wide financial statements, long-term debt, other liabilities and assets are shown on the statement of net position. The long-term debt and other liabilities of the County are made up of the following individual obligations and amounts as of the end of the current fiscal year.

	Balance 01/01/22	Additions	Reductions	Balance 12/31/22	Amount due within one year
Governmental activities:					
Outstanding payables:					
Right to use lease payable	\$ -	\$ 42,736	\$ -6,607	\$ 36,129	\$ 6,805
Other liabilities:					
Accrued compensated absences	462,045	69,421	-	531,466	-
Net pension (asset) liability	-139,127	1,381,934	-	1,242,807	-
Net OPEB liability - Life insurance	31,080	13,233	-	44,313	-
Total OPEB liability - Health insurance	709,585	-	-50,013	659,572	-
Total other liabilities	1,063,583	1,464,588	-50,013	2,478,158	-
Total long-term liabilities	<u>\$ 1,063,583</u>	<u>\$ 1,507,324</u>	<u>\$ -56,620</u>	<u>\$ 2,514,287</u>	<u>\$ 6,805</u>

Outstanding right to use lease payable:

The County entered into a copier lease agreement in the amount of \$42,736 in August of 2022. The lease agreement includes 6 annual lease payments of \$7,889. The lease liability is measured at a discount rate of 3.00% based on the County's estimated incremental borrowing rate.

\$ 36,129

The following is a summary of the total outstanding principal and interest cash flow requirements for the right to use lease payable of the County for the fiscal years ending December 31:

	Principal	Interest	Total
2023	\$ 6,805	\$ 1,084	\$ 7,889
2024	7,009	880	7,889
2025	7,220	669	7,889
2026	7,436	453	7,889
2027	7,659	230	7,889
	<u>\$ 36,129</u>	<u>\$ 3,316</u>	<u>\$ 39,445</u>

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Interest expense

The total interest expense incurred by the County during the current fiscal year totaled \$29,775. This amount includes \$28,493 in relation to the annual tax anticipation note short-term debt amount and \$1,282 in relation to the right to use lease payable long-term debt amount. In the fund financial statements, this amount is shown as interest expense in the amount of \$24,694, a line item within the County Jail departmental expenditure in the amount of \$3,799 and as line items within six different expenditure departments in the amount of \$1,282. In the government-wide financial statements, the total interest expense incurred by the County of \$29,775 is shown as interest expense.

Accrued Compensated Absences

Employees of the County are allowed to earn paid absences for vacations and sick time as outlined in each of the three applicable union contracts for union covered employees and the personnel policies manual of the County for all non-union covered employees. The employee's right to be paid for these future vacation and sick time absences are attributable to services already performed and earned vacation and sick time balances do accumulate. The County anticipates that all employees who either retire or leave the employment of the County will do so in good standing and will therefore be eligible to be paid for all outstanding vacation and sick time balances in accordance with the aforementioned union contracts and personnel policies manual. As a result, the County has recorded a liability within the government-wide financial statements on the statement of net position for the value of these outstanding vacation and sick time balances. As December 31, 2022, the balance of these accumulated vacation and sick time benefits was \$531,466. A current portion of these recorded liabilities has not been estimated as these benefits (accumulated vacation and sick time) may either be used by the employees during the upcoming fiscal year or they may be paid out when the employee either retires or leaves the employment of the County which may or may not occur during the upcoming fiscal year.

Employees of the County are also allowed to earn paid absences for bonus time as outlined in each of the three applicable union contracts for union covered employees and the personnel policies manual of the County for all non-union covered employees. However, the aforementioned union contracts and personnel policies manual do not specifically describe how and when these outstanding balances will be paid to employees who either retire or leave the employment of the County. Therefore, the probability of these accumulated benefits being paid cannot be determined and therefore no liability for these benefits has been recorded within the government-wide financial statements on the statement of net position of the County. As of December 31, 2022, the balance of these accumulated benefits totaled approximately \$27,522. Employees of the County are also allowed to earn compensatory time for hours worked in excess of their normal scheduled hours. The aforementioned union contracts and personnel policies manual do not specifically describe how and when these outstanding balances will be paid to employees who either retire or leave the employment of the County. Therefore, the probability of these accumulated benefits being paid cannot be determined and therefore no liability for these benefits has been recorded within the government-wide financial statements on the statement of net position of the County. As of December 31, 2022, the balance of these accumulated benefits totaled approximately \$37,306.

Note 8 - Short-Term Debt

The County may authorize short-term debt to fund current operating costs prior to the collection of revenues in the form of a tax anticipation note in accordance with all applicable State statutes. During the current fiscal year, the County entered into a tax anticipation note agreement in the amount of \$3,266,290 as dated February 28, 2022 with a due date of December 31, 2022 at an interest rate of 1.75%. The tax anticipation note agreement was retired on December 23, 2022. Related interest during the year was \$28,493. In the fund financial statements, this amount is shown in the general fund as interest expense in the amount of \$24,694 and as part of the County Jail departmental expenditures in the amount of \$3,799. In the government-wide financial statements the entire amount is shown as interest expense.

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Note 9 - Defined Benefit Pension Plan

Maine Public Employees Retirement System

Plan Description - Employees of the County are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan), a multiple-employer cost-sharing pension plan, administered by the Maine Public Employees Retirement System (MPERS). Eligible employers (districts) are defined in Maine statute. As of June 30, 2022 there were 311 employers in the plan. Benefit terms are established in Maine statute. An advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Maine State Legislature to amend the terms. MPERS issues a publicly available financial report that may be obtained by writing to the MPERS, 46 State House Station, Augusta, Maine 04333 or by visiting their website at www.mainebers.org.

Benefits Provided - The PLD Plan provides 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. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. 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 participating employers under applicable statutory provisions. Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 1.52%.

Contribution Requirements - Retirement benefits are funded by contributions from members and employers and by earnings from investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member contribution rates are defined by law or by the System's Board of Trustees and depend on the terms of the plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. For the current fiscal year the County had members that were part of the regular AC Plan, which is also made up of an age 60 plan and an age 65 plan depending on when the individual member entered the plan, and the special 3C and 4C plan. The following represents both the employer and employee required contribution rates during the current fiscal year.

Plan description	Employer contribution rates	Employer contribution rates	Employee contribution rates	Employee contribution rates
	01/22 - 06/22	07/22 - 12/22	01/22 - 06/22	07/22 - 12/22
Regular plans:				
AC - Age 60 plan	10.30%	10.20%	7.80%	7.60%
AC - Age 65 plan	10.30%	10.20%	7.05%	6.85%
Special plans:				
3C	13.40%	13.40%	9.70%	9.70%
4C	9.80%	10.30%	8.30%	8.10%

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At December 31, 2022 the County reported a liability of \$1,242,807 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating local municipalities, actuarially determined. At June 30, 2022, the County's proportion was 0.467510%. This represents an increase of 0.003458% from its proportion measured as of June 30, 2021.

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For the year ended June 30, 2022, the County's actuarial determined total pension expense excluding that attributable to employer paid member contributions was \$383,256. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 230,968	\$ -
Net difference between expected and actual investment earnings	-	-521,613
Changes of assumptions	252,247	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	75,015	-
	558,230	-521,613
Contributions subsequent to the measurement date	230,215	-
Total	<u>\$ 788,445</u>	<u>\$ -521,613</u>

The \$230,215 of deferred outflows of resources resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in the actuarial determined pension (credit) or pension expense as follows:

Plan year ended June 30:

2023	\$ 199,517
2024	-83,840
2025	-324,055
2026	244,995
2027	-
	<u>\$ 36,617</u>

Actuarial Methods - The total pension (asset) liability in the June 30, 2022 actuarial valuation was determined using the following actuarial methods, applied to all periods included in the measurement:

Actuarial cost method - The Entry Age Normal cost method is used to develop costs. Under this cost method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability 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 expected future salary. The normal cost for each employee is the product of his pay and his 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., actual decreases or increases in liabilities and/or in assets which differ from the actuarial assumptions, affect the unfunded actuarial accrued liability.

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

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

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

Investment rate of return, compounded annually	6.50%
Inflation	2.75%
Annual salary increases, including inflation	2.75% to 11.48%
Cost of living benefit increases, per annum	1.91%

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.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major 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 target asset allocation as of June 30, 2022 are summarized in the following table:

Asset class	Long-term expected real rate of return
Public equities	6.0%
U.S. Government	2.3%
Private equity	7.6%
Real assets:	
Real estate	5.2%
Infrastructure	5.3%
Natural resources	5.0%
Traditional credit	3.2%
Alternative credit	7.4%
Diversifiers	5.9%
Total	

Discount Rate - The discount rate used to measure the collective total pension liability was 6.50% for 2022. 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 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.

Sensitivity of the County's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate - The following presents the County's proportionate share of the net pension (asset) liability calculated using the discount rate of 6.50%, as well as what the County's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current discount rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability	\$ 3,671,605	\$ 1,242,807	\$ -764,681

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

Differences between expected and actual experience - The difference between expected and actual experience with regard to economic or demographic factors is 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. 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. For 2022, 2021 and 2020, this was three years and for 2019, this was four years and for 2018 and 2017, this was three years and prior to 2017, this was four years.

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

Changes in assumptions - Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The actuarial assumptions used for the year ended June 30, 2022 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

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

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

Note 10 - Other Post Employment Benefits - OPEB - Life insurance

Maine Public Employees Retirement System

Plan Description - The Group Life Insurance Plan for Retired Participating Local District (PLD) Employees (the PLD Consolidated Plan) is a multiple-employer cost sharing plan. As of June 30, 2022 there were 139 employers participating in the plan. The Plan is administered by the Maine Public Employees Retirement System (the System).

Benefits Provided - The Group Life Insurance Plan (the Plan) provide 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 - Premium rates are those determined by the System's Board of Trustees to be actuarially sufficient to pay anticipated claims. The County is required to remit a premium of \$0.48 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 \$0.48 per \$1,000 of coverage per month during the post-employment retired period.

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OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB - At December 31, 2022 the County reported a liability of \$44,313 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability was based on a projection of the County's long-term share of contributions to the PLD OPEB plan relative to the projected contributions of all participating local municipalities, actuarially determined. At June 30, 2022, the County's proportion was 0.305965%. This represents an increase of 0.004922% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the County's actuarial determined total employer benefits (credit) expense excluding that attributable to employer paid member contributions was (\$827). At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 2,155	\$ -392
Net difference between expected and actual investment earnings	3,831	-
Changes of assumptions	3,685	-13,837
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,460	-4,284
Contributions subsequent to the measurement date	14,131	-18,513
Total	634	-
	<u>\$ 14,765</u>	<u>\$ -18,513</u>

The \$634 of deferred outflows of resources resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the plan year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in actuarial determined OPEB benefits expense as follows:

Plan year ended June 30:

2023	\$ -1,377
2024	-2,185
2025	-3,123
2026	2,473
2027	-229
Thereafter	59
	<u>\$ -4,382</u>

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

Actuarial cost method - Projections of benefits for financial reporting purposes are based on the provisions of the Plan in effect at the time of each valuation and the historical pattern of sharing of premium costs between the employer and plan members. Actuarial methods and assumptions include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the funding methodologies. Costs are developed using the individual entry age normal cost method based on a level percentage of payroll. Experience gains and losses, i.e., actual decreases or increases in liabilities and/or in assets which differ from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset valuation method - Investments are reported at fair value.

Amortization - The unfunded actuarial accrued liability is being amortized as a level percentage of payroll over a 30-year period on a closed basis. As of June 30, 2022, there were 8 years remaining in the amortization schedule for the PLD Consolidated Plan.

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Actuarial Assumptions - The actuarial assumptions used in the June 30, 2022 actuarial valuation were based on the results of an actuarial experience study conducted for the period of July 1, 2015 to June 30, 2020. Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2022 are as follows:

Investment rate of return, compounded annually	6.50%
Inflation	2.75%
Annual salary increases, including inflation	2.75% to 11.48%
Participation rate for future retirees	100% of those currently enrolled
Form of benefit payment	Lump sum

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.

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

Assets of the Plans are pooled for investment purposes and are allocated to each Plan based on each Plan's fiduciary net position. 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, 2022 are summarized in the following table:

Asset class	Long-term expected real rate of return
Public equity	6.0%
Real estate	5.2%
Traditional credit	3.0%
U.S. Government securities	2.3%

Discount Rate - The discount rate used to measure the collective total OPEB liability was 6.50% for 2022 for the Plans. 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 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 Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the County's Proportionate Share of the Net OPEB Liabilities to Changes in the Discount Rate - The following presents the County's proportionate share of the net OPEB liability calculated using the discount rate of 6.50%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current discount rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability	\$ 60,144	\$ 44,313	\$ 31,603

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

Differences between expected and actual experience - The difference between expected and actual experience with regard to economic or demographic factors 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. 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 investment earnings - 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. 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 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. 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 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, 2022.

Collective Deferred Outflows (Inflows) of Resources - Differences between expected and actual experience with regard to economic and demographic assumptions are recognized in OPEB expense over a closed period equal to the expected remaining services lives of both active and inactive members, beginning in the period in which the difference arose. Differences between actual and expected investment income is recognized over a closed five year period. Amounts not recognized in the current period are reflected in collective deferred outflows and inflows of resources related to OPEB.

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

Note 11 - Other Post Employment Benefits - OPEB - Health insurance

Post-Retirement Healthcare Plan

Plan Description - The County sponsors a post retirement benefit plan providing health insurance and other benefits to retiring employees. The plan is a single employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The County Commissioners have the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Benefits Provided - The 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 medical benefits under the plan are provided for the life of the retiree and the surviving spouse. The plan also provides an automatic \$2,000 life insurance benefit to all retirees participating in the retiree medical plan. Spouses are not covered for life insurance, but surviving spouses covered by the retiree medical plan are covered for the \$2,000 life insurance benefit as well.

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To be eligible to receive post retirement benefits under the plan, employees must meet the minimum requirement of age 55 with at least 5 years of service at retirement. The retiree must enroll when first eligible and continue coverage without interruption thereafter. Any retiree who does not enroll when first eligible for coverage or who terminates coverage for any reason shall not be eligible for subsequent enrollment. The retiree pays the premium equivalent rate for the coverage elected. Retirees and spouses must contribute 100% of the pre-medicare and medicare premium amounts.

Employees Covered by Benefit Terms - The following employees were covered by the benefit terms of the Plan. Since this is a roll forward valuation year, the data provided below is the same as that provided as of January 1, 2022.

	Members with an implicit benefit
Active plan members	74
Retirees under 65	0
Retirees over 65	2
Spouses under 65	0
Spouses over 65	1
	<u>77</u>

Actuarial Assumptions and Other Inputs - The total OPEB liability as of December 31, 2022 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Measurement date	January 1, 2022
Asset valuation method	Not applicable as this is an unfunded plan
Actuarial cost method	Entry age normal (level percentage of pay)
Actuarial assumptions	
Discount rate	2.06% per annum for year end 2022 reporting 2.12% per annum for year end 2021 reporting
Rate of compensation increase	2.75%
Administrative claims expense	3.00% per annum
Trend assumption inputs 2029+	
Rate of inflation	2.40%
Rate of growth of real income/GDP	1.10%
Extra trend due to taste/technology	1.10%
Expected health share of GDP	19.00%
Health share of GDP resistance point	20.00%
Year for limiting cost growth to GDP	2042

Mortality rates - Healthy annuitant:

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

Mortality rates - Active employees:

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

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Per the actuarial valuation for reporting through June 30, 2022, the demographic actuarial assumptions are the assumptions that were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020.

Total OPEB Liability and Changes in the Total OPEB Liability - The County's total OPEB liability was \$659,572 as of December 31, 2022 and was measured as of January 1, 2022, and was determined by an actuarial valuation as of January 1, 2022. The changes in the total OPEB liability of the Plan are made up of the following items as of December 31, 2022:

	Total OPEB liability
Balance as of December 31, 2021	\$ 709,585
Changes for the year:	
Service cost	46,443
Interest	15,907
Differences between expected and actual experience	-113,040
Changes of benefit terms	-
Changes of assumptions	12,147
Benefit payments	-11,470
Net changes	-50,013
Balance as of December 31, 2022	\$ 659,572

Discount Rate - Since the plan is pay as you go and is not funded, the discount rate is based on a 20-year, tax exempt general obligation municipal bond index. Using the Bond Buyer 20-Bond GO Index, the discount rate as of June 30, 2021 is based upon an earlier measurement date, as of December 31, 2020, and is 2.12% per annum. The discount rate used as of June 30, 2022 is based upon an earlier measurement date, as of December 31, 2020, and is 2.06% per annum. This rate is assumed to be an index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher, for pay as you go plans.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.06%) or 1 percentage point higher (3.06%) than the current discount rate:

	1% Decrease (1.06%)	Current discount rate (2.06%)	1% Increase (3.06%)
Total OPEB liability	\$ 779,616	\$ 659,572	\$ 562,551

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare cost trend rates	1% Increase
Total OPEB liability	\$ 550,458	\$ 659,572	\$ 802,311

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OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB - For the year ended June 30, 2022, the County's actuarial determined OPEB expense was \$58,306. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 552	\$ -189,670
Net difference between expected and actual investment earnings	-	-
Changes of assumptions	164,887	-30,770
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
	<u>165,439</u>	<u>-220,440</u>
Contributions subsequent to the measurement date	5,308	-
Total	<u>\$ 170,747</u>	<u>\$ -220,440</u>

The \$5,308 of deferred outflows of resources resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the plan year ending December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in actuarial determined OPEB benefits expense as follows:

Plan year ended June 30:

2023	\$ -4,044
2024	-4,044
2025	-4,041
2026	-10,932
2027	-3,238
Thereafter	-28,702
	<u>\$ -55,001</u>

Note 12 - Expenditures over Appropriations

The annual County budget for the current fiscal year was approved by the County Commissioners on December 9, 2021. The approved budget document shows the amounts to be budgeted in total by department with detailed information also being included showing the individual budgeted line item amounts per department. The following budget revision amounts represent approved carryover amounts described as remaining from the prior fiscal year which were approved to be carried over by the County Commissioners on July 14, 2022. The following total budgeted department amounts were exceeded by actual expenditures.

Account	Original budget	Budget revisions	Final budget	Actual expenditures	Variance
Court costs	\$ -	\$ -	\$ -	\$ -107,972	\$ -107,972
Registry of probate	208,124	-	208,124	-214,118	-5,994
Regional communications center	868,227	57,411	925,638	-934,026	-8,388
Sheriffs department	1,939,183	135,064	2,074,247	-2,164,402	-90,155
County jail	1,919,019	31,779	1,950,798	-3,076,739	-1,125,941
Debt service	13,000	-	13,000	-24,694	-11,694

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Note 13 - Risk Management, Commitments and Contingencies

The County is at risk of loss due to items such as lawsuits, automobile claims, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. As of December 31, 2022, the County either carries commercial insurance or participates in a self-insured risk pool sponsored by the Maine County Commissioners Association. The Maine County Commissioners Association Group Risk Pool is a state-chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists as of December 31, 2022. The County participates in the Maine Municipal Association - Worker Compensation Trust Fund ("Fund") public entity risk pool. The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain lower costs for worker's compensation coverage and develop a comprehensive loss control program. The County pays an annual premium to the fund for its worker's compensation coverage. The County's agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies' reinsurance contracts, coverage for claims in excess of \$1,000,000. The County believes the amounts of coverage in force are adequate and in compliance with all applicable laws, rules, and regulations. The County has not had any significant reductions in insurance coverage from the prior fiscal year by major category of risk. The amount of settlements have not exceeded insurance coverage during any of the previous three fiscal years.

The County leases a number of copiers under a six year lease agreement through August of 2028. Annual payments under this lease agreement are \$7,889 for total contract payments of \$47,334. This agreement is being accounted for as a right to use lease agreement and as such it is included in the long-term debt schedule of the County for which additional information can be found in Note 7 on page 31 of the notes to the financial statements. The County has entered into a number of maintenance and service agreements prior to the end of the current fiscal year which extend beyond the end of the current fiscal year. The County entered into a winter snow plowing and salt and sand services agreement for the 2022 - 2023 winter season. The total contracted amount for snow plowing is \$11,000 with the contract including additional snow removal equipment rates for snow relocation. The County entered into a one year special services contract renewal for economic development activities on-behalf of the County through February of 2023. The annual amount for this contract is \$24,000 to be paid in four equal quarterly installments during the contract year. The County entered into a heating fuel purchase agreement with an effective date of October 1, 2022 and an end date of September 30, 2023. The agreement calls for the purchase of 30,000 gallons of heating fuel at a rate of \$3.7310 per gallon for a total contract value of \$111,930.

The County participates in numerous federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any monies received as of and through December 31, 2022 may be impaired. In the opinion of the management of the County, there are no unrecorded significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants, therefore, no provision has been recorded in the accompanying basic financial statements for such possible contingencies. In addition, the County occasionally books unbilled accounts receivable representing earned or recognized grant or contract dollars which have not yet been billed or received. Any subsequent modification or amendments to these grants or contracts could result in a loss to the County. However, in the opinion of the management of the County there are no unrecorded significant contingent liabilities in regard to these unbilled accounts receivable. Any material subsequent modifications or amendments would be shown by the County as a restatement of the prior fiscal year results in which the applicable unbilled receivable had been booked.

Note 14 - Financial Statement Modifications

The financial statements of the County do not include the value and classification of the County's capital assets, other than a right to use capital asset, which must be present for the statements to be in accordance with accounting principles generally accepted in the United States of America. At present, the County does not have a detailed, accurate, and reliable record of its capital assets other than a right to use capital asset. An accurate estimate of the value of this omission cannot be made as of December 31, 2022. When an inventory is done, the remaining capital assets of the County in addition to any related accumulated depreciation will be added to the basic financial statements in accordance with accounting principles generally accepted in the United States of America. The management of the County has stated that this inventory will be completed for a subsequent fiscal year as time allows.

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Note 15 - Change in Accounting Principle

During the current fiscal year the County adopted GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are the financing of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in Statement No. 87. A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. The recognition and disclosure requirement of Statement No. 87 are not applicable to short-term leases. As such, the right to use leases under Statement No. 87 would be considered long-term liabilities which are included in the government-wide financial statements of the County. The County did not have any material and reportable right to use lease agreements for which a restatement would be necessary in accordance with the requirements of this Statement. The implementation of this standard resulted in the County reporting a right to use asset and corresponding lease liability during the current fiscal. Information in relating to this current fiscal year right to use lease can be found in Note 7 on page 31 of the notes to the financial statements.

Note 16 - Recently Issued Accounting Standards - Adopted

During the current fiscal year the County adopted GASB issued Statement No. 91, *Conduit Debt Obligations*. The 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. This statement is effective for reporting periods beginning after December 15, 2021 which is the County's fiscal year beginning January 1, 2022. The adoption of GASB Statement No. 91 did not have any material impact on the County's financial statements.

During the current fiscal year the County adopted GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics each with a slightly different effective date wording. In general, the requirements of this statement are effective for reporting periods beginning after June 15, 2021 which is the County's fiscal year beginning January 1, 2022. The adoption of GASB Statement No. 92 did not have any material impact on the County's financial statements.

During the current fiscal year the County adopted GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021 which is the County's fiscal year beginning January 1, 2022. The adoption of GASB Statement No. 93 did not have any material impact on the County's financial statements.

County of Washington, Maine
Notes to the Financial Statements
December 31, 2022

During the current fiscal year the County adopted GASB issued Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. An Amendment of GASB Statement 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. The requirements of this statement are effective for fiscal years beginning after June 15, 2021 which is the County's fiscal year beginning January 1, 2022. The adoption of GASB Statement No. 97 did not have any material impact on the County's financial statements.

Note 17 - Recently Issued Accounting Standards - Not yet Effective

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this statement are effective for fiscal years beginning after June 15, 2022 which is the County's fiscal year beginning January 1, 2023. The County does not expect this statement to have a material effect on its financial statements.

In May 2020, the GASB issued Statement 96, *Subscription Based Information Technology Arrangements*. This Statement provides accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs). It is based on the standards established in Statement 87, *Leases*. It defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction; it requires governments with SBITAs to recognize a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability (with an exception for short-term SBITAs - those with a maximum possible term of 12 months); and it provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 which is the County's fiscal year beginning January 1, 2023. The County has not yet determined the impact that this statement might have on its financial statements.

In April of 2022, the GASB issued Statement 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for reporting periods beginning after June 15, 2022 which is the County's fiscal year beginning January 1, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023 which is the County's fiscal year beginning January 1, 2024. The County does not expect this statement to have a material effect on its financial statements.

In June 2022, the GASB issued Statement 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023 which is the County's fiscal year beginning January 1, 2024. The County has not yet determined the impact that this statement might have on its financial statements.

In June 2022, the GASB issued Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023 which is the County's fiscal year beginning January 1, 2024. The County has not yet determined the impact that this statement might have on its financial statements.

County of Washington, Maine
Notes to the Financial Statements
December 31, 2022

Note 18 - Subsequent Events

The County has evaluated subsequent events through December 17, 2025, the date to which the financial statements were available to be issued. There were no recognized subsequent events that would require adjustments to the financial statements.

The County entered into a tax anticipation note agreement on February 23, 2023 in the amount of \$4,245,403 with a due date of December 31, 2023 at an interest rate of 4.75%. This tax anticipation note agreement was retired on December 29, 2023. Related interest during the year was \$95,551. The County entered into a tax anticipation note agreement on February 15, 2024 in the amount of \$4,958,491 with a due date of December 31, 2024 at an interest rate of 5.25%. This tax anticipation note agreement was retired on December 27, 2024. Related interest during the year was \$129,411. The County entered into a tax anticipation note agreement on February 21, 2025 in the amount of \$5,679,800 with a due date of December 31, 2025 at an interest rate of 5.02%. On July 1, 2025 the County entered into an allonge agreement in relation to this tax anticipation note agreement which increased the borrowing amount from the aforementioned amount to \$7,612,174. This allonge agreement did not change the aforementioned due date or interest rate. The County is in the process of completing the documentation for and approving a second allonge to this tax anticipation note agreement which would extend the due date to February 20, 2026. This second allonge would not change the amount of the note or the interest rate of the note. This second allonge agreement has not yet been approved and or entered into as of December 17, 2025. The outstanding principle balance on this tax anticipation agreement as of December 17, 2025 is \$6,480,819.

In relation to the above noted 2025 tax anticipation note and the payment thereof with an original due date of December 31, 2025, the County filed the necessary documentation with the Secretary of State to include a question on the November 4, 2025 referendum election ballot seeking to issue bonds to assist with the payment of the outstanding principle and accumulated interest on this 2025 tax anticipation note. The ballot question read, "Shall the County Commissioners be authorized to issue general obligation securities of the County in an aggregate principal amount not to exceed \$11,000,000 to provide a source of funds to be drawn as needed to cover budgetary shortfalls and emergency expenses as they may occur from time to time in any fiscal year, as determined by the County Commissioners in their discretion, including the authority and discretion to fix the dates, maturities, interest rates, denominations, calls for redemption (with or without premium), form, and other details of said securities, and including authority to execute and deliver the securities on behalf of the County?" The ballot question did not pass. As a result, the County has sent out an "ask" letter to the municipalities within the County asking them to help with the payment of this tax anticipation note. The ask letter uses the valuation percentages used during the most recent annual assessment billing and applies them to an amount of \$8,000,000 to calculate the amount being asked of each municipality. As of December 17, 2025, four municipalities have paid this ask amount to the County totaling \$268,981.

The current 2022 fiscal year ending general fund balance is \$235,054 as shown in Statement C on page 14 of the financial statements. As part of the 2023 fiscal year budget the County approved the use of \$1,626,361 of its general fund balance to reduce the amount to be raised through taxes. As part of the 2024 fiscal year budget the County approved the use of \$1,613,460 general fund balance to reduce the amount to be raised through taxes. As part of the 2025 fiscal year budget the County did not approve the use of any of its general fund balance to reduce the amount to be raised through taxes. Budgeting to use any portion of fund balance is in effect the same as budgeting for a loss due to the fact that prior year accumulated balances cannot be shown as current year revenues. Though the audited actual results of any of these subsequent fiscal years is not currently known, the amount of the County general fund balance approved to be used during the 2023 through 2025 fiscal years of \$3,239,821 does exceed the current audited 2022 fiscal year general fund balance of \$235,054 by an amount of (\$3,004,767).

During May of 2023, the County was named in a filing with the Maine Human Rights Commission. This case was settled in February of 2025 with the County portion of the settlement being \$30,142. During the spring of 2024, a union grievance relating to the discharge of an employee was filed. This case was settled in the fall of 2025 with the County payment being \$20,000.

County of Washington, Maine
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis - General Fund
for the year ended December 31, 2022

	Original budget	Budget revisions	Final budget	Actual	Variance
Revenues					
Tax assessments	\$ 6,621,520	\$ -	\$ 6,621,520	\$ 6,621,520	\$ -
Intergovernmental					
State court cost reimbursements	57,897	-	57,897	197,651	139,754
Victim witness advocacy grant	55,000	-	55,000	29,630	-25,370
Emergency manage performance grant	93,100	-	93,100	40,579	-52,521
MDEA cost reimbursements	87,132	-	87,132	140,940	53,808
State Bureau of Corrections funds	355,824	-	355,824	535,191	179,367
	648,953	-	648,953	943,991	295,038
Charges for services					
Registry of deeds	390,400	-	390,400	404,036	13,636
Registry of probate	53,500	-	53,500	98,986	45,486
Sheriff process, details and patrols	55,000	-	55,000	89,403	34,403
Other	29,600	-	29,600	29,600	-
	528,500	-	528,500	622,025	93,525
Interest income	3,825	-	3,825	18,165	14,340
Miscellaneous revenues	104,503	-	104,503	67,442	-37,061
Total revenues	7,907,301	-	7,907,301	8,273,143	365,842
Expenditures					
General government:					
Administration					
Wages	158,953	-	158,953	153,849	5,104
Travel	4,250	-	4,250	7,106	-2,856
Office costs	16,850	-	16,850	16,309	541
Contract services	20,000	62,634	82,634	9,763	72,871
Utilities and fuel	11,701	-	11,701	9,704	1,997
Repairs and maintenance	1,250	-	1,250	1,132	118
Upgrades and maintenance	1,500	-	1,500	24	1,476
Miscellaneous	1,450	-	1,450	993	457
Capital reserve accounts	33,300	17,947	51,247	34,570	16,677
	249,254	80,581	329,835	233,450	96,385
Finance					
Wages	119,522	-	119,522	118,907	615
Travel	-	-	-	-	-
Office costs	4,000	-	4,000	3,035	965
Contract services	13,500	3,613	17,113	9,515	7,598
Utilities and fuel	1,301	-	1,301	1,757	-456
Upgrades and maintenance	3,800	-	3,800	3,729	71
Miscellaneous	-	-	-	57	-57
Capital reserve accounts	1,200	2,378	3,578	1,594	1,984
	143,323	5,991	149,314	138,594	10,720
Buildings					
Wages	159,245	-	159,245	108,231	51,014
Travel	-	-	-	590	-590
Office costs	150	-	150	201	-51
Contract services	2,500	-	2,500	1,824	676
Utilities and fuel	56,200	32,680	88,880	80,451	8,429

County of Washington, Maine
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis - General Fund
for the year ended December 31, 2022

	Original budget	Budget revisions	Final budget	Actual	Variance
Buildings (continued)					
Grounds maintenance	\$ 11,000	\$ -	\$ 11,000	\$ 8,397	\$ 2,603
Repairs and maintenance	29,250	35,409	64,659	20,556	44,103
Miscellaneous	550	-	550	-	550
Capital reserve accounts	111,884	484,933	596,817	12,653	584,164
	<u>370,779</u>	<u>553,022</u>	<u>923,801</u>	<u>232,903</u>	<u>690,898</u>
Court costs					
Employee benefits	-	-	-	8,367	-8,367
Utilities and fuel	-	-	-	80,885	-80,885
Grounds maintenance	-	-	-	2,786	-2,786
Repairs and maintenance	-	-	-	13,018	-13,018
Capital reserve accounts	-	-	-	2,916	-2,916
	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,972</u>	<u>-107,972</u>
District attorney					
Wages	221,072	-	221,072	229,937	-8,865
Travel	-	17,431	17,431	7,512	9,919
Office costs	5,300	9,784	15,084	14,491	593
Insurances	100	2,923	3,023	377	2,646
Victim witness costs	29,902	7,686	37,588	1,912	35,676
Utilities and fuel	10,701	7,039	17,740	10,000	7,740
Upgrades and maintenance	400	30,841	31,241	18,860	12,381
Miscellaneous	2,300	1,847	4,147	4,711	-564
Capital reserve accounts	2,000	27,105	29,105	6,734	22,371
	<u>271,775</u>	<u>104,656</u>	<u>376,431</u>	<u>294,534</u>	<u>81,897</u>
Registry of deeds					
Wages	136,110	-	136,110	131,504	4,606
Travel	-	-	-	-	-
Office costs	2,350	2,278	4,628	3,756	872
Scanning and imaging	52,000	-	52,000	50,225	1,775
Utilities and fuel	1,150	-	1,150	1,204	-54
Repairs and maintenance	200	-	200	522	-322
Upgrades and maintenance	100	-	100	-	100
Miscellaneous	100	-	100	-	100
Capital reserve accounts	2,000	1,653	3,653	563	3,090
	<u>194,010</u>	<u>3,931</u>	<u>197,941</u>	<u>187,774</u>	<u>10,167</u>
Registry of probate					
Wages	178,899	-	178,899	182,181	-3,282
Travel	300	-	300	154	146
Office costs	12,675	-	12,675	16,292	-3,617
Contract services	9,000	-	9,000	8,953	47
Utilities and fuel	1,650	-	1,650	1,573	77
Repairs and maintenance	100	-	100	105	-5
Upgrades and maintenance	100	-	100	84	16
Miscellaneous	1,300	-	1,300	1,330	-30
Capital reserve accounts	4,100	-	4,100	3,446	654
	<u>208,124</u>	<u>-</u>	<u>208,124</u>	<u>214,118</u>	<u>-5,994</u>
Employee benefits					
Health insurance	1,704,971	-	1,704,971	1,135,928	569,043
Retirement	399,632	-	399,632	293,381	106,251
Payroll taxes	329,725	-	329,725	232,115	97,610
	<u>2,434,328</u>	<u>-</u>	<u>2,434,328</u>	<u>1,661,424</u>	<u>772,904</u>

RSI-1 (continued)

County of Washington, Maine
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis - General Fund
for the year ended December 31, 2022

	Original budget	Budget revisions	Final budget	Actual	Variance
Benefit reserves	\$ 85,848	\$ 76,468	\$ 162,316	\$ 18,467	\$ 143,849
Insurances					
Liability insurance	102,534	-	102,534	52,819	49,715
Workers compensation insurance	350,000	-	350,000	126,467	223,533
	452,534	-	452,534	179,286	273,248
Third party requests					
Governmental requests	52,000	-	52,000	52,000	-
Other requests	13,000	-	13,000	13,000	-
	65,000	-	65,000	65,000	-
Contingency	100,000	233,458	333,458	-	333,458
Public safety:					
Emergency management agency					
Wages	91,319	-	91,319	54,946	36,373
Travel	2,600	-	2,600	1,719	881
Office costs	1,575	-	1,575	5,180	-3,605
Contract services	-	-	-	6,000	-6,000
Utilities and fuel	2,326	-	2,326	267	2,059
Repairs and maintenance	2,150	-	2,150	45	2,105
Miscellaneous	2,000	-	2,000	-	2,000
Capital reserve accounts	3,000	19,000	22,000	27	21,973
	104,970	19,000	123,970	68,184	55,786
Regional communications center					
Wages	738,737	-	738,737	793,314	-54,577
Travel	2,450	-	2,450	2,187	263
Office costs	4,092	-	4,092	3,887	205
Insurance	3,775	-	3,775	-	3,775
Contract services	25,072	-	25,072	19,264	5,808
Utilities and fuel	20,201	-	20,201	20,411	-210
Lease agreements	1,200	-	1,200	-	1,200
Repairs and maintenance	53,000	-	53,000	52,292	708
Miscellaneous	3,200	-	3,200	1,638	1,562
Capital reserve accounts	16,500	57,411	73,911	41,033	32,878
	868,227	57,411	925,638	934,026	-8,388
Sheriffs department					
Wages	1,329,878	-	1,329,878	1,463,653	-133,775
Employee benefits	17,000	-	17,000	33,780	-16,780
Travel	6,200	-	6,200	6,033	167
Office costs	15,170	-	15,170	17,287	-2,117
Contract services	32,334	-	32,334	30,543	1,791
Utilities and fuel	126,701	-	126,701	148,463	-21,762
Repairs and maintenance	49,000	-	49,000	54,454	-5,454
Upgrades and maintenance	6,000	-	6,000	4,102	1,898
Miscellaneous	47,000	-	47,000	50,212	-3,212
Capital reserve accounts	309,900	135,064	444,964	355,875	89,089
	1,939,183	135,064	2,074,247	2,164,402	-90,155

County of Washington, Maine
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis - General Fund
for the year ended December 31, 2022

	Original budget	Budget revisions	Final budget	Actual	Variance
County jail	\$ 1,510,020	\$ -	\$ 1,510,020	\$ 1,564,456	\$ -54,436
Wages	-	-	-	849,254	-849,254
Employee benefits	2,915	-	2,915	3,652	-737
Travel	21,000	-	21,000	24,632	-3,632
Supplies	65,000	-	65,000	119,025	-54,025
Food	116,100	-	116,100	196,240	-80,140
Inmate services and supplies	5,550	-	5,550	3,974	1,576
Office costs	45,000	-	45,000	48,039	-3,039
Insurances	23,984	-	23,984	23,721	263
Contract services	65,300	-	65,300	106,441	-41,141
Utilities and fuel	32,900	7,500	40,400	83,195	-42,795
Repairs and maintenance	700	-	700	2,950	-2,250
Upgrades and maintenance	20,550	-	20,550	14,858	5,692
Miscellaneous	8,000	24,279	32,279	32,503	-224
Capital reserve accounts	2,000	-	2,000	3,799	-1,799
Interest expense	1,919,019	31,779	1,950,798	3,076,739	-1,125,941
Debt service	13,000	-	13,000	24,694	-11,694
Interest expense					
Total expenditures	9,419,374	1,301,361	10,720,735	9,601,567	1,119,168
Excess of revenues over (under) expenditures	-1,512,073	-1,301,361	-2,813,434	-1,328,424	1,485,010
Other financing sources (uses)					
Utilization of unassigned fund balance	1,545,016	1,301,361	2,846,377	-	-2,846,377
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	1,545,016	1,301,361	2,846,377	-	-2,846,377
Change in fund balance	32,943	-	32,943	-1,328,424	-1,361,367
Non-cash capital proceeds				42,736	
Non-cash capital outlay				-42,736	
Net change in fund balance				-1,328,424	
Fund balances - January 1				1,563,478	
Fund Balance - December 31				\$ 235,054	

County of Washington, Maine
Schedule of the County's Proportionate Share of the Net Pension (Asset) Liability
Maine Public Employees Retirement System Consolidated Plan (PLD Plan)
Last ten fiscal years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
County's proportion of the net pension liability	<u>0.467510%</u>	<u>0.432930%</u>	<u>0.423887%</u>	<u>0.428573%</u>	<u>0.425182%</u>	<u>0.428845%</u>	<u>0.397031%</u>	<u>0.404722%</u>	<u>0.370656%</u>	<u>0.355369%</u>
County's proportionate share of the net pension (asset) liability	<u>\$1,242,807</u>	<u>\$ -139,127</u>	<u>\$1,684,158</u>	<u>\$1,309,988</u>	<u>\$1,163,630</u>	<u>\$1,755,850</u>	<u>\$2,109,548</u>	<u>\$1,291,252</u>	<u>\$ 570,370</u>	<u>\$1,095,458</u>
County's covered employee payroll	<u>\$3,427,559</u>	<u>\$2,886,962</u>	<u>\$2,749,227</u>	<u>\$2,696,216</u>	<u>\$2,567,825</u>	<u>\$2,320,576</u>	<u>\$2,093,312</u>	<u>\$2,120,974</u>	<u>\$2,014,925</u>	<u>\$1,914,179</u>
County's proportion share of the net pension (asset) liability as a percentage of covered-employee payroll	<u>36.26%</u>	<u>-4.82%</u>	<u>61.26%</u>	<u>48.59%</u>	<u>45.32%</u>	<u>75.66%</u>	<u>100.78%</u>	<u>60.88%</u>	<u>28.31%</u>	<u>57.23%</u>
Plan fiduciary net position as a percentage of the total pension (asset) liability	<u>93.26%</u>	<u>100.86%</u>	<u>88.35%</u>	<u>90.62%</u>	<u>91.14%</u>	<u>86.43%</u>	<u>81.61%</u>	<u>88.27%</u>	<u>94.10%</u>	<u>87.50%</u>

Notes to Schedule

The pension information within this schedule is being included in the financial statements of the County for the fiscal year ended December 31st of the years noted above. The measurement date of this information is as of June 30th of the years noted above and was determined by an actuarial valuation as of that date.

County of Washington, Maine
Schedule of County Pension Contributions
Maine Public Employees Retirement System Consolidated Plan (PLD Plan)
Last ten fiscal years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 367,990	\$ 296,195	\$ 273,809	\$ 262,166	\$ 236,029	\$ 219,802	\$ 186,305	\$ 165,436	\$ 128,493	\$ 104,723
Contributions in relation to the contractually required contributions	-367,990	-296,195	-273,809	-262,166	-236,029	-219,802	-186,305	-165,436	-128,493	-104,723
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$3,427,559	\$2,886,962	\$2,749,227	\$2,696,216	\$2,567,825	\$2,320,576	\$2,093,312	\$2,120,974	\$2,014,925	\$1,914,179
Contributions as a percentage of covered employee payroll	10.74%	10.26%	9.96%	9.72%	9.19%	9.47%	8.90%	7.80%	6.38%	5.47%

Notes to Schedule

The pension information within this schedule is being included in the financial statements of the County for the fiscal year ended December 31st of the years noted above. The measurement date of this information is as of June 30th of the years noted above and was determined by an actuarial valuation as of that date.

The contributions amount included above represents the allocation basis for the County included in the Plan report which is the contributions recognized by the Plan, adjusted for contributions for employer-specific liabilities and employer-paid member contributions.

County of Washington, Maine
 Schedule of the County's Proportionate Share of the Net OPEB Liability
 Maine Public Employees Retirement System Consolidated Plan (PLD Plan) - Life Insurance
 Last ten fiscal years (for all years available)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's proportion of the net OPEB liability	<u>0.305965%</u>	<u>0.301043%</u>	<u>0.325063%</u>	<u>0.296437%</u>	<u>0.288673%</u>	<u>0.312094%</u>
County's proportionate share of the net OPEB liability	<u>\$ 44,313</u>	<u>\$ 31,080</u>	<u>\$ 42,883</u>	<u>\$ 63,430</u>	<u>\$ 58,315</u>	<u>\$ 52,187</u>
County's covered-employee payroll	<u>\$1,233,279</u>	<u>\$1,038,765</u>	<u>\$ 989,206</u>	<u>\$ 970,132</u>	<u>\$ 923,936</u>	<u>\$ 897,025</u>
County's proportion share of the net OPEB liability as a percentage of its covered-employee payroll	<u>3.59%</u>	<u>2.99%</u>	<u>4.33%</u>	<u>6.54%</u>	<u>6.31%</u>	<u>5.82%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>55.88%</u>	<u>67.26%</u>	<u>55.40%</u>	<u>43.18%</u>	<u>43.92%</u>	<u>47.42%</u>

Notes to Schedule

The OPEB information within this schedule is being included in the financial statements of the County for the fiscal year ended December 31st of the years noted above. The measurement date of this information is as of June 30th of the years noted above and was determined by an actuarial valuation as of that date.

County of Washington, Maine
Schedule of County OPEB Contributions
Maine Public Employees Retirement System Consolidated Plan (PLD Plan) - Life Insurance
Last ten fiscal years (for all years available)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 3,909	\$ 3,572	\$ 3,664	\$ 3,262	\$ 3,088	\$ 3,237
Contributions in relation to the contractually required contributions	<u>-3,909</u>	<u>-3,572</u>	<u>-3,664</u>	<u>-3,262</u>	<u>-3,088</u>	<u>-3,237</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	<u>\$1,233,279</u>	<u>\$1,038,765</u>	<u>\$ 989,206</u>	<u>\$ 970,132</u>	<u>\$ 923,936</u>	<u>\$ 897,025</u>
Contributions as a percentage of covered-employee payroll	<u>0.32%</u>	<u>0.34%</u>	<u>0.37%</u>	<u>0.34%</u>	<u>0.33%</u>	<u>0.36%</u>

Notes to Schedule

The OPEB information within this schedule is being included in the financial statements of the County for the fiscal year ended December 31st of the years noted above. The measurement date of this information is as of June 30th of the years noted above and was determined by an actuarial valuation as of that date.

The contributions amount included above represents the allocation basis for the County included in the Plan report which is the contributions recognized by the Plan, adjusted for contributions for employer-specific liabilities and employer-paid member contributions.

County of Washington, Maine
Schedule of Changes in Total OPEB Liability
Maine Municipal Employees Health Trust - Health Insurance
Last ten fiscal years (for all years available)

	2022	2021	2020	2019	2018
<u>Total OPEB liability</u>					
Service cost	\$ 46,443	\$ 40,251	\$ 30,311	\$ 34,200	\$ 26,988
Interest	15,907	17,917	24,360	21,184	19,598
Changes in benefit terms	-	-	-11,722	-	-
Differences between expected and actual experience	-113,040	-	-131,902	-	1,467
Changes of assumptions	12,147	43,304	150,251	-61,538	53,624
Benefit payments	-11,470	-11,029	-11,861	-11,405	-11,655
Net change in total OPEB liability	-50,013	90,443	49,437	-17,559	90,022
Total OPEB liability - beginning	709,585	619,142	569,705	587,264	497,242
Total OPEB liability - ending	<u>\$ 659,572</u>	<u>\$ 709,585</u>	<u>\$ 619,142</u>	<u>\$ 569,705</u>	<u>\$ 587,264</u>
<u>Plan fiduciary net position</u>					
Contributions - employer	\$ 11,470	\$ 11,029	\$ 11,861	\$ 11,405	\$ 11,655
Contributions - member	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments	-11,470	-11,029	-11,861	-11,405	-11,655
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability ending	<u>\$ 659,572</u>	<u>\$ 709,585</u>	<u>\$ 619,142</u>	<u>\$ 569,705</u>	<u>\$ 587,264</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered payroll	<u>\$3,200,136</u>	<u>\$3,080,827</u>	<u>\$3,080,827</u>	<u>\$2,757,879</u>	<u>\$2,757,879</u>
Total OPEB liability as a percentage of covered payroll	<u>20.60%</u>	<u>23.00%</u>	<u>20.10%</u>	<u>20.66%</u>	<u>21.29%</u>

Notes to Schedule

The OPEB information within this schedule is being included in the financial statements of the County for the fiscal year ended December 31st of the years noted above. The reporting date of this information is as of June 30th of the years noted above while the measurement date of this information is as of January 1st of the years noted above.

County of Washington, Maine
Schedule of County OPEB Contributions
Maine Municipal Employees Health Trust - Health Insurance
Last ten fiscal years (for all years available)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer contributions	\$ 11,470	\$ 11,029	\$ 11,861	\$ 11,405	\$ 11,655
Benefit payments	<u>-11,470</u>	<u>-11,029</u>	<u>-11,861</u>	<u>-11,405</u>	<u>-11,655</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$3,200,136</u>	<u>\$3,080,827</u>	<u>\$3,080,827</u>	<u>\$2,757,879</u>	<u>\$2,757,879</u>
Contributions as a percentage of covered payroll	<u>0.36%</u>	<u>0.36%</u>	<u>0.38%</u>	<u>0.41%</u>	<u>0.42%</u>

Notes to Schedule

The OPEB information within this schedule is being included in the financial statements of the County for the fiscal year ended December 31st of the years noted above. The reporting date of this information is as of June 30th of the years noted above while the measurement date of this information is as of January 1st of the years noted above.

Schedule A

County of Washington, Maine
Combining Balance Sheet and Combining Statement of Revenues,
Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds
As of and for the year ended December 31, 2022

	Deeds surcharge account	Probate surcharge account	MEMA Lepc operating grant 07/21 - 06/22	MEMA Lepc operating grant 07/22 - 06/23	MEMA Lepc training grant 07/21 - 06/22
Assets					
Cash and cash equivalents	\$ 209,430	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	2,501	1,883	1,050
Due from other funds	-	50,790	-	-	-
Total assets	209,430	50,790	2,501	1,883	1,050
Liabilities					
Accounts payable	-	-	-	-	-
Accrued payroll	-	-	-	-	-
Due to other funds	55,964	-	2,501	1,883	1,050
Total liabilities	55,964	-	2,501	1,883	1,050
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	153,466	50,790	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	153,466	50,790	-	-	-
Total liabilities and fund balances	\$ 209,430	\$ 50,790	\$ 2,501	\$ 1,883	\$ 1,050
Revenues					
Intergovernmental	\$ -	\$ -	\$ 3,590	\$ 4,234	\$ 2,250
Charges for services	20,376	3,430	-	-	-
Interest income	1,303	490	-	-	-
Miscellaneous revenues	-	-	-	-	-
Total revenues	21,679	3,920	3,590	4,234	2,250
Expenditures					
Salaries and wages	-	-	2,032	2,208	-
Operating	-	-	1,558	2,026	2,250
Capital outlay	-	-	-	-	-
Total expenditures	-	-	3,590	4,234	2,250
Excess (deficiency) of revenues over (under) expenditures	21,679	3,920	-	-	-
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	21,679	3,920	-	-	-
Fund balances - January 1	131,787	46,870	-	-	-
Fund balances - December 31	\$ 153,466	\$ 50,790	\$ -	\$ -	\$ -

County of Washington, Maine
Combining Balance Sheet and Combining Statement of Revenues,
Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds
As of and for the year ended December 31, 2022

	MEMA Lepc passbook account 01/21 - 12/21	FEMA Stonegarden grant 10/19 - 08/23	FEMA Homeland security grant 09/19 - 08/22	FEMA Homeland security grant 09/20 - 08/23	FEMA Homeland security grant 09/21 - 08/24
Assets					
Cash and cash equivalents	\$ 1,392	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	3,776	-	30,525	73,009
Due from other funds	391	-	-	-	-
Total assets	1,783	3,776	-	30,525	73,009
Liabilities					
Accounts payable	-	3,776	-	29,827	-
Accrued payroll	-	-	-	-	-
Due to other funds	-	-	-	698	73,009
Total liabilities	-	3,776	-	30,525	73,009
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	1,783	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	1,783	-	-	-	-
Total liabilities and fund balances	\$ 1,783	\$ 3,776	\$ -	\$ 30,525	\$ 73,009
Revenues					
Intergovernmental	\$ -	\$ 7,713	\$ 5,187	\$ 30,525	\$ 53,213
Charges for services	-	-	-	-	-
Interest income	9	-	-	-	-
Miscellaneous revenues	-	-	-	-	-
Total revenues	9	7,713	5,187	30,525	53,213
Expenditures					
Salaries and wages	-	-	-	-	30,000
Operating	152	7,713	5,187	30,525	23,213
Capital outlay	-	-	-	-	-
Total expenditures	152	7,713	5,187	30,525	53,213
Excess (deficiency) of revenues over (under) expenditures	-143	-	-	-	-
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	-143	-	-	-	-
Fund balances - January 1	1,926	-	-	-	-
Fund balances - December 31	\$ 1,783	\$ -	\$ -	\$ -	\$ -

County of Washington, Maine
Combining Balance Sheet and Combining Statement of Revenues,
Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds
As of and for the year ended December 31, 2022

Schedule A (continued)

	FEMA Homeland security grant 09/22 - 08/24	Jail OSA grant	K-9 Team equipment grant	Organized crime drug enforcement grant
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	63,502	6,667	-	-
Due from other funds	-	-	-	-
Total assets	<u>63,502</u>	<u>6,667</u>	<u>-</u>	<u>-</u>
Liabilities				
Accounts payable	28,423	-	-	-
Accrued payroll	-	-	-	-
Due to other funds	35,079	6,667	-	-
Total liabilities	<u>63,502</u>	<u>6,667</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 63,502</u>	<u>\$ 6,667</u>	<u>\$ -</u>	<u>\$ -</u>
Revenues				
Intergovernmental	\$ 63,502	\$ 40,000	\$ 20,597	\$ 5,024
Charges for services	-	-	-	-
Interest income	-	-	-	-
Miscellaneous revenues	-	-	-	-
Total revenues	<u>63,502</u>	<u>40,000</u>	<u>20,597</u>	<u>5,024</u>
Expenditures				
Salaries and wages	-	-	-	-
Operating	63,502	40,000	20,597	5,024
Capital outlay	-	-	-	-
Total expenditures	<u>63,502</u>	<u>40,000</u>	<u>20,597</u>	<u>5,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Washington, Maine
Combining Balance Sheet and Combining Statement of Revenues,
Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds
As of and for the year ended December 31, 2022

	ATV municipality county grant	ATV enforcement grant	Opioid settlement funds	Totals
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 210,822
Intergovernmental receivables	-	480	-	183,393
Due from other funds	17,654	-	114,825	183,660
Total assets	17,654	480	114,825	577,875
Liabilities				
Accounts payable	17,654	-	-	79,680
Accrued payroll	-	-	-	-
Due to other funds	-	480	-	177,331
Total liabilities	17,654	480	-	257,011
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	-	114,825	320,864
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	114,825	320,864
Total liabilities and fund balances	\$ 17,654	\$ 480	\$ 114,825	\$ 577,875
Revenues				
Intergovernmental	\$ 89,654	\$ 480	\$ -	\$ 325,969
Charges for services	-	-	-	23,806
Interest income	-	-	-	1,802
Miscellaneous revenues	-	-	114,825	114,825
Total revenues	89,654	480	114,825	466,402
Expenditures				
Salaries and wages	1,000	480	-	40,744
Operating	88,654	-	-	285,377
Capital outlay	-	-	-	-
Total expenditures	89,654	480	-	326,121
Excess (deficiency) of revenues over (under) expenditures	-	-	114,825	140,281
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	114,825	140,281
Fund balances - January 1	-	-	-	180,583
Fund balances - December 31	\$ -	\$ -	\$ 114,825	\$ 320,864

County of Washington, Maine
Combining Statement of Fiduciary Net Position and Combining
Statement of Changes in Fiduciary Net Position - Custodial Funds
As of and for the year ended December 31, 2022

Schedule B

	District attorney restitution account	Inmate funds account	Estate of Saunders account
Assets			
Cash and cash equivalents	\$ 8,763	\$ 24,119	\$ 4,809
Accounts receivable	-	-	-
Prepaid items	-	-	-
Due from other funds	-	-	-
Total assets	<u>8,763</u>	<u>24,119</u>	<u>4,809</u>
Liabilities			
Accounts payable	-	-	-
Accrued payroll	-	-	-
Other liabilities	-	-	-
Unearned revenue	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net position			
Restricted			
Expendable	8,763	24,119	4,809
Non-expendable	-	-	-
Unrestricted	-	-	-
Total net position	<u>8,763</u>	<u>24,119</u>	<u>4,809</u>
Total liabilities and net position	<u>\$ 8,763</u>	<u>\$ 24,119</u>	<u>\$ 4,809</u>
Additions			
Collections of restitution funds	\$ 47,447	\$ -	\$ -
Collections of inmate funds	-	70,847	-
Interest income	118	-	30
Miscellaneous	-	-	-
Total additions	<u>47,565</u>	<u>70,847</u>	<u>30</u>
Deductions			
Payments of restitution funds	53,009	-	-
Return of inmate funds	-	23,798	-
Commissary payments	-	34,958	-
Miscellaneous	-	3,218	-
Total deductions	<u>53,009</u>	<u>61,974</u>	<u>-</u>
Change in net position	-5,444	8,873	30
Net position - January 1	<u>14,207</u>	<u>15,246</u>	<u>4,779</u>
Net position - December 31	<u>\$ 8,763</u>	<u>\$ 24,119</u>	<u>\$ 4,809</u>

County of Washington, Maine
Combining Statement of Fiduciary Net Position and Combining
Statement of Changes in Fiduciary Net Position - Custodial Funds
As of and for the year ended December 31, 2022

	Unorganized territories general fund	Unorganized territories TIF fund	Totals
Assets			
Cash and cash equivalents	\$ 1,088,745	\$ 1,567,285	\$ 2,693,721
Accounts receivable	-	-	-
Prepaid items	-	-	-
Due from other funds	-	-	-
Total assets	<u>1,088,745</u>	<u>1,567,285</u>	<u>2,693,721</u>
Liabilities			
Accounts payable	-	-	-
Accrued payroll	-	-	-
Other liabilities	-	-	-
Unearned revenue	-	-	-
Due to other governments	1,067,607	1,567,285	2,634,892
Due to other funds	21,138	-	21,138
Total liabilities	<u>1,088,745</u>	<u>1,567,285</u>	<u>2,656,030</u>
Net position			
Restricted	-	-	37,691
Expendable	-	-	-
Non-expendable	-	-	-
Unrestricted	-	-	37,691
Total net position	<u>-</u>	<u>-</u>	<u>37,691</u>
Total liabilities and net position	<u>\$ 1,088,745</u>	<u>\$ 1,567,285</u>	<u>\$ 2,693,721</u>
Additions			
Collections of restitution funds	\$ -	\$ -	\$ 47,447
Collections of inmate funds	-	-	70,847
Interest income	-	-	148
Miscellaneous	-	-	-
Total additions	<u>-</u>	<u>-</u>	<u>118,442</u>
Deductions			
Payments of restitution funds	-	-	53,009
Return of inmate funds	-	-	23,798
Commissary payments	-	-	34,958
Miscellaneous	-	-	3,218
Total deductions	<u>-</u>	<u>-</u>	<u>114,983</u>
Change in net position	-	-	3,459
Net position - January 1	-	-	34,232
Net position - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,691</u>

Stephen T. Hopkins, CPA, PC

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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

County Commissioners
County of Washington, Maine

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Washington, Maine, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County of Washington, Maine's basic financial statements, and have issued our report thereon dated December 17, 2025, which contained unmodified opinions on each major fund and the aggregate remaining fund information. An adverse opinion was issued on the governmental activities of the County of Washington, Maine as it relates to the government-wide financial statement exclusion of capital assets. This modified opinion is described in more detail in the Independent Auditors' Report which can be found on pages 1 through 3 of the financial statements and note 14 on page 43 of the financial statements.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify one deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item number 2022-01, that we consider to be a material weakness. In addition, we did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs and labeled as item numbers 2022-02 through 2022-08, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Washington, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County of Washington, Maine's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County of Washington, Maine's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County of Washington, Maine's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Stephen T. Hopkins, CPA, PC



Scarborough, Maine
December 17, 2025

County of Washington, Maine
Schedule of Findings and Questioned Costs
December 31, 2022

2022-01 - Non-Cash Account Reconciliations and Reviews

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition and context:

For the current fiscal year there did not appear to be an adequate system of internal controls in place to ensure that all of the non-cash asset and liability accounts on the general ledger of the County were reconciled and that revenue and expenditure accounts were being reviewed to determine if any transactions had been mis-posted and therefore needed to be corrected. Without an adequate system of internal controls in place to ensure that all non-cash asset and liability accounts are being reconciled and that all revenue and expenditure accounts are being reviewed and more specifically that these reconciliations and reviews are being adequately documented, there is no way to ensure that items that may need to be corrected will be prevented or even detected and corrected in a timely manner. We do consider these conditions to represent material weaknesses in internal control over financial reporting during the current fiscal year.

The cash accounts of the County were reconciled on a monthly basis and the reconciliations were documented. However, no reconciliations were provided for the non-cash asset and liability accounts included on the general ledger of the County. As part of the audit, backup documentation was provided in relation to intergovernmental billings which showed the amounts being billed, the period that the billing was for and the date of the receipt of the billing amount. It would appear that this billing documentation was not reconciled to the general ledger as certain amounts that should have been recorded as accounts receivable were not and certain amounts that had been received during the current fiscal year actually related to prior fiscal year accounts receivable. The prior year amounts were at times posted to the current fiscal year revenue accounts which would seem to indicate that periodic reviews of these revenue accounts were not performed as well.

The County also had intergovernmental billings in relation to a federal grant received through the Maine Emergency Management Agency. This grant relates to sheriffs department patrols and enhanced border security for the County. The billings for this grant were prepared and submitted by the sheriffs department and the receipt of the payments in relation to these billings were received and deposited by the treasurers office. As part of the audit, an attempt was made to match the billing revenue received in relation to this grant to the program expenditures as posted to the applicable grant expenditure accounts. We were unable to match the total of these receipts with the total expenditures. It would appear that a reconciliation of the amounts being billed in relation to this grant was either not provided by the sheriffs department to the treasurers office or not requested by the treasurers office.

As part of the audit, backup documentation was provided in relation to accrued payroll balances as well as payroll withholding liability accounts included on the general ledger of the County. The recorded accrued payroll amount from the prior fiscal year had not been reversed and a current fiscal year accrued payroll amount had not been recorded. The general ledger of the County included a number of payroll withholding accounts with balances for which backup documentation as to the nature of the balance was requested but could not be readily provided for all of the accounts. Payroll withholding accounts are credited for amounts which are being withheld from employees or amounts being accrued for employer portions when payrolls are processed. When the amounts are remitted to the applicable vendors these payroll withholding accounts are debited with the payroll and payables process in effect creating in out accounts which should zero out as the withholdings and remittances are processed throughout the fiscal year. Had monthly reconciliations been performed on all of these payroll withholding accounts, any differences between the amounts being withheld or accrued and the amounts being remitted could have been noted and corrected in a more timely manner.

The County acts in a fiduciary capacity in relation to restitution funds received by the district attorneys office and then distributed as outlined in the applicable court orders. The district attorneys office uses a separate accounting software program to account for these receipts and disbursements which is outside of the accounting software program used by the County for its every day operations. As part of the audit, a request was made to determine whether the district attorneys office could provide a listing of the individuals and amounts which made up the balance of this fiduciary cash account in order to test transaction receipts, disbursements and balances back to original court orders. A listing could not be provided seemingly based on the limitations of the accounting software program in addition to the manner in which the transactions had been entered. Without this type of information, a reconciliation of the individual amounts to the balance of this fiduciary cash account seemingly would not be able to be performed. As such, a determination as to whether or not amounts remain in this fiduciary cash account that either should still be disbursed or that still need to be received does not seem possible.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-01 - Non-Cash Account Reconciliations and Reviews (continued)

Condition and context (continued):

The majority of the non-cash asset and liability accounts included on the general ledger of the County as provided for the audit needed to be adjusted to match the provided backup documentation. In addition, a number of the revenue and expenditure accounts needed to be adjusted for mis-postings. A total of 143 adjusting journal entries were proposed as part of the annual audit to ensure that the financial statement balances were materially in balance with the provided supporting documentation and in turn that the financial statements were presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The debits of these proposed adjustments totaled \$7,188,326 while the credits totaled \$9,015,837 as the general ledger was out of balance when provided in relation to the audit. Though not all of these adjustments related to items which would have been found had documented reviews or reconciliations been completed, based on the nature of the proposed adjustments it does seem that a large number of them would have been found.

Effect:

Without account reconciliations being prepared for all non-cash asset and liability accounts as well as periodic documented reviews of the transactions recorded in the revenue and expenditure accounts, it is difficult to have an accurate financial picture of the County during the fiscal year. Without an accurate financial picture there can be no reasonable assurance present that the County's specific objectives are being achieved or that its' assets are being safeguarded.

Cause:

The reason for this condition would appear to be a lack of available time and available resources within the accounting function of the County. This would appear to make it difficult to apportion the time needed to effectively reconcile all of the non-cash asset and liability accounts included on the general ledger and to perform and document the reviews of the transactions recorded in the revenue and expenditure accounts. In addition, the County does not have an accounting policies and procedures manual outlining specific procedures to be followed in order to accurately complete and document these reconciliations and account reviews.

Recommendation:

We recommend that the County develop a set of adequate internal controls to ensure that all asset and liability accounts be reconciled and that adequate controls are in place to document the revenue and expenditure account reviews and that these reviews are completed and documented at least on a quarterly basis if not a monthly basis.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do understand its importance, however, such a system has yet to be implemented. The County is currently in the process of developing an accounting policies and procedures manual, as time allows, and intends to cover the reconciling of all asset and liability accounts as well as the performance and documentation of the reviews of all revenue and expenditure accounts in a timely manner. Once an adequate policy and procedure has been developed and is being followed, management believes that this material weakness will be eliminated.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-02 - Cash Account Reconciliations and Reviews

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition:

The County has a number of cash accounts for which monthly reconciliations are prepared. As part of the reconciliation process, a reconciliation page is prepared which compares the general ledger balance for the cash accounts of the County to the actual balances shown on the monthly bank statements. These bank reconciliation pages include a space to indicate the individual preparing the reconciliation and the individual reviewing the reconciliation. For the majority of the current fiscal year, the name of the individual preparing the bank reconciliation was typed into the reconciliation page rather than having the individual sign or initial the reconciliation page. As such we were unable to determine from the majority of the reconciliations whether or not the individual who was typed in as preparing the reconciliation was the individual who actually prepared the reconciliation. This information is important in determining whether there is adequate segregation of duties within the reconciliation process. In addition, bank reconciliations should be dated by the individual who is preparing them to determine that they were prepared in a timely manner. The majority of the provided bank reconciliation pages were not dated by the individual preparing them but a review of the accompanying general ledger detail printed out as part of the reconciliation backup documentation showed that it did appear that they were being prepared in a timely manner. Once the reconciliations are signed and dated by the individual preparing them they should then be signed and dated by the individual reviewing them. All of the reviewed reconciliation pages did include the initials of the individual reviewing them but the majority of these reconciliation pages were not noted as including the date for which the review was performed. As such, we were unable to determine whether the majority of the reviews were being performed in a timely manner. The above noted preparing and reviewing conditions also did appear to be inconsistently applied amongst the cash accounts of the County. Some account reconciliations included preparer dates for a portion of the provided reconciliations while some contained no preparer dates. While some of the account reconciliations included reviewer dates for the majority of the reviewed months while others were included for only a few of the reviewed months. Lastly, the registry of deeds department has its own checking account to which departmental deposits and expenditures are made. In reviewing the provided monthly bank reconciliations, they did appear to be signed and dated by the individual preparing them and they did appear to have been prepared in a timely manner. However, we were unable to locate any indications that they were being reviewed by any individual outside of the reconciliation process. The review process for this account would seem essential as the individual preparing the reconciliation is also the individual that will at times make deposits to the account and who is the sole individual who is signing the checks written out of the account. We do consider these conditions to have represented a significant deficiency in internal controls over financial reporting during the current fiscal year.

Context:

One of the main reasons for preparing bank account reconciliations is to make sure that the accounting transactions which are included on the general ledger are the same as those that show up on the actual corresponding bank account statements. Items which do not match up between the general ledger and the bank statement are referred to as reconciling items. The purpose of performing these reconciliations and reviews in a timely manner is so that any of these reconciling items that are found as part of the process can be researched and adjustments prepared as soon as possible so that an accurate financial picture is present as shown on the general ledger at any reasonable point in time. If the bank reconciliations are not being prepared and reviewed in a timely manner then any adjustments that may be necessary in order to correct balances included on the general ledger may also not be made in a timely manner and thus the financial picture shown on the general ledger may not be accurate for long periods of time.

Effect:

Without monthly bank reconciliations and more specifically reviews being prepared in a timely manner, it is difficult to provide that a reasonable level of assurance was present that an accurate financial picture of the assets of the County was available at all times during the current fiscal year. Without an accurate financial picture, there can be no reasonable level of assurance present that the County's specific objectives are being achieved or that its' specific assets are being safeguarded.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-02 - Cash Account Reconciliations and Reviews (continued)

Cause:

We were unable to determine why the name of the individual preparing the bank reconciliations was typed into the reconciliation page rather than being signed or why the preparer was not specifically dating the reconciliations page. We were also unable to determine the reason why the reconciliations were not being dated on a consistent basis when they were reviewed.

Recommendation:

We recommend that an emphasis be placed on preparing all applicable bank reconciliations in a timely manner and that all completed bank reconciliations be signed and dated by the individual preparing them and then signed and dated by the individual reviewing them in a timely manner. We also recommend that a process be established to ensure that all of the cash accounts of the County are being reviewed by individuals outside of the accounting and reconciliation process. When a single individual is responsible for making deposits, signing checks and reconciling a single cash account without any documented review process from an individual outside of the processing of the account activity it creates a situation where a lack of segregation of duties may be present which could in most cases indicate an additional internal control issue.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do agree with the recommendations as described above. We believe that a more timely and complete process will be implemented during the upcoming fiscal year.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-03 - Cash Transaction Posting Dates

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition:

During the current fiscal years audit, a number of different procedures were applied to the ending balances and individual transactions contained within the general ledger, revenue and expenditure reports of the County. Reviews of deposits, checks and payrolls were made in part to determine whether both the cash portion of the entries and the revenue or expenditure portion of the entries had been posted to the correct period and a review of the fiscal year ending bank reconciliations was made to determine that the outstanding items contained in each reconciliation were appropriate and correctly posted. There did not appear to be an adequate system of internal controls in place to ensure that cash transactions and the related adjusting journal entries were being correctly posted back to December 31, 2022. We do consider this condition to represent a significant deficiency in internal control over financial reporting during the current fiscal year.

Context:

During our review of the general ledger and the bank reconciliation report for the period ended December 31, 2022 for the main deposit account of the County, we found that there were two individually posted deposits totaling \$1,376 which had been posted as cash transactions in the 2022 fiscal year module though they were actually physically deposited during the month of January and as such would normally only be posted as cash transactions within the 2023 fiscal year module. In reviewing the items making up these deposits it was determined that the activity did belong in the current fiscal year but that they were actually either cash on hand amounts or accounts receivable amounts and should have been recorded as such. During our review of the general ledger and bank reconciliation report for the period ended December 31, 2022 for the main checking account of the County, we found that accounts payable checks processed in January for warrant number 52 in the amount of \$37,471, warrant number 53 in the amount of \$97,813 and warrant number 54 in the amount of \$63,771 were posted as cash transactions in the 2022 fiscal year module though they were actually physically written during the month of January and as such would normally only be posted as cash transactions within the 2023 fiscal year module. In reviewing these expenditure items it was determined that the majority of them were expenditures for the current fiscal year which were correctly posted as of December 31, 2022.

Effect:

Without an adequate system of controls in place to ensure that transactions are posted to the correct and appropriate periods and to the correct accounts within those periods, the County can have no reasonable level of assurance that the decisions it is making based on this information is correct.

Cause:

We was unable to determine the exact cause of the aforementioned posting items.

Recommendation:

We recommend that the County post the cash portion of transactions including deposits, checks and payrolls to the period and date in which the actual cash transactions occur.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do understand the importance of the items noted above relating to the posting of certain transactions throughout the fiscal year and more specifically at the end of the fiscal year. We anticipate that through the development of additional policies and procedures which will be contained within our financial accounting policies and procedures manual that the majority of the items noted above will be addressed.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-04 - Cash Disbursements

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition:

During the current fiscal year audit, a number of expenditures were selected for testing within the current fiscal year and as subsequent events during the beginning of the upcoming fiscal year. The invoices or backup documentation relating to these expenditures were requested to be pulled for the review of a number of items such as the correct accounting period, the correct amount being paid, items being paid from actual invoices, and whether or not individual invoices or backup documentation are initialed as being reviewed and approved. There did not appear to be an adequate system of internal controls in place to ensure that only invoices and backup documentation containing the initials or signature of the individual approving the expenditure were being processed on a consistent basis. The County does utilize an expenditure approval cover sheet which does include approving initials or signatures though there was no way to determine that the actual invoices or backup documentation had been reviewed by the individuals approving the cover sheets. We do consider this condition to represent a significant deficiency in internal control over financial reporting during the current fiscal year.

Context:

Sampling techniques are used to select items for testing which means that not all transactions are reviewed or tested during this process. As a result, there could be other expenditure items being processed for payment without the initials or signature of the individual approving the payment on the actual invoices or backup documentation.

Effect:

Without the initials or signature of the individual approving the payment of expenditure items actually being included on the invoice or backup documentation, there can be no assurance that the goods or services being purchased were actually received and creates doubt as to whether the assets of the County are being adequately safeguarded.

Cause:

It would appear that the main reason that certain expenditure items did not contain the initials or signature of the individual approving the payment on the actual invoice or backup documentation was simply because the practice of processing expenditure items by the County is to include an expenditure approval on the cover sheet.

Recommendation:

We recommend that invoices should never be paid or even entered into the accounting system of the County without an appropriate approving signature or initials on the invoice approving the expenditure. The County should establish a listing of the individuals who would be considered the appropriate signer for each type of departmental expenditures.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do understand the importance of an adequate expenditure item approval process. We intend to more closely review invoices during the payable process to ensure that only invoices containing the appropriate approving signatures or initials are processed for payment. Any invoices not containing the appropriate approving signatures or initials will be returned to the appropriate individual for the appropriate approval before being processed.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-05 - Controls Relating to Expenditures over Appropriations

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition:

In accordance with the applicable State of Maine statutes, the County Commissioners approve an annual budget including certain revenues and expenditures by either department or activity to be received and incurred during the fiscal year. The accounting system utilized by the County allows these approved amounts to be entered into the budgetary portion of the revenue and expenditure modules so that budget to actual reports can be printed at any time during the fiscal year to determine how close actual revenues are to budgeted revenues and to ensure that the actual expenditures incurred to date are in compliance with the amounts approved as part of the annual budget. During the current fiscal year, approved budgeted revenue and expenditure amounts were entered into the budgetary modules of the accounting system. The difference between these budgeted revenues and expenditures should match the budgeted overlay amount determined during the annual budget process. For the current fiscal year, the budgeted overlay was a positive \$32,943. However, the difference between the original approved budgeted revenues and expenditures entered into the accounting system was a negative (\$8,133,593). The approved annual budget includes summary amounts by department in addition to individual amounts within each department. During the current fiscal year approximately 151 of the individual final approved and adjusted line items were over expended by a total of approximately (\$1,812,323). In addition, during the current fiscal year the County Commissioners approved the carryover of the remaining budget to actual amounts of certain expenditure accounts from the 2021 fiscal year into the 2022 fiscal year. These same amounts were then included as a reduction in the amount to be raised by taxation calculation for the 2023 fiscal year. We consider these conditions to represent significant deficiencies in internal control over financial reporting during the current fiscal year.

Context:

The budgeted revenues that were not recorded included the amount for the annual tax assessments of \$6,621,520, the amount for the annual use of unassigned fund balance to reduce the tax assessments of \$1,445,016 and the amount for the annual use of unassigned fund balance for contingency of \$100,000. Of the 151 individual line items that were over expended, 17 of them in the amount of \$107,972 related to court costs which are reimbursed for which no actual budgeted expenditure amounts were included, 8 of them in the amount of \$216,072 related to sheriffs department billable wage accounts for which no actual budgeted expenditure amounts were included, 3 of them in the amount of \$28,280 related to sheriffs department benefit accounts for which no actual budgeted expenditure amounts were included and 4 of them in the amount of \$849,254 related to county jail benefit accounts for which no actual budgeted expenditure amounts were included.

When the County Commissioners approved the carryover of the remaining calculated budget to actual amounts of certain expenditure accounts from the 2021 fiscal year into the 2022 fiscal year they were in effect approving the use of unassigned fund balance as these remaining budget to actual amounts had flowed down to unassigned fund balance as of the end of the 2021 fiscal year. Approving the use of unassigned fund balance is in effect the same as budgeting for a loss due to the fact that prior fiscal year accumulated balances cannot be shown as current year revenues. In addition, by approving the carryover of these remaining calculated budget to actual amounts these amounts were being approved to be expended during the 2022 fiscal year. If the total of these approved carryover amounts were expended during the 2022 fiscal year then they would have flowed down to unassigned fund balance as a loss and therefore the amount would not be available to be used as a reduction in the amount to be raised by taxation calculation for the 2023 fiscal year. If this carryover amount had been expended as approved during the 2022 fiscal year and as such not been available for the 2023 fiscal year then the amount to be raised by taxation calculation would have been too low.

By approving the expenditure of carryover balances in one fiscal year and then using them as a reduction in the amount to be raised by taxation calculation for the following fiscal year, the County is in effect budgeting to use funds that may not be available. As of the end of the 2021 fiscal year, the total general fund balance of the County was \$1,563,478. During the current 2022 fiscal year, the County included the use of \$1,545,016 of its unassigned general fund balance to reduce the amount to be raised by taxation calculation. In addition, the amount of prior fiscal year calculated unexpended expenditure balances that were approved to be carried forward into the current fiscal year for expenditure of \$1,301,361 is in effect the approval of the use of unassigned general fund balance as noted above. As a result, during the current 2022 fiscal year the County budgeted to use all of its prior fiscal year ending fund balance as well as an additional amount of (\$1,282,899) which could have resulted in an ending general fund deficit in this amount.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-05 - Controls Relating to Expenditures over Appropriations (continued)

Effect:

Without an adequate system of controls in place to ensure that complete revenue and expenditure budgets are being entered into the accounting system and to prevent the over expenditure of budgeted line items, there can be no reasonable assurance present that the County's specific objective are being achieved or that its' assets are being safeguarded.

Cause:

We were unable to determine why the revenue amounts entered into the budgetary module of the accounting system did not match the above listed budgetary resources nor were we able to determine the cause for the current fiscal year over expenditures mentioned above. We were also unable to determine the reason that carryover amounts were being approved to expended in one fiscal year and then were being used as a reduction in the amount to be raised by taxation calculation for the following fiscal year.

Recommendation:

We recommend that the County enter the annual approved revenue and expenditure amounts into the budgetary portion of the revenue and expenditure modules as soon as they are approved to ensure that the budget being entered is complete and accurate. We recommend that the County consider creating a budgetary transfer process whereby individual expenditure budget line item amounts that have been over expended during the fiscal year have budget amounts transferred in from individual budget line items that are not currently over expended to ensure overall budgetary compliance. We also recommend that the County review its policy regarding the expenditure of approved carryover amounts and the subsequent use of these approved carryover amounts in the amount to be raised by taxation calculation. A determination should be made as to how much actual surplus or fund balance is available to be either used to reduce the amount to be raised by taxation calculation or carryforward any prior fiscal year balances before any such surplus or fund balance amounts are used in this manner.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do understand the importance of having adequate budgetary controls in place to ensure that individual expenditure budget line item amounts are not over expended during the fiscal year and that if they are over expended there is a process to identify and transfer under expended budget line item amounts as deemed necessary. We also intend to review our policy in regard to the use of fund balance to reduce the amount to be raised by taxation calculation and for amounts to be carried forward to ensure that these amounts are indeed available to be used in this manner.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-06 - Accounting Policies and Procedures Manual

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition:

The County does not currently have an accurate and in-depth accounting policies and procedures manual which would document the system of internal controls necessary to allow the prevention or detection and correction of misstatements on a timely basis. Without a documented system of internal control related policies and procedures it cannot be determined that the procedures being followed during the day to day accounting activities are adequate to prevent or detect and correct misstatements on a timely basis. We do consider this condition to represent a significant deficiency in internal control over financial reporting during the current fiscal year.

Context:

This type of manual is used to provide a general description of the general functions and specific duties of all personnel involved in the accounting, cash receipting, and bill paying system of the County. The manual is also used to document the specific steps to be used in all accounting functions such as the processing of cash disbursements, the recording and deposit of cash receipts and the steps necessary to process payroll.

Effect:

The two main goals of developing and documenting an effective set of accounting policies and procedures is to provide reasonable assurance that the County's specific objectives will be achieved and to set up a system of checks and balances which safeguard the assets of the County. Without this set of policies and procedures there can be no reasonable assurance present that the County's specific objective are being achieved or that its' assets are being safeguarded.

Cause:

The reason for this condition would appear to be a lack of available time and available resources within the accounting function of the County.

Recommendation:

The County Commissioners should be involved with the development of a written policies and procedures manual that addresses the financial operations of the County and specific duties of all personnel involved in the accounting, cash receipting, and bill paying system of the County. This manual, drafted by the accounting department, should address the general accounting functions of the department and the overall financial policies of the County as well as any other specific area (s) as so requested by the County Commissioners or other members of management of the County. The final draft should be presented to the County Commissioners for approval. The accounting department would be responsible for implementing the specific policies and procedures. Any questions or disputes in regard to the implementation and operation of these policies and procedures should be presented to the County Commissioners for resolution. In addition, any subsequent amendments, revisions, or additions to this manual should be presented to the County Commissioners for approval.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do understand the importance of such a set of policies and procedures. The County is currently in the process of developing an accounting policies and procedures manual, as time allows. Once an adequate manual has been developed, implemented and is being followed, management believes that this significant deficiency will be eliminated.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-07 - Internal Control over and Compliance with State Statute Title 33, Chapter 11, Subchapter 4, Section § 752

Criteria:

State Statute Title 33, Chapter 11, Subchapter 4, Section § 752 relates to the Registry of Deeds records preservation surcharge. Subsection 1 of the statute states, "In addition to any other fees required by law, a register of deeds may collect a surcharge of \$3 per document for all records that are recorded in the registry of deeds, except those recorded by agencies of State Government, including quasi-independent state entities and municipalities." Subsection 2 of the statute states in part, "The surcharge imposed in subsection 1 must be transferred to the county treasurer who shall deposit it in a separate nonlapsing account within 30 days of receipt. Interest earned on the account must be credited to the account."

Condition:

The County does have a separate deeds surcharge cash account though during the current fiscal year the surcharge amounts which were forwarded to the county treasurers office from the registry of deeds were not transferred to this separate deeds surcharge cash account. The deeds surcharge funds were deposited into the general County deposit account and posted to a separate revenue account. A calculation of the portion of the monthly general County deposit account interest earned that was applicable to these deeds surcharge funds was not determined and therefore was not allocated to the deeds surcharge account. We do consider these conditions to represent significant deficiencies in internal control over compliance during the current fiscal year.

Context:

The state statute does not specify whether the "separate nonlapsing account" must be a separate cash account as opposed to a separate nonlapsing account within the general ledger of the County. However, the existence of a separate deeds surcharge cash account already opened by the County would seem to indicate that the County had already made the interpretation that the statute is referring to a separate cash account. As such, the collections made during the current fiscal year should have been transferred to this separate cash account within 30 days of their receipt from the registry of deeds.

Effect:

The simple effect is that it would appear that the County is not in compliance with certain subsections of the aforementioned state statute. We are unaware of any ramifications that may result from these apparent instances of non-compliance.

Cause:

We were unable to determine why the surcharge amounts forwarded to the county treasurers office from the registry of deeds during the current fiscal year were not transferred to the separate cash account which had already been established.

Recommendation:

We recommend that the surcharge amounts collected by the registry of deeds and forwarded to the county treasurers office either be transferred to the established separate cash account as they are received in accordance with the specific wording of the aforementioned state statute or that the County transfer the funds received less any funds disbursed during the fiscal year at the end of the fiscal year depending on a more defined interpretation of the state statute.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do agree with the recommendations as described above. We plan to include the necessary internal controls in relation to the accounting for these deed surcharge funds in an accounting policies and procedures manual which we are currently in the process of developing, as time allows.

County of Washington, Maine
Schedule of Findings and Questioned Costs (continued)
December 31, 2022

2022-08 - Allowable costs charged to State and Federal awards

Criteria:

The management of the County is responsible for implementing and maintaining a system of internal controls for which the design of the system would allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis in addition to ensuring that the assets of the County are being safeguarded.

Condition and context:

In accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), the total cost of an award is the sum of the allowable direct and allocable indirect costs less any applicable credits. One factor for a cost to be allowable to an award is that it is adequately documented. In addition, any cost allocable to a particular award or other cost objective under these principles may not be shifted to other federal awards to overcome funding deficiencies, or to avoid restriction imposed by law or by the terms of the award. There did not appear to be an adequate system of internal controls present during the current fiscal year to ensure that current fiscal year revenues and expenditures relating to the Operation Stonegarden program grant were being identified and accounted for by each separate and different program grant agreement. We consider this item to be a significant deficiency in internal control over financial reporting in addition to noncompliance with the guidelines of the Uniform Guidance.

The County received an Operation Stonegarden program grant during the 2019 fiscal year in the amount of \$312,000 which runs from October 1, 2019 through August 31, 2022. Funds were received and expended in relation to this program during the 2019 fiscal year in the amount of \$9,780, during the 2020 fiscal year in the amount of \$110,435, during the current 2021 fiscal year in the amount of \$265,110 and during the current 2022 fiscal year in the amount of \$7,713. Through the end of the current fiscal year the County has received and expended \$393,038 in relation to the Operation Stonegarden program though the originally provided grant agreement was only in the amount of \$312,000. Upon posing this question to the County during the prior fiscal year audit, an additional Operation Stonegarden program grant was provided in the amount of \$316,875 which runs from October 1, 2020 through August 31, 2023. The grant revenues and related expenditures under this program have been charged by the County to one specific revenue cost center and one specific expenditure cost center neither of which identifies which revenues and which expenditures relate to which separate and different program grant agreement.

Effect and cause:

This practice does not allow for a determination of the specific balances which are remaining for each specific and different program grant agreement based on the grant period of the agreement. Without being able to adequately and readily determine the specific balances which apply to each different grant agreement based on the grant period of the agreement, the County cannot adequately ensure that it is in compliance with the aforementioned provisions of the Uniform Guidance. Any violation of the provisions of the Uniform Guidance could result in the County being required to repay grant funds whose specific expenditure could not be determined. Therefore there can be no reasonable assurance present that the County's specific objectives are being achieved or that its assets are being safeguarded.

This program relates to sheriffs department patrols and enhanced border security for the County. The billings for this grant were prepared and submitted by the sheriffs department and the receipt of the payments in relation to these billings were received and deposited by the treasurers office. It would appear that either the sheriffs department is not specifically billing in relation to each separate and different program grant agreement or they are simply not conveying these amounts to the treasurers office to be recorded accordingly.

Recommendation:

We recommend that the County attempt to adequately correlate this current and previously recorded fiscal year activity to determine accurate grant balances by each separate and different program grant agreement and make any necessary adjustments. We also recommend that the County consider creating individual revenue and expenditure costs centers to be used to separately account for each separate and different program grant agreements.

Views of responsible officials and planned corrective actions:

We have discussed this finding with our auditor and we do agree with his recommendations as described above. We do anticipate this condition to be corrected during the upcoming fiscal year, as time allows, thus eliminating this finding in subsequent audits.

