

**TOWN OF YORK, MAINE**

**Annual Financial Report**

**For the Fiscal Year Ended June 30, 2020**

**TOWN OF YORK, MAINE**  
**Annual Financial Report**  
**For the Year Ended June 30, 2020**

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## Independent Auditor's Report

Board of Selectmen  
Town of York, Maine

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of York, Maine as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of York, Maine's basic financial statements as listed in the table of contents.

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

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

#### ***Auditor's Responsibility***

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of York, Maine as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

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

***Other Information***

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

The combining and individual fund financial statements and schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Board of Selectmen  
Town of York, Maine  
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Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedule 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 June 3, 2021, on our consideration of the Town of York, 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 Town of York, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of York, Maine's internal control over financial reporting and compliance.



June 3, 2021  
South Portland, Maine

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2020**

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Our discussion and analysis of the Town of York, Maine's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2020. Please read it in conjunction with the Town's financial statements, which begin on page 17.

## **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 17 and 18) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 19. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

## **REPORTING THE TOWN AS A WHOLE**

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

Our analysis of the Town as a whole begins on page 17. One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

**Governmental activities** - Most of the Town's basic services are reported here, including the police, fire, general administration, roads, parks, and beaches. Property taxes, auto excise taxes, franchise fees, fines, parking revenues, state revenue sharing, and state and federal grants finance most of these activities.

**Business-type activities** - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Recreation, Sohier Park, Center for Active Living (formerly Senior Center), Mt. Agamenticus, Goodrich Park, and Outside Duty activities are reported here.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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## **REPORTING THE TOWN'S MOST SIGNIFICANT FUND FINANCIAL STATEMENTS**

Our analysis of the Town's major funds begins on page 19. The fund financial statements provide detailed information about the most significant funds - not the Town as a whole.

Some funds are required to be established by State law and by bond covenants. However, the Board of Selectmen establishes many other funds to help it control and manage money for particular purposes.

- **Governmental funds** - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation on page 21.

- **Proprietary funds** - When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

### **Reporting the Town's Fiduciary Responsibilities**

We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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**THE TOWN AS A WHOLE**

For the year ended June 30, 2020, net position changed as follows:

	Governmental Activities		Business-type Activities Restated		Total Primary Government Restated	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 20,123,773	17,488,879	697,249	755,232	20,821,022	18,244,111
Capital assets	86,357,292	86,162,377	963,081	933,148	87,320,373	87,095,525
<b>Total assets</b>	<b>106,481,065</b>	<b>103,651,256</b>	<b>1,660,330</b>	<b>1,688,380</b>	<b>108,141,395</b>	<b>105,339,636</b>
Deferred outflows of resources	2,624,717	2,010,781	-	-	2,624,717	2,010,781
Long-term liabilities	49,711,665	48,624,022	-	-	49,711,665	48,624,022
Other liabilities	4,867,209	5,005,450	40,238	77,834	4,907,447	5,083,284
<b>Total liabilities</b>	<b>54,578,874</b>	<b>53,629,472</b>	<b>40,238</b>	<b>77,834</b>	<b>54,619,112</b>	<b>53,707,306</b>
Deferred inflows of resources	930,774	1,020,569	-	-	930,774	1,020,569
Net investment in capital assets	49,654,531	48,398,837	963,081	933,148	50,617,612	49,331,985
Restricted	2,354,504	1,040,496	-	-	2,354,504	1,040,496
Unrestricted	1,587,099	1,572,663	657,011	677,398	2,244,110	2,250,061
<b>Total Net Position</b>	<b>\$ 53,596,134</b>	<b>51,011,996</b>	<b>1,620,092</b>	<b>1,610,546</b>	<b>55,216,226</b>	<b>52,622,542</b>

These numbers reflect an increase in net position of 5.1% percent for governmental activities and an increase of 0.6% for business-type activities (see page 22-24 for details). In FY 2019, the business-type capital assets and net investment in capital assets have been restated for land that should have been capitalized in prior years.

**Governmental Activities**

To aid in the understanding of the Statement of Activities, we have provided further explanation here. Of particular interest is the format that is significantly different from a typical Statement of Revenues, Expenditures, and Changes in Fund Balance. You will notice that expenses are listed in the first column, with revenues from that particular program reported to the right. The result is a net (expense)/revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

General Government	Charges for plumbing permits, shoreland permits, cable TV franchise fees, gas tax refund, reimbursements, clerk fees, parking meter and permit receipts, parking ticket receipts and shellfish licenses.
Public Safety	Mooring receipts, police reports, dispatch services agreement with Ogunquit, PSAP (Public Safety Answering Point) fees from other surrounding towns, grants and dog license fees.
Public Works	Urban/Rural Initiative Program, FEMA reimbursements, other state grants to improve certain street intersections.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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Recreation & Public Assistance      Recreation, General Assistance.

Education & Libraries      Food service, grants, state subsidy, library revenues.

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

<b>Function/Program</b>	<b>Expenses</b>	<b>Expenses</b>	<b>Revenues</b>	<b>Revenues</b>	<b>Net Expenses</b>	<b>Net Expenses</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
General Government	\$6,936,177	\$5,065,651	972,908	805,770	5,963,269	4,259,881
Public Safety	8,183,739	7,637,744	861,977	754,990	7,321,762	6,882,754
Public Works	6,874,659	6,688,232	575,911	937,868	6,298,748	5,750,364
Parks & Recreation	1,896,603	1,902,865	138,377	123,724	1,758,226	1,779,141
Public Assistance	133,296	88,655	31,894	13,260	101,402	75,395
Education & Libraries	37,896,339	36,815,956	6,894,446	6,346,654	31,001,893	30,469,302
Capital Outlay	679,905	-	-	-	679,905	-
Interest on Long-term Debt	549,313	519,710	-	-	549,313	519,710
<b>Total Government Activities</b>	<b>\$ 63,150,031</b>	<b>58,718,813</b>	<b>9,475,513</b>	<b>8,982,266</b>	<b>53,674,518</b>	<b>49,736,547</b>

The net expense is the financial burden that was placed on the taxpayers by each of these functions. Approximately \$9.5 million worth of activity was paid by grants, user fees, parking tickets and meter revenues and fees other than taxes.

Public Safety revenues derive from dispatching services provided to neighboring towns as well as public safety grants.

Rural roads subsidies make up the bulk of the Public Works revenues, in addition to reimbursements for some paving projects, mostly from the local water and sewer districts, as well as reimbursements for recycling materials.

General Government expenses increased by \$1.9 million primarily due to the increase in the Town's net pension liability and other post-employment benefits liability, with their related deferred inflows and outflows of resources, the changes in which are recognized in current year expenses. In addition, there were increases in the county tax assessment and the accrual of sick and vacation time due to employees in future years.

Education and Libraries' share of expenses is still the largest percentage at 60%, followed by Public Safety at 13%, General Government at 11%, and Public Works at 11%.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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In an effort to reduce the net expense to taxpayers, there has been a concerted effort to institute user fees as appropriate. To that end, impact fees were imposed years ago on residential dwelling units to help defray the debt service costs of new school buildings. \$52,700 in impact fees were collected by the Town and transferred to the school to offset costs.

By ordinance, building permit fees are used to greatly reduce the impact on taxpayers by the Community Development Department (Code, Planning, and Geographic Information Services). Several full-time positions in that department are funded by fees, saving the taxpayers approximately \$330,000 this year, while delivering desired services in the area of inspections and GIS mapping and data collection.

#### **THE TOWN'S FUNDS**

The following schedule presents a summary of General Fund revenues for the fiscal year ended June 30, 2020 with a comparison to 2019:

<b><u>Revenues</u></b>	<b><u>2020</u></b>	<b><u>Percent of</u></b>	<b><u>2019</u></b>	<b><u>Percent of</u></b>
Taxes	\$ 54,552,121	85.87%	52,789,098	86.54%
Intergovernmental	6,393,038	10.06%	5,417,530	8.88%
Charges for Services	1,287,536	2.03%	1,365,245	2.24%
Licenses and Permits	351,440	0.55%	366,879	0.60%
Other	944,118	1.49%	1,063,085	1.74%
<b>Total Revenues</b>	<b>\$ 63,528,253</b>	<b>100.00%</b>	<b>61,001,837</b>	<b>100.00%</b>

Revenues from all sources increased 4.1% from the previous year. Tax revenues increased 3.3%. State Revenue Sharing increased by 52.9%.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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The following schedule presents a summary of General Fund expenditures for the fiscal year ended June 30, 2020:

<b><u>Expenditures</u></b>	<b><u>2020</u></b>	<b><u>Percent of</u></b>	<b><u>2019</u></b>	<b><u>Percent of</u></b>
General Government	\$ 3,879,395	6.39%	3,707,710	6.24%
Public Safety	7,428,373	12.23%	7,102,089	11.96%
Public Works	5,241,188	8.63%	5,145,868	8.66%
Parks & Recreation	1,701,986	2.80%	1,781,465	3.00%
Public Assistance	133,296	0.22%	88,655	0.15%
Education & Library	34,041,311	56.07%	33,848,291	56.98%
Maine PERS on Behalf	2,948,489	4.86%	2,418,743	4.07%
County Tax	2,327,506	3.83%	2,276,680	3.83%
Unclassified	75,980	0.13%	72,014	0.12%
Capital Outlay	235,689	0.39%	375,502	0.63%
Interest on Long Term Debt	353,122	0.58%	378,322	0.64%
<b>Principal Payments on LT</b>				
Debt and Bond Costs	2,351,808	3.87%	2,205,501	3.72%
<b>Total Expenditures</b>	<b>\$ 60,718,143</b>	<b>100.00%</b>	<b>59,400,840</b>	<b>100.00%</b>

Overall, expenditures increased 2.2%. The General Government expenditures increase is typical of inflation and personnel-related cost increases. The principal payments on long-term debt increased approximately 6.6% compared to the previous year. New debt was issued December 17, 2019. In addition, funding for Education and Library increased by 0.6%.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Revenues were up overall, with the largest increases in property taxes, state revenue sharing, homestead reimbursements, and education subsidy. However, some of the increases were offset by decreases in excise taxes and impact fees. The Board of Selectmen identified and sold, through the Town Realtor, properties owned by the Town. Income from those sales total approximately \$91,726.

Expenditures came in under budget primarily due to school department expenditures that were \$1,358,006 under budget primarily due to school closures at year end. In addition, public safety, debt service, and insurance expenditures were well under budget.

The Town recorded an increase in fund balance of \$2,596,449, of which \$1,371,222 of the increase belonged to the School Department.

#### **CAPITAL ASSET AND DEBT ADMINISTRATION**

##### **Capital Assets**

At June 30, 2020, the Town had \$86.4 million invested in capital assets for its governmental activities and \$963,081 in business-type activities, including substantial funding for paving and construction of town roads. The usual additions included police vehicles and the plow truck fleet as well as a new fire rescue vehicle and design and installation of an improved seawall at Long Sands Beach.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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With the assistance of a Capital Planning Committee, (which includes staff and board members), a five-year capital plan is revised annually as necessary and submitted to the Board of Selectmen for its approval and sent on to the voters at the Budget Referendum in May of each year. It has been established that the Town has focused on school buildings for the last twenty years and the municipal buildings are in need of attention. Projects on the five-year capital plan include a Town Hall addition and improvements, bridge replacement at the Chases Pond/Cape Neddick River overcrossing, a renovation of the Center for Active Living (formerly the Senior Center), major drainage along with road construction.

This year's major additions included:

<b>Dept.</b>	<b>Category</b>	<b>Asset Name</b>	<b>Date Acquired</b>	<b>Cost</b>
DPW	Infrastructure	Walkway and Boat Launch	6/30/2020	\$ 63,499
DPW	Infrastructure	Concrete Sidewalks	7/10/2019	\$ 67,867
DPW	Infrastructure	Fisherman's Walk-Cliff Walk	9/26/2019	\$ 73,300
DPW	Infrastructure	Lake Carolyn Dam	6/30/2020	\$ 77,811
Police	Equipment	Public Safety Laptops	6/30/2020	\$ 78,874
DPW	Vehicles	2020 International	6/11/2020	\$ 119,894
DPW	Infrastructure	Beechridge Road	9/26/2019	\$ 157,701
Schools	Equipment	CRES Playground	4/20/2020	\$ 172,264
Police	Vehicles	YBF Fire Truck Mini Pumper	1/9/2020	\$ 234,200
DPW	Equipment	Meters	5/16/2020	\$ 259,679
Police	Buildings and Improvements	PD Garage	6/30/2020	\$ 381,698
Police	Vehicles	Engine 3 Firetruck	10/31/2019	\$ 584,823

#### **Long-term Obligations**

The taxpayers approved all of the municipal and school projects put before them on the ballot.

At year-end, the Town had \$49,711,665 in outstanding debt and other liabilities, representing a net increase of \$1,087,643.

#### **Governmental Activities**

	<b>2020</b>	<b>2019</b>
General Obligation Bonds	\$ 36,324,521	35,979,282
Premium on Bonds	459,780	395,623
Financed Purchases	2,810,471	3,083,878
Net Pension Liability	3,644,305	3,136,240
Other Post-Employment Benefits	4,979,821	4,398,246
Accrued Compensated Absences	1,492,767	1,630,753
<b>Total Outstanding Long-term Liabilities</b>	<b>\$ 49,711,665</b>	<b>48,624,022</b>

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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**Bonds Issued December 30, 2019**

Police Vehicle Laptops	\$ 94,000
Road & Sidewalk Overlay Paving	1,000,000
DPW Patrol Plow Truck	175,000
LED Streetlights	425,000
DPW Impact Attenuation Equipment	40,000
DPW Pick-up Truck	55,000
DPW Fuel Facility at 810 Route One	150,000
DPW Skid Steer	80,000
CAL Parking Lot Paving	60,000
Renovation of the Old Gaol	35,000
Fire Engine	650,000
YVF Generator	22,000
YBF & YVF Radio Communications	200,000
School – ADA School Improvements	200,000
School – YMS Windows	100,000
School – YHS Gym Hall Entry Doors	50,000
School – Village Elementary Rubber Gym Floors	50,000
School – YHS Tennis Courts	275,000
York Beach Seawall Project and Sidewalk Reconstruction	1,000,000
York Village Master Plan	400,000
<b>Total</b>	<b>\$ 5,061,000</b>

Pursuant to GASB 75, actuaries have calculated the Town's liability with respect to Other Postemployment Benefits. The Town offers limited postemployment benefits, including life insurance (for Maine State Retirees) and the privilege of remaining on the Town's and School Department's health insurance plans. The Town and School Department do not fund this liability, but rather is on a pay-as-you-go basis.

**Tax Increment Financing**

A tax increment financing district in the York Beach area was established in 2006 with the tax increment to be used for the betterment of public infrastructure within the district. In FY10, the first year of the implementation, \$113,928 in new tax increment was collected and \$15,000 was expended in planning and design services. For FY11 through FY15, there was a reduction in valuation and no tax increment was generated, but approximately \$34,000 was expended on engineering and related expenses and \$30,000 was expended on infrastructure from the accumulated fund balance. In FY16, \$1,824 in new tax increment was collected resulting in a fund balance of \$15,662. In FY17, there was a reduction in valuation and no tax increment was generated. In FY18, the tax increment generated totaled \$118,729. In FY19 and FY 20, no tax increment was generated.

**Business-type Activities**

The Town operates a number of enterprise funds, designed to be mostly self-sustaining through user fees and grants. All funds are designed to maintain some activity or capital assets and are not intended to amass large net position.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

**Business-type Activities - Enterprise Funds**

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Center for Active Living	Totals
<b>Operating revenues:</b>							
User fees	\$ 296,732	-	-	55,403	-	73,058	425,193
Sponsorships/memberships	48,517	-	-	-	-	4,807	53,324
Gift shop sales	-	13,068	589,607	-	-	-	602,675
Rental income	-	44,484	-	-	7,200	-	51,684
Donations	-	19,150	25,860	-	-	523	45,533
<b>Total operating revenues</b>	<b>345,249</b>	<b>76,702</b>	<b>615,467</b>	<b>55,403</b>	<b>7,200</b>	<b>78,388</b>	<b>1,178,409</b>
<b>Operating expenses:</b>							
Cost of goods	19,037	1,763	262,460	-	-	14,576	297,836
Salaries and benefits	228,046	74,529	110,028	54,804	-	8,720	476,127
Training, meetings, and travel	2,009	385	1,398	-	-	15	3,807
Maintenance	100	3,955	1,480	-	406	5,663	11,604
Office expenses	10,436	4,417	6,067	-	-	-	20,920
Supplies	43,562	7,625	11,488	-	3,943	18,947	85,565
Contracts	99,840	14,747	26,216	-	-	29,029	169,832
Utilities	-	2,343	2,786	-	-	672	5,801
Fuel	-	-	-	-	-	1,511	1,511
Depreciation expense	-	-	17,509	-	-	8,248	25,757
<b>Total operating expenses</b>	<b>403,030</b>	<b>109,764</b>	<b>439,432</b>	<b>54,804</b>	<b>4,349</b>	<b>87,381</b>	<b>1,098,760</b>
<b>Operating income (loss)</b>	<b>(57,781)</b>	<b>(33,062)</b>	<b>176,035</b>	<b>599</b>	<b>2,851</b>	<b>(8,993)</b>	<b>79,649</b>
<b>Capital contributions</b>							
Capital contributions	-	-	55,690	-	-	-	55,690
Transfers in	-	-	-	2,067	-	-	2,067
Transfers out	-	-	(123,100)	(4,760)	-	-	(127,860)
<b>Change in net position</b>	<b>(57,781)</b>	<b>(33,062)</b>	<b>108,625</b>	<b>(2,093)</b>	<b>2,851</b>	<b>(8,994)</b>	<b>9,546</b>
<b>Total net position, beginning of year</b>	<b>262,327</b>	<b>61,249</b>	<b>1,142,492</b>	<b>44,207</b>	<b>12,942</b>	<b>87,329</b>	<b>1,610,546</b>
<b>Total net position, end of year</b>	<b>\$ 204,546</b>	<b>28,187</b>	<b>1,251,117</b>	<b>42,113</b>	<b>15,793</b>	<b>78,336</b>	<b>1,620,092</b>

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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### **The Town's Enterprise Funds**

The **Recreation Enterprise** is funded primarily by user fees with a heavy participation by 'sponsors', local businesses who sponsor teams participating in the various programs. With the exception of the 1.5 full time positions that are funded by the General Fund, this program is self-sustaining with respect to all the other costs such as instructors, coaches, supplies, and transportation.

It is the goal of the administration to make programs as affordable and accessible to as many citizens as are interested, made possible, in part by some generous donors who sponsor 'scholarships'. The Recreation Department offers programs for all ages – children through senior citizens, including soccer, tai chi, photography, dance, and everything in between.

The **Mt. Agamenticus Enterprise Fund** was established to maintain the summit of Mt. Agamenticus which includes an education center in the lodge, viewing areas, trails, and grounds. Revenues are generated through tower rentals, donations, and viewer fees. Mount A's trails are for hikers, bikers, and other recreational activities such as snowshoeing. Select trails are open to equestrians and ATV riders.

The **Sohier Park Enterprise Fund** was established to maintain Sohier Park and the Cape Neddick Light Station viewable from the beaches (also known as the Nubble Lighthouse). The gift shop in the park sells trinkets and collectibles and generates sufficient revenue to maintain the park and make substantial repairs to the light station, the island, and Sohier Park.

Net income from the Gift Shop receipts is transferred to a Sohier Park Maintenance Reserve Fund, which is responsible for the repairs and maintenance of the park and the Light Station. This important national landmark and nearby park are maintained with no taxpayer dollars except for capital improvements, which included a recent roof replacement for the light keeper's house.

Improved systems and focused management have resulted in substantial revenue increases, allowing for more funding of park improvements and maintenance.

The **Grant House at Goodrich Park** is a wonderful community building restored by a volunteer group. It currently houses the Parks and Recreation offices and is used by community groups for meetings. The revenue from the upstairs apartment offsets some of the costs of maintaining the Grant House and Barn.

An account for **Outside Duty** was established to handle the demand for police and fire services outside the normal responsibilities. Outside entities such as the water and sewer districts might hire an officer to handle traffic around the job site. Billing rates are set to cover the costs of the officer, some administration of the program and the use of a cruiser or fire truck, if necessary. The revenues generated by administration and vehicle usage are transferred to the public safety accounts, to offset those expenses.

The **Center for Active Living Enterprise Fund**, formerly **Senior Center Enterprise Fund** includes a Senior Transportation program which was established in 2004 in response to a need. The Town partially funded the program through tax appropriations and donations covered the rest. That program and its funding was eliminated, but there are trips offered to citizens and other smaller programs available that are funded by the user. A very generous donation was received in FY13 to cover a bus to provide transportation for many of the trips which makes a difference in what is offered and how it is funded.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis, Continued**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The economy continues to be experiencing an upturn in terms of development. State funding has been consistent, but has not yet returned to levels of FY2010 – FY2012. York is not as susceptible to fluctuations as are some communities, but nevertheless, oil prices and other economic factors can have an impact on the Town's citizens. Balancing that concern with the need for major building and infrastructure improvements tasks the Town's management to be creative and frugal in its budgeting and proposals.

The Assessor continues to use his extensive resources to keep values within the 90-100% range as dictated by state statute. All classes of real estate remain strong and steady. Tourism continues to be a major industry in the Town of York.

Fiscal Year	Taxable Valuation	% Change in Valuation	Tax Rate/1000	% Change in Tax Rate	Annual Commitment	% Change in Annual Budget
2006	\$3,465,999,200	8.72%	\$8.46	-3.31%	\$29,322,353	5.12%
2007	\$3,794,235,030	9.47%	\$8.14	-3.78%	\$30,736,026	4.82%
2008	\$3,988,361,710	5.12%	\$8.10	-0.49%	\$32,160,100	4.63%
2009	\$4,100,916,830	2.82%	\$8.26	1.98%	\$33,722,498	4.86%
2010	\$4,037,653,357	-1.54%	\$8.58	3.87%	\$34,485,161	2.26%
2011	\$3,967,061,240	-1.78%	\$9.10	6.06%	\$35,961,240	4.28%
2012	\$3,909,591,408	-1.45%	\$9.35	2.75%	\$36,406,723	1.24%
2013	\$3,849,714,344	-1.53%	\$9.96	6.52%	\$38,245,119	5.05%
2014	\$3,855,034,616	0.14%	\$10.43	4.72%	\$39,974,697	4.52%
2015	\$3,915,250,959	0.16%	\$10.70	2.59%	\$41,746,976	4.43%
2016	\$3,964,520,605	1.26%	\$11.00	2.80%	\$43,471,673	4.13%
2017	\$4,078,218,785	2.87%	\$11.15	1.36%	\$45,268,871	4.13%
2018	\$4,268,495,853	4.67%	\$10.95	-1.79%	\$46,474,724	2.66%
2019	\$4,414,502,840	3.31%	\$11.15	1.83%	\$49,221,706	5.92%
2020	\$4,589,610,340	3.82%	\$11.15	0.00%	\$51,174,155	3.97%

Those closest to the water see that property valuation translates to larger tax bills, yet there are segments of the population for which tax bills decrease each year. After several years of declining total valuation, this year again shows some signs of recovery of values which had declined modestly compared to some areas of the country.

**CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager's Office at 186 York Street, York, Maine, or by phone at (207)363-1000.

## **BASIC FINANCIAL STATEMENTS**

**Statement 1**

**TOWN OF YORK, MAINE**  
**Statement of Net Position**  
**June 30, 2020**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 19,044,331	2,174	19,046,505
Receivables:			
Accounts	345,620	-	345,620
Intergovernmental	164,586	-	164,586
Taxes	1,089,006	-	1,089,006
Prepaid expenses	29,438	653	30,091
Inventory	25,632	119,582	145,214
Internal balances	(574,840)	574,840	-
Capital assets not being depreciated	17,891,387	750,000	18,641,387
Capital assets being depreciated, net	68,465,905	213,081	68,678,986
<b>Total assets</b>	<b>106,481,065</b>	<b>1,660,330</b>	<b>108,141,395</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	2,131,616	-	2,131,616
Deferred outflows of resources related to OPEB	493,101	-	493,101
<b>Total deferred outflows of resources</b>	<b>2,624,717</b>	<b>-</b>	<b>2,624,717</b>
<b>LIABILITIES</b>			
Accounts payable and other liabilities	2,054,108	32,613	2,086,721
Accrued payroll	2,524,659	7,625	2,532,284
Accrued interest	288,442	-	288,442
Noncurrent liabilities:			
Due within one year	3,728,807	-	3,728,807
Due in more than one year	45,982,858	-	45,982,858
<b>Total liabilities</b>	<b>54,578,874</b>	<b>40,238</b>	<b>54,619,112</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	906,509	-	906,509
Deferred inflows of resources related to OPEB	24,265	-	24,265
<b>Total deferred inflows of resources</b>	<b>930,774</b>	<b>-</b>	<b>930,774</b>
<b>NET POSITION</b>			
Net investment in capital assets	49,654,531	963,081	50,617,612
Restricted for:			
Permanent fund principal - nonexpendable	20,529	-	20,529
Permanent fund earnings - expendable	30	-	30
Education	2,149,285	-	2,149,285
Grants	184,660	-	184,660
Unrestricted	1,587,099	657,011	2,244,110
<b>Total net position</b>	<b>\$ 53,596,134</b>	<b>1,620,092</b>	<b>55,216,226</b>

*See accompanying notes to basic financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Activities**  
**For the year ended June 30, 2020**

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		
					Governmental activities	Business-type activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 6,936,177	900,427	72,481	-	(5,963,269)	-	(5,963,269)
Public safety	8,183,739	824,983	36,994	-	(7,321,762)	-	(7,321,762)
Public works	6,874,659	169,546	-	406,365	(6,298,748)	-	(6,298,748)
Parks and recreation	1,896,603	138,377	-	-	(1,758,226)	-	(1,758,226)
Public assistance	133,296	-	31,894	-	(101,402)	-	(101,402)
Libraries	590,546	-	-	-	(590,546)	-	(590,546)
Education	37,305,353	702,590	6,191,856	-	(30,410,907)	-	(30,410,907)
Capital maintenance	679,905	-	-	-	(679,905)	-	(679,905)
Interest on debt	549,753	-	-	-	(549,753)	-	(549,753)
<b>Total governmental activities</b>	<b>63,150,031</b>	<b>2,735,923</b>	<b>6,333,225</b>	<b>406,365</b>	<b>(53,674,518)</b>	<b>-</b>	<b>(53,674,518)</b>
<b>Business-type activities:</b>							
Recreation	403,030	345,249	-	-	-	(57,781)	(57,781)
Mt. Agamenticus	109,764	57,552	19,150	-	-	(33,062)	(33,062)
Sohier Park	439,432	589,607	25,860	55,690	-	231,725	231,725
Outside Duty	54,804	55,403	-	-	-	599	599
Goodrich Park	4,349	7,200	-	-	-	2,851	2,851
Center for active living	87,381	77,865	523	-	-	(8,993)	(8,993)
<b>Total business-type activities</b>	<b>1,098,760</b>	<b>1,132,876</b>	<b>45,533</b>	<b>55,690</b>	<b>-</b>	<b>135,339</b>	<b>135,339</b>
<b>Total primary government</b>	<b>\$ 64,248,791</b>	<b>3,868,799</b>	<b>6,378,758</b>	<b>462,055</b>	<b>(53,674,518)</b>	<b>135,339</b>	<b>(53,539,179)</b>
<b>General revenues:</b>							
Property taxes, levied for general purposes				\$ 51,252,514	-	51,252,514	
Motor vehicle excise taxes				3,490,995	-	3,490,995	
<b>Grants and contributions not restricted to specific programs:</b>							
Homestead exemption				333,095	-	333,095	
BETE reimbursements				17,929	-	17,929	
State Revenue Sharing				561,678	-	561,678	
Unrestricted investment earnings				354,617	-	354,617	
Miscellaneous revenues				122,035	-	122,035	
Transfers				125,793	(125,793)	-	
<b>Total general revenues and transfers</b>				<b>56,258,656</b>	<b>(125,793)</b>	<b>56,132,863</b>	
<b>Change in net position</b>							
Net position - beginning, restated				2,584,138	9,546	2,593,684	
<b>Net position - ending</b>				<b>\$ 53,596,134</b>	<b>1,620,092</b>	<b>55,216,226</b>	

*See accompanying notes to basic financial statements.*

## TOWN OF YORK, MAINE

## Balance Sheet

## Governmental Funds

June 30, 2020

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 18,721,116	289,286	33,929	19,044,331
Receivables:				
Accounts	197,376	-	148,244	345,620
Intergovernmental	-	-	164,586	164,586
Taxes	1,089,006	-	-	1,089,006
Prepaid expenditures	29,438	-	-	29,438
Inventory	-	-	25,632	25,632
Interfund loans receivable	-	3,012,580	57,283	3,069,863
<b>Total assets</b>	<b>\$ 20,036,936</b>	<b>3,301,866</b>	<b>429,674</b>	<b>23,768,476</b>
<b>LIABILITIES</b>				
Accounts payable	1,037,622	333,639	142,311	1,513,572
Accrued payroll	2,501,587	-	23,072	2,524,659
Other liabilities	540,536	-	-	540,536
Interfund loans payable	2,494,818	-	1,149,885	3,644,703
<b>Total liabilities</b>	<b>6,574,563</b>	<b>333,639</b>	<b>1,315,268</b>	<b>8,223,470</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	910,565	-	-	910,565
<b>Total deferred inflows of resources</b>	<b>910,565</b>	<b>-</b>	<b>-</b>	<b>910,565</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable	29,438	-	20,529	49,967
Restricted	1,998,749	-	331,656	2,330,405
Committed	-	2,968,227	848,195	3,816,422
Assigned	2,257,221	-	-	2,257,221
Unassigned	8,266,400	-	(2,085,974)	6,180,426
<b>Total fund balances (deficits)</b>	<b>12,551,808</b>	<b>2,968,227</b>	<b>(885,594)</b>	<b>14,634,441</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 20,036,936</b>	<b>3,301,866</b>	<b>429,674</b>	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				86,357,292
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.				910,565
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:				
Bonds payable			(36,324,521)	
Financed purchases			(2,810,471)	
Premium on bonds			(459,780)	
Accrued interest			(288,442)	
Accrued compensated absences			(1,492,767)	
Other post-employment benefits liability			(4,979,821)	
Net pension liability			(3,644,305)	
Deferred inflows and outflows of resources related to pensions			1,225,107	
Deferred inflows and outflows of resources related to OPEB			468,836	(48,306,164)
<b>Net position of governmental activities</b>				<b>\$ 53,596,134</b>

See accompanying notes to basic financial statements.

**TOWN OF YORK, MAINE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2020**

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 54,552,121	-	149,823	54,701,944
Licenses and permits	351,440	-	-	351,440
Intergovernmental	6,393,038	-	1,129,985	7,523,023
Charges for services	1,287,536	-	596,530	1,884,066
Donations	475	-	42,069	42,544
Interest income	348,127	-	6,490	354,617
Other	595,516	-	27,261	622,777
<b>Total revenues</b>	<b>63,528,253</b>	<b>-</b>	<b>1,952,158</b>	<b>65,480,411</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	3,879,395	33,027	-	3,912,422
Public safety	7,428,373	200,000	36,994	7,665,367
Public works	5,241,188	-	102,855	5,344,043
Parks and recreation	1,701,986	-	-	1,701,986
Public assistance	133,296	-	-	133,296
Library	590,546	-	-	590,546
Education	33,450,325	-	1,864,852	35,315,177
County tax	2,327,506	-	-	2,327,506
MEPERS on behalf payments	2,948,489	-	-	2,948,489
Unclassified	75,980	-	139,702	215,682
Capital outlay	235,689	3,623,285	587,346	4,446,320
<b>Debt service (excluding education debt):</b>				
Bond issuance costs	43,747	-	-	43,747
Principal	2,308,061	535,000	-	2,843,061
Interest	353,562	181,622	-	535,184
<b>Total expenditures</b>	<b>60,718,143</b>	<b>4,572,934</b>	<b>2,731,749</b>	<b>68,022,826</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,810,110</b>	<b>(4,572,934)</b>	<b>(779,591)</b>	<b>(2,542,415)</b>
<b>Other financing sources (uses):</b>				
Bond proceeds	-	5,061,000	-	5,061,000
Premium on bond proceeds	-	92,566	-	92,566
Transfers in	127,860	-	339,454	467,314
Transfers out	(341,521)	-	-	(341,521)
<b>Total other financing sources (uses)</b>	<b>(213,661)</b>	<b>5,153,566</b>	<b>339,454</b>	<b>5,279,359</b>
<b>Net change in fund balances</b>	<b>2,596,449</b>	<b>580,632</b>	<b>(440,137)</b>	<b>2,736,944</b>
<b>Fund balances (deficits), beginning of year</b>	<b>9,955,359</b>	<b>2,387,595</b>	<b>(445,457)</b>	<b>11,897,497</b>
<b>Fund balances (deficits), end of year</b>	<b>\$ 12,551,808</b>	<b>2,968,227</b>	<b>(885,594)</b>	<b>14,634,441</b>

*See accompanying notes to basic financial statements.*

**TOWN OF YORK, MAINE**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the year ended June 30, 2020**

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Net change in fund balances - total governmental funds (from Statement 4)	\$	2,736,944
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures.  
 However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.  
 These are the amounts related to capital assets:

Capital outlay	3,852,815
Depreciation expense	(3,588,090)
Net book value of disposed assets	(69,810) 194,915

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in unavailable tax revenues. 41,565

Expenses in the statement of activities that do not consume current financial resources are not reported as expenses in the funds.

These are the changes in other liabilities:

Net pension liability	(508,065)
Deferred inflows and outflows of resources related to the net pension liability	173,034
Other post-employment benefits liability	(581,575)
Deferred inflows and outflows of resource related to the net OPEB liability	530,697
Accrued compensated absences	137,986
Accrued interest payable	(5,374) (253,297)

The issuance of financed purchase agreements provide current financial resources to governmental funds, but financed purchases increases long-term liabilities in the statement of net position. Repayment of financed purchase principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These are the changes related to financed purchases:

Financed purchase principal payments	273,407	273,407
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The bond issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

These are the changes in long term debt:

Bond proceeds	(5,061,000)
Premium on bond issuance	(92,566)
Bond principal payments	4,715,761
Amortization of bond premium	28,409 (409,396)

<b>Change in net position of governmental activities (see Statement 2)</b>	<b>\$</b>	<b>2,584,138</b>
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*See accompanying notes to basic financial statements.*

**Statement 6**

**TOWN OF YORK, MAINE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2020**

<b>Business-type Activities - Enterprise Funds</b>		<b>Nonmajor Enterprise Funds</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents		\$ 2,174
Inventory		119,582
Prepaid expenses		653
Interfund loan receivable		574,840
<b>Total current assets</b>		<b>697,249</b>
Noncurrent assets:		
Land		750,000
Capital assets being depreciated		728,035
Accumulated depreciation		(514,954)
<b>Total noncurrent assets</b>		<b>963,081</b>
<b>Total assets</b>		<b>1,660,330</b>
<b>LIABILITIES</b>		
Accounts payable		32,613
Accrued payroll		7,625
<b>Total liabilities</b>		<b>40,238</b>
<b>NET POSITION</b>		
Net investment in capital assets		963,081
Unrestricted		657,011
<b>Total net position</b>	<b>\$</b>	<b>1,620,092</b>

*See accompanying notes to basic financial statements.*

**Statement 7**

**TOWN OF YORK, MAINE**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2020**

<b>Business-type Activities - Enterprise Funds</b>		<b>Nonmajor Enterprise Funds</b>
Operating revenues:		
User fees		\$ 425,193
Sponsorships and memberships		53,324
Gift shop sales		602,675
Rental income		51,684
Donations		45,533
	<b>Total operating revenues</b>	<b>1,178,409</b>
Operating expenses:		
Cost of goods sold		297,836
Salaries and benefits		476,127
Training, meetings, and travel		3,807
Maintenance		11,604
Office expenses		20,920
Supplies		85,565
Contracts		169,832
Utilities		5,801
Fuel		1,511
Depreciation expense		25,757
	<b>Total operating expenses</b>	<b>1,098,760</b>
Income (loss) before capital contributions and transfers		<b>79,649</b>
Capital contributions		55,690
Transfers in		2,067
Transfers out		(127,860)
Change in net position		9,546
Total net position, beginning of year, restated		<b>1,610,546</b>
<b>Total net position, end of year</b>		<b>\$ 1,620,092</b>

*See accompanying notes to basic financial statements.*

**Statement 8**

**TOWN OF YORK, MAINE**  
**Statement of Cash Flows**  
**Proprietary Funds**

**For the year ended June 30, 2020**

**Business-type Activities - Enterprise Funds**

	<b>Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>	
Receipts from customers and users	\$ 1,194,738
Payments to suppliers	(652,553)
Payments to employees	(492,255)
<b>Net cash provided by (used in) operating activities</b>	<b>49,930</b>
<b>Cash flows from non-capital financing activities:</b>	
Transfers to other funds	(125,793)
Decrease in interfund loans	75,337
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>(50,456)</b>
Change in cash and cash equivalents	(526)
<b>Cash and cash equivalents, beginning of year</b>	<b>2,700</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,174</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>	
Operating income (loss)	\$ 79,649
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b>	
Depreciation expense	25,757
<b>Change in assets:</b>	
Accounts receivable	16,329
Inventory	(34,209)
<b>Change in liabilities:</b>	
Accounts payable	(21,468)
Accrued payroll	(16,128)
<b>Net cash provided by (used in) operating activities</b>	<b>49,930</b>
<b>Schedule of non-cash transactions:</b>	
Capital contributions	55,690

*See accompanying notes to basic financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2020**

	<b>Private- purpose Trust Funds</b>		
	<b>Larry A. D'Entremont Scholarship</b>	<b>York Mentor Scholarship</b>	<b>Agency Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,999	5,589	198,945
Total assets	7,999	5,589	198,945
<b>LIABILITIES</b>			
Held for student groups	-	-	198,945
Total liabilities	-	-	198,945
<b>NET POSITION</b>			
Held in trust	\$ 7,999	5,589	-

*See accompanying notes to basic financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the year ended June 30, 2020**

	<b>Private- purpose Trust Funds</b>	
	<b>Larry A. D'Entremont Scholarship</b>	<b>York Mentor Scholarship</b>
Additions:		
Donations	\$ -	-
Interest	-	5
Total additions	-	5
Deductions:		
Scholarships awarded	1,000	-
Total deductions	1,000	-
Change in net position	(1,000)	5
Net position, beginning of year	8,999	5,584
<b>Net position, end of year</b>	<b>\$ 7,999</b>	<b>5,589</b>

*See accompanying notes to basic financial statements.*

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements**

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#### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies of the Town of York conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

##### **Reporting Entity**

In evaluating how to define the reporting entity for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth by accounting principles generally accepted in the United States of America. The criterion used defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering 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 the application of these criteria, there are no potential component units that should be included as part of this reporting entity.

##### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among the programs, functions, and segments. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

##### **Measurement Focus, Basis of Accounting, and Basis of Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for the agency funds, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund accounts for the bond proceeds, bond premiums, and other revenues dedicated to capital projects and the acquisition of assets, as well as the related capital expenditures.

Additionally, the Town reports the following Fiduciary Fund types:

Private-purpose Trust Funds are used to report the activity for bequests left for charitable payments of scholarship awards. These assets are held by the Town in a trustee capacity, whereby the original bequest is preserved as nonexpendable and the accumulated interest earnings are available to provide for educational awards.

Agency Funds are custodial in nature and do not present results of operations. The Town's agency funds consist of various school and student activity funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary funds are charges to customers for sales and services; operating expenses include the cost of sales and services, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Cash and Cash Equivalents** - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value. For statement of cash flow purposes, the Town considers cash and cash equivalents to be demand deposits, certificates of deposit with maturities of less than three months, and money market mutual funds.

**Inventory** - Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are generally recorded as expenditures when consumed rather than when purchased.

**Interfund Loans Receivable/Payable** - Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans or as interfund advances (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**Capital Assets** - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at estimated acquisition cost at the date of donation. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Land improvements	15-20 years
Buildings and improvements	20-50 years
Equipment	3-15 years
Vehicles	3-15 years
Infrastructure	5-60 years

**Deferred Outflows and Inflows of Resources** - In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds only report a deferred inflow of resources, unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental activities have deferred outflows and inflows that relate to the net pension liability and OPEB liabilities, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the liability in the subsequent year.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

**Vacation and Sick Leave** - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service and are accrued ratably over the year. Regular part-time employees receive vacation on a pro-rated basis. Accumulated vacation and sick time has been recorded as a liability in the government-wide statements.

**Long-term Obligations** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are capitalized and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt 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.

**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and the Maine Public Employees Retirement System State Employee and Teacher Plan (SET 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.

**OPEB Liabilities** - For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

**Interfund Transactions** - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

**Fund Equity** - Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

The Town voters have the responsibility for committing fund balance amounts by vote and likewise would be required to modify or rescind those commitments by a similar vote. For assigned fund balance amounts, the Town Manager has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year end. The Board of Selectmen approves the assigned amounts either before or after year end.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the Town's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the Town's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

**Net Position** - The net position amount represents the difference between assets, deferred outflows of resources, and liabilities and deferred inflows of resources. The net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital financed purchases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town's net investment in capital assets was calculated as follows at June 30, 2020:

	<u>Governmental</u> <u>activities</u>	<u>Business-type</u> <u>activities</u>
Capital assets	\$ 150,014,020	1,478,035
Accumulated depreciation	(63,656,728)	(514,954)
Unspent bond proceeds	2,892,011	-
Unamortized bond premium	(459,780)	-
Bonds payable	(36,324,521)	-
Financed purchases	(2,810,471)	-
 <b>Net investment in capital assets</b>	 <b>\$ 49,654,531</b>	 <b>963,081</b>

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Use of Estimates** - Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**Comparative Data** - Comparative data for the prior year have been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

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**BUDGETARY VERSUS GAAP BASIS OF ACCOUNTING**

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As required by generally accepted accounting principles (GAAP), the Town has recorded a revenue and an expenditure for Maine Public Employees Retirement contributions made by the State of Maine on behalf of the School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$2,948,489. These amounts have been included as an intergovernmental revenue and as a retirement expenditure in the General Fund on Statement 4. There is no effect on the fund balance at the end of the year.

In addition, the Town did not budget for prepaid debt service expenditures and the activity in the reserve funds. The amounts have been shown as adjustments on the Required Supplementary Budget to Actual schedule and Exhibit A-2 to reconcile fund balance on the budgetary basis with fund balance on a GAAP basis. The prepaid debt service has been included in debt service expenditures on Statement 4. The reserve fund activity has been included in various General Fund revenues and expenditures on Statement 4.

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**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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**A. Budgetary Information**

The Town utilizes a formal budgetary accounting system to control revenues and expenditures. Budgets are established in accordance with the various laws which govern the Town's operations. For each of the funds for which a formal budget is adopted, the same basis of accounting is used to reflect actual revenues and expenditures recognized on the basis of accounting principles generally accepted in the United States of America.

Budgets are adopted for the General Fund only and are adopted on a basis consistent with generally accepted accounting principles (GAAP), except as noted above under "Budgetary vs. GAAP Basis of Accounting". The level of control (level at which expenditures may not exceed budget) is the Department, with the exception of the School Department, in which the level of control is at the cost center. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. The Town Manager is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter the total expenditures must be approved by the Board of Selectmen. Encumbrance accounting is not employed by the Town. The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

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**B. Deficit Fund Balances**

At June 30, 2020, the following funds had deficit fund balances:

Special Revenue Funds:

Adult Education	\$ 84,691
School Lunch Fund	231,211
Town programs:	
FEMA 4354 fall grant	445,385
FEMA 4367 spring grant	1,279,138
COVID – FEMA 4522	13,290

**C. Excess of Expenditures over Appropriations**

For the year ended June 30, 2020, expenditures exceeded appropriations in the following areas:

Career and technical education	\$ 253
System administration	9,165
Other	5,087

Expenditures in excess of appropriations will lapse to fund balance.

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**DEPOSITS**

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*Custodial Credit Risk-Town Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution.

As of June 30, 2020, the Town reported deposits of \$19,259,038, with a bank balance of \$19,104,778. None of the Town's bank balances were exposed to custodial credit risk as they were covered by FDIC or additional insurance purchased on behalf of the Town by the respective banking institutions.

Deposits have been reported as follows:

Reported in governmental funds	\$ 19,044,331
Reported in fiduciary funds	212,533
<u>Reported in proprietary funds</u>	<u>2,174</u>
<u><b>Total deposits</b></u>	<u><b>\$ 19,259,038</b></u>

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**PROPERTY TAX**

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The Town's property tax is levied on the assessed value listed as of the prior April 1 for all real and taxable personal property located in the Town. Assessed values are periodically established by the Assessor at 100% of the assumed market value. Each property must be reviewed no less than once every four years.

Property taxes were levied August 27, 2019 on the assessed values of real property as of April 1, 2019. Taxes were due October 11, 2019 and February 7, 2020. This assessed value of \$4,589,610,340 was 100% of the estimated market value and 96.6% of the 2020 state valuation of \$4,752,000,000.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$143,321 for the year ended June 30, 2020.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

Property taxes levied during the year ended were recorded as receivables at the time the levy was made. The receivables collected during the year ended and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred inflows of resources.

The following summarizes the periods ended June 30, 2020 and 2019 levies:

	<u>2020</u>	<u>2019</u>
Assessed value	\$ 4,589,610,340	4,414,502,840
<u>Tax rate (per \$1,000)</u>	11.15	11.15
Commitment	51,174,155	49,221,707
 <u>Supplemental taxes assessed</u>	 33,104	 41,639
	51,207,259	49,263,346
Less:		
Collections and abatements	50,639,424	48,430,201
 <b>Receivable at June 30</b>	 <b>\$ 567,835</b>	 <b>833,145</b>
 Due date(s)	 10/11/2019	 9/24/2018
	2/7/2020	2/8/2019
Interest rate charged on delinquent taxes	7.00%	8.00%
Collection rate	98.89%	98.31%

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**CAPITAL ASSETS**

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Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Increases	Decreases	Transfers	Balance June 30, 2020
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Construction in progress	\$ 5,558,067	2,330,323	1,045,360	-	6,843,030
Land	10,961,957	86,400	-	-	11,048,357
Total capital assets not being depreciated	16,250,024	2,416,723	1,045,360	-	17,891,387
Capital assets being depreciated:					
Land improvements	1,295,114	-	-	-	1,295,114
Buildings and improvements	62,661,911	426,887	-	(442,775)	62,646,023
Equipment	5,674,696	616,021	2,887	-	6,287,830
Vehicles	10,211,300	998,365	114,441	-	11,095,224
Infrastructure	50,476,356	440,179	118,093	-	50,798,442
Total capital assets being depreciated	130,319,377	2,481,452	235,421	(442,775)	132,122,633
Less accumulated depreciation:					
Land improvements	220,746	64,756	-	-	285,502
Buildings and improvements	24,496,156	1,455,347	-	(387,085)	25,564,418
Equipment	4,055,724	300,804	2,887	-	4,353,641
Vehicles	6,978,553	618,735	114,441	-	7,482,847
Infrastructure	24,925,845	1,148,448	103,973	-	25,970,320
Total accumulated depreciation	60,677,024	3,588,090	221,301	(387,085)	63,656,728
Total capital assets being depreciated, net	69,642,353	1,106,638	14,120	(55,690)	68,465,905
<b>Governmental activities capital assets, net</b>	<b>\$ 86,162,377</b>	<b>1,310,085</b>	<b>1,059,480</b>	<b>(55,690)</b>	<b>86,357,292</b>

Depreciation expense was charged to governmental activity functions/programs of the primary government as follows:

**Governmental activities:**

General government	\$ 64,883
Public safety	518,277
Public works, including depreciation of general infrastructure assets	1,530,616
Parks and recreation	124,902
Education	1,349,412
<b>Total depreciation expense – governmental activities</b>	<b>\$ 3,588,090</b>

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**CAPITAL ASSETS, CONTINUED**

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	Balance June 30, 2019, restated	Increases	Decreases	Transfers	Balance June 30, 2020
<b>Business-type Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 750,000	-	-	-	750,000
Total capital assets not being depreciated	750,000	-	-	-	750,000
Capital assets being depreciated:					
Buildings and improvements	202,784	-	-	442,775	645,559
Vehicles	82,476	-	-	-	82,476
Total capital assets being depreciated	285,260	-	-	442,775	728,035
Less accumulated depreciation:					
Buildings and improvements	27,884	17,509	-	387,085	432,478
Vehicles	74,228	8,248	-	-	82,476
Total accumulated depreciation	102,112	25,757	-	387,085	514,954
Total capital assets being depreciated, net	183,148	(25,757)	-	55,690	213,081
<b>Business-type activities capital assets, net</b>	<b>\$ 933,148</b>	<b>(25,757)</b>	-	<b>55,690</b>	<b>963,081</b>

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Depreciation expense for business-type activities was charged to functions/programs of the primary government as follows:

**Business-type activities:**

Sohier Park	\$ 17,509
Center for active living	8,248
<b>Total depreciation expense – business-type activities</b>	<b>\$ 25,757</b>

In May 2019, the Town voters approved an amendment of the Sohier Park ordinance in order to incorporate Nubble Light and the island into Sohier Park. The buildings and related improvements were previously included in the governmental activities capital assets and in FY 2020, were transferred to the Sohier Park enterprise fund, including any accumulated depreciation. In addition, it was discovered that the land from Nubble Island had not previously been capitalized when it was transferred to the Town. Therefore, beginning capital assets have been restated for the addition of the land.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**INTERFUND LOAN BALANCES/TRANSFERS**

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The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized checking account. Individual interfund receivables and payables and transfers at June 30, 2020 were as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>	<u>Interfund transfers</u>
General Fund	\$ -	2,494,818	(213,661)
Capital Projects	3,012,580	-	-
<b>Other Governmental Funds:</b>			
Town programs	-	737,880	43,745
Adult education	-	96,308	-
School lunch	-	312,371	295,709
School special revenues fund	57,283	-	-
Clark Emerson permanent fund	-	3,326	-
<b>Total Other Governmental Funds</b>	<b>57,283</b>	<b>1,149,885</b>	<b>339,454</b>
<b>Enterprise Funds:</b>			
Recreation	207,840	-	-
Mt. Agamenticus	30,974	-	-
Sohier Park	199,287	-	(123,100)
Outside Duty	42,113	-	(2,094)
Goodrich Park	15,793	-	-
Center for active living	78,833	-	-
<b>Total Enterprise Funds</b>	<b>574,840</b>	<b>-</b>	<b>(125,793)</b>
<b>Totals</b>	<b>\$ 3,644,703</b>	<b>3,644,703</b>	<b>-</b>

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**CHANGES IN LONG-TERM LIABILITIES**

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Long-term liability activity for the year ended June 30, 2020 was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
<b>Governmental activities:</b>					
General obligation bonds	\$ 35,979,282	5,061,000	4,715,761	36,324,521	3,416,000
Premium on bonds	395,623	92,566	28,409	459,780	30,724
Total bonds	36,374,905	5,153,566	4,744,170	36,784,301	3,446,724
Financed purchases	3,083,878	-	273,407	2,810,471	282,083
Net pension liability	3,136,240	508,065	-	3,644,305	-
Other post-employment benefits	4,398,246	581,575	-	4,979,821	-
Accrued compensated absences	1,630,753	-	137,986	1,492,767	-
<b>Total long-term liabilities</b>	<b>\$ 48,624,022</b>	<b>6,243,206</b>	<b>5,155,563</b>	<b>49,711,665</b>	<b>3,728,807</b>

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**LONG-TERM DEBT**

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**Bonds Payable**

Bonds payable at June 30, 2020 are comprised of the following:

	<u>Originally issued</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
<b>Bonds and notes payable:</b>					
<b>Governmental activities:</b>					
General Obligation Bonds	\$ 3,524,000	11/1/2008	11/1/2026	4.5-4.75%	1,040,000
General Obligation Refunding	8,624,500	7/1/2010	7/1/2020	2.0-3.8%	3,604,000
General Obligation Refunding	9,124,421	10/1/2011	9/1/2031	2.0-3.25%	5,071,421
General Obligation Bonds	3,644,100	8/1/2012	8/1/2033	1.0-2.4%	1,989,100
General Obligation Bonds	2,574,000	11/1/2013	11/1/2033	2.0-4.10%	1,344,000
General Obligation Bonds	1,085,000	2/1/2015	2/1/2035	2.0-3.25%	755,000
General Obligation Bonds	12,032,000	7/14/2016	10/1/2032	2.0-2.25%	10,345,000
General Obligation Bonds	5,738,000	8/10/2017	8/1/2037	2.0-3.0%	4,260,000
General Obligation Bonds	3,233,000	12/12/2018	8/1/2033	3.0%	2,855,000
General Obligation and Refunding Bonds	5,061,000	12/30/2019	8/1/2039	2.0-2.5%	5,061,000
<b>Total governmental activities</b>					<b>\$ 36,324,521</b>

The annual debt service requirements to amortize bonds and notes payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,416,000	748,524	4,164,524
2022	3,785,000	782,719	4,567,719
2023	3,495,000	695,752	4,190,752
2024	3,245,000	613,051	3,858,051
2025	3,010,000	533,983	3,543,983
2026-2030	13,045,000	1,575,643	14,620,643
2031-2035	5,838,521	300,468	6,138,989
2036-2040	490,000	28,000	518,000
<b>Totals</b>	<b>\$ 36,324,521</b>	<b>5,278,140</b>	<b>41,602,661</b>

In accordance with 30 MRSA, Section 5061, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2020, the Town's outstanding debt did not exceed these limits.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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#### FINANCED PURCHASES

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The Town has entered into agreements for financing the acquisition of photocopiers, vehicles, and school improvements. These agreements qualify as financed purchases for accounting purposes, and therefore, have been recorded at the present value of future minimum payments as of the date of its inception. Amounts capitalized as assets under these agreements have a total cost of \$4,012,635. Financed assets with values that are less than the Town's capital asset threshold have not been capitalized, such as photocopiers.

The following is a schedule of future minimum payments under the financed purchase agreements and the present value of the net minimum payment at June 30, 2020.

	<u>Governmental Funds</u>
2021	\$ 408,290
2022	382,242
2023	341,661
2024	341,418
2025	341,074
2026-2030	1,591,337
<u>2031-2035</u>	<u>133,453</u>
Total minimum payments	3,539,475
Less: amount representing interest	(729,004)
<b>Present value of future minimum payments</b>	<b>\$ 2,810,471</b>

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#### OVERLAPPING DEBT

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The Town is subject to an annual assessment of its proportional share of York County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. For the year ended June 30, 2020, the Town's State valuation of \$4,752,000,000 was 13.36% of the County's State valuation of \$35,851,250,000. The Town's share is 13.36% or \$253,807 of York County's \$1,900,000 long-term debt outstanding at June 30, 2020.

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#### COMMITMENTS AND CONTINGENCIES

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As of June 30, 2020, the Town has commitments for various, ongoing construction projects, including the reconstruction of various roads, the replacement of street lights, and the ongoing improvements at Long Sands beach.

The York Town and School Department participate in a number of federally assisted grant programs. Although the programs have been audited in compliance with the Single Audit Act, as amended, these programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for, or including, the year ended June 30, 2020, have not yet been completed. Accordingly, the York Town and School Department's compliance with applicable grant requirements will be established at some future date. The amount, if any, of the expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Department expects such amounts, if any, to be immaterial.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**FUND BALANCE**

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At June 30, 2020, portions of the Governmental Funds fund balances consisted of the following:

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>
<b>Nonspendable:</b>			
Prepaid expenditures	\$ 29,438	-	-
Permanent fund principal	-	-	20,529
<b>Total nonspendable</b>	<b>29,438</b>	<b>-</b>	<b>20,529</b>
<b>Restricted:</b>			
School general fund	1,998,749	-	-
School special revenues (grants and donations)	-	-	124,229
Adult education grants	-	-	22,737
Committee for veterans affairs	-	-	325
MMA wellness grant	-	-	741
York Beach TIF	-	-	134,391
Long sands MPI grant	-	-	49,203
Permanent fund income	-	-	30
<b>Total restricted</b>	<b>1,998,749</b>	<b>-</b>	<b>331,656</b>
<b>Committed:</b>			
Town and school projects	-	2,968,227	-
York beach reserve	-	-	18,468
Maine partners initiative	-	-	99,124
Harbor dredge	-	-	305,416
Harbor/wharf	-	-	313,022
Performance accounts	-	-	112,165
<b>Total committed</b>	<b>-</b>	<b>2,968,227</b>	<b>848,195</b>
<b>Assigned:</b>			
Town budget carry forwards:			
Public safety:			
Police fleet reserve	86,534	-	-
York Beach fire statement fuel tank	6,000	-	-
General government:			
Election scanners	21,911	-	-
Elections	8,792	-	-
Town clerk records management	6,000	-	-
IT infrastructure	102,000	-	-
Budgeted use of surplus	535,139	-	-
Town reserves:			
General government:			
Munis implementation	87,086	-	-
350 <sup>th</sup>	5,527	-	-
Academic reimbursement	10,235	-	-
CEO	568,206	-	-
Earned time	138,976	-	-
Sustainability	33,799	-	-

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**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**FUND BALANCE, CONTINUED**

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	General Fund	Capital Projects	Other Governmental Funds
Comprehensive plan	\$ 200,000	-	-
Unemployment	14,485	-	-
Public safety:			
Animal welfare	22,916	-	-
Public works:			
Building	122,073	-	-
Capital equipment	62,434	-	-
Chase pond/CN river bridge design	75,000	-	-
Fishermen's fund	1,061	-	-
Fishermen's memorial	1,026	-	-
LS Bathhouse fundraising	29,359	-	-
Hoist repair	12,462	-	-
Town hall planning/design	20,000	-	-
Sohier Park Building	22,470	-	-
Village lights	669	-	-
Iron/metal recycling	41,732	-	-
Construction settlement	21,329	-	-
<b>Total assigned</b>	<b>2,257,221</b>	<b>-</b>	<b>-</b>
 Unassigned	 8,266,400	 -	 (2,085,974)
 <b>Total fund balance</b>	 <b>\$ 12,551,808</b>	 <b>2,968,227</b>	 <b>(885,594)</b>

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**TAX INCREMENT FINANCING DISTRICT**

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Under Maine law, the Town has established a Tax Increment Financing District (TIF) to finance improvements within the Town of York. The District specifically encompasses the downtown residential and commercial areas of York Beach, as well as the surrounding open areas. The purpose of the District is to fund certain improvements to the York Beach area, including drainage and flood control infrastructure, sidewalk improvements, and area traffic designs. TIF improvements are to be funded through a combination of municipal bonds, federal grants, and the incremental value multiplied by the tax rate. The incremental value is determined by the increase in the TIF district valuation over the prior fiscal year as a percentage of the prior year valuation, reduced by the total increase in valuation of the entire Town as a percentage of the Town's prior year valuation.

For the year ended June 30, 2020, there were no taxes raised and there were no TIF related expenditures.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY**

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***General Information about the Pension Plan***

**Plan Description** - Employees of the Town are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan) and teaching-certified employees of the Town are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), cost-sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at [www.mainepers.org](http://www.mainepers.org).

**Benefits Provided** - The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2015). For SET members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. 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. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

**Contributions** - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. The contractually required contribution rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

**PLD Plan** - Employees are required to contribute 8.0%, 8.1% or 9.5% of their annual pay for the AC, 2C and 3C plans (or 7.35% for employees in the age 65 plan), respectively. The Town's contractually required contribution rates for the year ended June 30, 2020 were 10.0%, 10.6%, and 12.8% of annual payroll for the AC, 2C and 3C plans, respectively. Contributions to the pension plan from the Town were \$708,686 for the year ended June 30, 2020.

**SET Plan** - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2020, was 18.49% of annual payroll of which 4.16% of payroll was required from the Town and 14.33% was required from the State. Contributions to the pension plan from the Town were \$685,484 for the year ended June 30, 2020.

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

The net pension liabilities were measured as of June 30, 2019, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The Town's proportion of the net pension liabilities were based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating local districts (PLD Plan) and of all participating School Administrative Units and the State (SET Plan), actuarially determined.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY, CONTINUED**

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**PLD Plan** - At June 30, 2020, the Town reported a liability of \$3,472,255 for its proportionate share of the net pension liability. At June 30, 2019, the Town's proportion of the PLD Plan was 1.1360%.

**SET Plan** - At June 30, 2020, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town.

The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 172,050
State's proportionate share of the net pension liability associated with the Town	<u>18,638,047</u>
<b>Total</b>	<b><u>\$ 18,810,097</u></b>

At June 30, 2019, the Town's proportion of the SETP Plan was 0.0117%.

For the year ended June 30, 2020, the Town recognized pension expense of \$1,077,612 for the PLD Plan and a pension expense of \$3,012,892 for the SET Plan with revenue of \$2,361,293 for support provided by the State.

At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD pension plan from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 411,126	-
Changes of assumptions	175,847	-
Net difference between projected and actual earnings on pension plan investments	-	869,715
Changes in proportion and differences between Town contributions and proportionate share of contributions	132,108	-
Town contributions subsequent to the measurement date	708,686	-
<b>Total</b>	<b><u>\$ 1,427,767</u></b>	<b><u>869,715</u></b>

\$708,686 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2021.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY, CONTINUED**

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the PLD pension plan will be recognized in pension expense as follows:

Year ended June 30:

2021	\$ 212,095
2022	(339,421)
2023	(22,757)
2024	(551)

At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to the SET pension plan from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 13,383	-
Changes of assumptions	4,982	-
Net difference between projected and actual earnings on pension plan investments	-	24,286
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	12,508
Town contributions subsequent to the measurement date	<u>685,484</u>	-
<b>Total</b>	<b>\$ 703,849</b>	<b>36,794</b>

\$685,484 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the PLD pension plan will be recognized in pension expense as follows:

Year ended June 30:

2021	\$ (3,714)
2022	(9,332)
2023	(5,458)
2024	75

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY, CONTINUED**

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**Actuarial Assumptions** - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation	2.75%	2.75%
Salary increases, per year	2.75% to 9.0%	2.75% to 14.5%
Investment return, per annum, compounded annually	6.75%	6.75%
Cost of living benefit increases, per annum	1.91%	2.20%

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

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 asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public equities	30.0%	6.0%
US government	7.5%	2.3%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	4.2%
Diversifiers	10.0%	5.9%

**Discount Rate** - The discount rate used to measure the total pension liability was 6.75% for the PLD Plan and the SET Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 liabilities.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY, CONTINUED**

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**Sensitivity of the Town's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate -** The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75% for the PLD Plan and the SET Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75% for PLD Plan and the SET Plan) or 1 percentage-point higher (7.75% for PLD Plan and the SET Plan) than the current rate:

<b><u>PLD Plan</u></b>	1% Decrease <u>(5.75%)</u>	Current discount rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
Town's proportionate share of the net pension liability	\$ 7,909,573	3,472,255	(678,432)
<b><u>SET Plan</u></b>	1% Decrease <u>(5.75%)</u>	Current discount rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
Town's proportionate share of the net pension liability	\$ 311,062	172,050	56,209

**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS financial report.

**Payables to the Pension Plan** - None as of June 30, 2020.

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**457 RETIREMENT PLAN**

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The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

For employees hired prior to July 1, 2016, the Town's contribution to the plan equals 7.5% of the employee's salary. For employees hired on or after July 1, 2016, the Town's contributes to the plan on a 2-to-1 basis, up to 6% of the employee's salary. Contributions for the year ended June 30, 2020, 2019 and 2018 were \$123,050, \$117,884, and \$125,560, respectively.

The requirements of IRS Section 457(g) prescribes that the Town no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on their plan assets, were removed from the Town's financial statements.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - TOWN HEALTH INSURANCE**

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***General Information about the OPEB Plan***

**Plan Description** - The Town sponsors a post-employment benefit plan providing health insurance to retiring employees (hereafter referred to as the Health Plan). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The Town Council has 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** – Retirees with a minimum of age 55 and 5 years of service at retirement are eligible for postretirement health insurance benefits. Eligible retirees are required to pay 100% of health insurance premiums to receive health benefit coverage and therefore, the Town makes no actual contributions.

***Employees Covered by Benefit Terms*** – At January 1, 2020, the following employees were covered by the Health Plan benefit terms:

Inactive employees or beneficiaries currently receiving benefits	28
Inactive employee entitled to but not yet receiving benefits	-
Active employees	78
<b>Total</b>	<b><u>106</u></b>

**Contributions** - Eligible retirees are required to pay 100% of health insurance premiums to receive health benefit coverage and therefore, the Town makes no actual contributions.

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

The Town's total Health Plan OPEB liability of \$1,806,784 was measured as of January 1, 2020, and was determined by an actuarial valuation as of that date.

***Changes in the Total Health Plan OPEB Liability***

	<b>Total OPEB Liability</b>
Balance at June 30, 2019	\$ 1,486,871
Changes for the year:	
Service cost	20,820
Interest	60,539
Changes of benefit terms	(37,480)
Differences between expected and actual experience	31,334
Changes in assumptions or other inputs	307,573
Benefit payments	(62,873)
Net changes	319,913
Balance at June 30, 2020	<b><u>\$ 1,806,784</u></b>

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - TOWN HEALTH INSURANCE, CONTINUED**

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Change in benefits includes any updates in plan provisions and also includes in this year the change related to the excise tax on “Cadillac” plans being repealed. Change in assumptions reflects a change in the discount rate from 4.10% to 2.74%.

For the year ended June 30, 2020, the Town recognized an OPEB gain of \$10,772 related to the Town Health Plan. At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to the Health Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 61,322	-
Changes of assumption or other inputs	247,629	-
Contributions subsequent to the measurement date	41,736	-
<b>Total</b>	<b>\$ 350,687</b>	<b>-</b>

\$41,736 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2021	\$ 49,958
2022	49,958
2023	49,958
2024	49,960
2025	24,394
Thereafter	84,723

The total OPEB liability in the January 1, 2020 actuarial valuation for the Town Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00% per year
Salary increases	2.75% per year
Discount rate	2.74%
Healthcare cost trend rates	8.5% for 2020, grading over 14 years to 3.53% per annum
Retirees' share of the benefit related costs	100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the January 1, 2020 valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - TOWN HEALTH INSURANCE, CONTINUED**

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**Discount Rate** - The rate used to measure the total OPEB liability for the Town Health Plan was 2.74%. The discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Discount Rate** - The following presents the Town's total OPEB liability related to the Town Health Plan calculated using the discount rate of 2.74%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.74%) or 1 percentage-point higher (3.74%) than the current rate:

	1% Decrease (1.74%)	Discount Rate (2.74%)	1% Increase (3.74%)
Total OPEB liability	\$ 2,059,417	1,806,784	1,599,556

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the Town's total OPEB liability related to the Health Plan calculated using the healthcare cost trend rates of 8.5% graded over 14 years to 3.53% per year, as well as what the Town'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:

	Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
Total OPEB liability	\$ 1,595,629	1,806,784	2,068,417

**OTHER POST-EMPLOYMENT BENEFITS - SCHOOL DEPARTMENT HEALTH INSURANCE**

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***General Information about the OPEB Plan***

**Plan Description** - The School Department sponsors a post-employment benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (MEABT). The State Legislature has 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** - MEABT provides healthcare insurance benefits for retirees and their dependents. The employee must have participated in the MEABT health plan for the 12 months prior to retirement and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits. The retiree is eligible for a State subsidy of 45% of the blended single premium for the retiree only. Under State laws, the blended premium is determined by blending rates for active members and retired members. The retiree pays 55% of the blended premium rate for coverage selected. Spouses must contribute 100% of the blended premium amounts. Thus, the total premium is paid for by both the State and the retiree and or spouse.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED**

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*Employees Covered by Benefit Terms* – At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	86
Inactive employee entitled to but not yet receiving benefits	-
Active employees	<u>256</u>
Total	<u><u>342</u></u>

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

The Town's total OPEB liability of \$2,939,648 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2018.

*Changes in the Total OPEB Liability*

Balance at June 30, 2019	\$ 2,698,801
Changes for the year:	
Service cost	22,881
Interest	103,915
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	187,809
Benefit payments	<u>(73,758)</u>
Net changes	<u>240,847</u>
Balance at June 30, 2020	<u><u>\$ 2,939,648</u></u>

Change in assumptions reflects a change in the discount rate from 3.87% to 3.50%.

For the year ended June 30, 2020, the Town recognized OPEB expense of \$132,899. At June 30, 2020, The Town 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
Changes of assumption or other inputs	\$ 57,343	-
Town's contributions subsequent to measurement date	<u>70,196</u>	<u>-</u>
Total	<u><u>\$ 127,539</u></u>	<u><u>-</u></u>

\$70,196 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2021.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED**

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

Year ended June 30:	
2021	\$6,103
2022	6,103
2023	6,103
2024	6,103
2025	6,102
Thereafter	26,829

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2018 actuarial valuation for the total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	Not reported
Salary increases	2.75% - 14.50% per year
Discount rate	3.50% per annum
Healthcare cost trend rates - Pre-Medicare	5.55% for 2018 grading over 15 years to 3.73%
Healthcare cost trend rates - Medicare	3.72% for 2018 grading over 15 years to 2.81%
Retirees' share of the benefit related costs	55% of the blended premium rate with a State subsidy for the remaining 45% of the blended premium rate

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

**Discount Rate** - The rate used to measure the total OPEB liability was 3.50% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate** - The following presents the Town's total OPEB liability calculated using the discount rate of 3.50%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.50%) or 1 percentage-point higher (4.50%) than the current rate:

	1%	Discount	1%
	Decrease	Rate	Increase
	(2.50%)	(3.50%)	(4.50%)
Total OPEB liability	\$ 3,543,423	2,939,648	2,468,467

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED**

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**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the Town's total OPEB liability calculated using the healthcare cost trend rates, as well as what the Town'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:

	Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
Total OPEB liability	\$ 2,422,106	2,939,648	3,609,418

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**OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE**

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**Plan Description** - The Town sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. For municipal employees and certain School Department employees, the Town participates in Group Life Insurance Plan for Participating Local District (PLD). Teachers also participate in the Group Term Life Insurance Plan for State Employees and Teachers (SET). Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MPERS issues a publicly available financial reports that are available at [www.mainepers.org](http://www.mainepers.org).

**Benefits Provided** - Under both the PLD and SET OPEB plans, MPERS provides basic group life insurance benefits, during retirement, to retirees who participated in the plan prior to retirement for a minimum of 10 years. The level of coverage is initially set to an amount equal to the retirees 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 for both the PLD and SET OPEB plans are determined by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims.

**PLD OPEB Plan** - The premiums are paid 100% by active and retired employees. The Town currently does not contribute to the premiums.

**SET OPEB Plan** - The State of Maine is required to remit the total dollar amount of each year's annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the Town were \$40,250 for the year ended June 30, 2020. Employers and employees are not required to contribute to the SET OPEB plan.

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

The net OPEB liability for both the PLD and SET OPEB plans was measured as of June 30, 2019, and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by actuarial valuations as of June 30, 2018. The Town's proportion of the net OPEB liabilities was based on a projection of the Town's long-term share of contributions to the PLD and SET OPEB plans relative to the projected contributions of all participating employers, actuarially determined.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE, CONTINUED**

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**PLD OPEB Plan** - At June 30, 2020, the Town reported a liability of \$233,389 for its proportionate share of the net OPEB liability. At June 30, 2019, the Town's proportion was 1.0907%.

**SET OPEB Plan** - At June 30, 2020, the Town reported no liability related to the plan. The State of Maine's proportionate share of the net OPEB liability associated with the Town was \$437,290 as of June 30, 2020. At June 30, 2019, the Town's proportion was 0.00%.

For the year ended June 30, 2020, the Town recognized OPEB gain of \$1,053 for the PLD OPEB Plan. For the year ended June 30, 2020, the Town recognized OPEB expense of \$40,250 and also revenues of \$40,250 for support provided by the State related to the SET OPEB plan.

At June 30, 2020, the Town reported no deferred outflows of resources nor deferred inflows of resources related to the SET OPEB plan. At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	11,067
Differences between expected and actual experience	14,875	-
Net difference between projected and actual earnings on OPEB plan investments	-	10,436
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	2,762
<b>Total</b>	<b>\$ 14,875</b>	<b>24,265</b>

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

Year ended June 30:	
2021	\$ (7,242)
2022	(7,242)
2023	(5,059)
2024	7,119
2025	3,034

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE, CONTINUED**

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**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the June 30, 2018 actuarial valuations for both the PLD and SET OPEB plans was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

	PLD OPEB Plan	SET OPEB Plan
Inflation	2.75%	2.75%
Salary increases	2.75% - 9.00%	2.75% - 14.50%
Investment rate of return	6.750%	6.750%

Mortality rates for both the PLD and SET OPEB plans were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2018 valuations for both the PLD and SET OPEB plans were based on the results of an actuarial experience study conducted for the period June 30, 2012 to June 30, 2015.

The long-term expected rate of return on both PLD and SET OPEB plan investments was determined using a building-block method which best estimates 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 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70.0%	6.0%
Real estate	5.0%	5.2%
Traditional credit	15.0%	3.0%
US government securities	10.0%	2.3%
<b>Total</b>	<b>100.0%</b>	

**Discount Rate** - The rate used to measure the net OPEB liability for the PLD OPEB plan was 4.98% which is a blend of the assumed long-term expected rate of return of 6.75% and a municipal bond index rate of 3.5%, based on the Bond Buyer GO 20-Year Municipal Bond Index as of June 30, 2019. Projections of the plan's fiduciary net position indicate that it is not expected to be sufficient to make projected benefit payments for current members beyond 2050. Therefore, the portion of the future projected benefit payments after 2050 are discounted at the municipal bond index rate. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE, CONTINUED**

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The rate used to measure the net OPEB liability for the SET OPEB plan was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Sensitivity of the Town's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** - The following presents the Town's proportionate share of the net PLD OPEB plan liability calculated using the discount rate of 4.98%, as well as what the Town's proportionate share of the net PLD OPEB plan liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.98%) or 1 percentage-point higher (5.98%) than the current rate:

	1% Decrease (3.98%)	Discount Rate (4.98%)	1% Increase (5.98%)
Net OPEB liability	\$ 308,213	233,389	174,402

Mortality Table, for males and females.

Sensitivity of the Town's proportionate share of the net SET OPEB plan liability to the changes in the discount rate are not presented as the Town does not have any liability related to this plan given that the SET OPEB plan is 100% funded by contributions from the State of Maine.

**OPEB Plan Fiduciary Net Position** - Detailed information about both the PLD and SET OPEB plan's fiduciary net positions are available in a separately issued MPERS financial report.

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**RISK MANAGEMENT**

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The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors, and omissions, and natural disasters for which the Town either carries commercial insurance, or participates in public entity risk pools. Currently, the Town participates in two public entity risk pools sponsored by the Maine Municipal Association. Based on the coverage provided by these pools, as well as certain coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2020.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**RESTATEMENT OF NET POSITION**

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In FY 2020, it was discovered that the land that encompasses Nubble Island was not capitalized when it was transferred to the Town in prior years. In addition, the Town voters approved an amendment to the Sohier Park ordinance so that Sohier Park now includes Nubble Light and Nubble Island. Therefore, the beginning net position for the Sohier Park enterprise has been restated by \$750,000, which was the value of the Island at the time of transfer. Net position for the enterprise fund has been restated on Exhibit E-2 and business-type activities net position has been restated on statement 7 and statement 2.

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**SUBSEQUENT EVENTS**

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On December 14, 2020, the Town issued general obligation bonds of \$4,656,000, to be used for various Town and School Department projects. The bonds bear an interest rate of 1%-2% and mature in 2040.

**TOWN OF YORK, MAINE**  
**Required Supplementary Information**

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**Schedule of Town's Proportionate Share of the Net Pension Liability**  
**Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee**  
**and Teacher Plan (SET)**

Last 10 Fiscal Years\*\*

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>PLD Plan</b>						
Town's proportion of the net pension liability	\$ 1.1360%	1.0872%	1.0702%	1.0929%	1.0595%	1.0357%
Town's proportionate share of the net pension liability	3,472,255	2,975,319	4,381,783	5,806,844	3,380,242	1,593,770
Town's covered payroll	6,299,922	5,931,411	5,877,542	5,649,002	5,418,940	4,980,213
Town's proportionate share of the net pension liability as a percentage of its covered payroll	55.12%	50.16%	74.55%	102.79%	62.38%	32.00%
Plan fiduciary net position as a percentage of the total pension liability	90.62%	91.14%	86.43%	81.61%	88.27%	94.10%
<b>SET Plan</b>						
Town's proportion of the net pension liability	0.0117%	0.0119%	0.0142%	0.0142%	0.0137%	0.0231%
Town's proportionate share of the net pension liability	172,050	160,921	205,868	250,354	184,386	249,340
State's proportionate share of the net pension liability associated with the Town	<u>18,638,047</u>	<u>17,469,365</u>	<u>18,297,994</u>	<u>22,407,172</u>	<u>16,261,976</u>	<u>12,749,997</u>
<b>Total</b>	<b>\$ 18,810,097</b>	<b><u>17,630,286</u></b>	<b><u>18,503,862</u></b>	<b><u>22,657,526</u></b>	<b><u>16,446,362</u></b>	<b><u>12,999,337</u></b>
Town's covered payroll	\$ 16,358,370	16,053,899	15,406,345	15,055,238	13,967,493	13,478,770
Town's proportionate share of the net pension liability as a percentage of its covered payroll	1.05%	1.00%	1.34%	1.66%	1.32%	1.85%
Plan fiduciary net position as a percentage of the total pension liability	82.73%	82.90%	83.35%	76.21%	81.18%	83.19%

\* The amounts presented for each fiscal year were determined as of the prior fiscal year.

\*\*Only six years of information available.

**TOWN OF YORK, MAINE**  
**Required Supplementary Information, Continued**

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**Schedule of Town Contributions – Net Pension Liability**  
**Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee**  
**and Teacher Plan (SET)**

Last 10 Fiscal Years\*

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>PLD Plan</b>						
Contractually required contribution	\$ 708,686	639,940	604,066	548,521	502,565	435,364
Contributions in relation to the contractually required contribution	<u>(708,686)</u>	<u>(639,940)</u>	<u>(604,066)</u>	<u>(548,521)</u>	<u>(502,565)</u>	<u>(435,364)</u>
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Town's covered payroll	6,433,670	6,299,922	5,931,411	5,877,542	5,649,002	5,418,940
Contributions as a percentage of covered payroll	11.02%	10.16%	10.18%	9.33%	8.90%	8.03%
<b>SET Plan</b>						
Contractually required contribution	685,484	649,427	637,340	517,653	505,856	370,139
Contributions in relation to the contractually required contribution	<u>(685,484)</u>	<u>(649,427)</u>	<u>(637,340)</u>	<u>(517,653)</u>	<u>(505,856)</u>	<u>(370,139)</u>
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Town's covered payroll	\$ 16,477,972	16,358,370	16,053,899	15,406,345	15,055,238	13,967,493
Contributions as a percentage of covered payroll	4.16%	3.97%	3.97%	3.36%	3.36%	2.65%

\* Only six years of information available.

**TOWN OF YORK, MAINE**  
**Required Supplementary Information, Continued**

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**Schedule of Changes in the Town's Total Health Plan OPEB Liability and Related Ratios**

Last 10 Fiscal Years\*

	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Total OPEB Liability</b>			
Service cost	\$ 20,820	24,061	20,621
Interest	60,539	54,645	52,340
Changes of benefit terms	(37,480)	-	-
Differences between expected and actual experience	31,334	-	59,333
Changes of assumptions or other inputs	307,573	(125,802)	119,631
Benefit payments	<u>(62,873)</u>	<u>(60,455)</u>	<u>(42,665)</u>
Net change in total OPEB Liability	319,913	(107,551)	209,260
Total OPEB liability - beginning	<u>1,486,871</u>	<u>1,594,422</u>	<u>1,385,162</u>
<b>Total OPEB liability - ending</b>	<b>\$ 1,806,784</b>	<b>1,486,871</b>	<b>1,594,422</b>
Covered-employee payroll	\$ 5,281,885	4,746,857	7,009,503
Total OPEB liability as a percent of covered-employee payroll	34.21%	31.32%	22.75%

\*Only three years of information available.

**TOWN OF YORK, MAINE**  
**Required Supplementary Information, Continued**

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**Schedule of Changes in the School Department's Total Health Plan OPEB Liability and Related Ratios**

Last 10 Fiscal Years\*

	<b>2020</b>	<b>2019</b>
<b>Total OPEB Liability</b>		
Service cost	\$ 22,881	25,113
Interest	103,915	99,534
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions or other inputs	187,809	(145,090)
Benefit payments	<u>(73,758)</u>	<u>(71,209)</u>
Net change in total OPEB Liability	240,847	(91,652)
Total OPEB liability - beginning	<u>2,698,801</u>	<u>2,790,453</u>
<b>Total OPEB liability - ending</b>	<b>\$ 2,939,648</b>	<b>2,698,801</b>
Covered-employee payroll	\$ 12,241,269	11,913,644
Total OPEB liability as a percent of covered-employee payroll	24.01%	22.65%

*\*Only two years of information available.*

**TOWN OF YORK, MAINE**  
**Required Supplementary Information, Continued**

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**Schedule of Town's Proportionate Share of the Net OPEB Liability – Life Insurance**  
**Last 10 Fiscal Years\***

<b><u>PLD OPEB Plan</u></b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Town's proportion of the net OPEB liability	1.0907%	1.0523%	1.1032%
Town's proportionate share of the net OPEB liability	\$ 233,389	212,574	184,470
Town's covered-employee payroll	1,866,959	2,069,526	2,220,465
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	12.50%	10.27%	8.31%
Plan fiduciary net position as a percentage of the total OPEB liability	43.18%	43.92%	47.42%
<b><u>SET OPEB Plan</u></b>			
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	-	-	-
State's proportionate share of the net OPEB liability associated with the Town	437,290	425,494	386,468
<b>Total</b>	<b>\$ 437,290</b>	<b>425,494</b>	<b>386,468</b>
Plan fiduciary net position as a percentage of the total OPEB liability	49.22%	48.04%	47.29%

\* Only three years of information available.

Amounts presented for each fiscal year were determined as of the end of the previous fiscal year.

**TOWN OF YORK, MAINE**  
**Notes to Required Supplementary Information**

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**Net Pension Liability**

Changes of Benefit Terms (Pension) - None

Changes of Assumptions (Pension) - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate - PLD	6.750%	6.875%	7.125%	7.250%
Discount rate - SET	6.750%	6.875%	7.125%	7.125%
Inflation rate	2.75%	2.75%	3.50%	3.50%
Salary increases - PLD	2.75-9.00%	2.75-9.00%	3.50-9.50%	3.50-9.50%
Salary increases - SET	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%
Cost of living increases - PLD	1.91%	2.20%	2.55%	3.12%
Cost of living increases - SET	2.20%	2.20%	2.55%	2.55%

Mortality rates:

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 and going forward, mortality rates were based on the RP2014 Total Data Set Health Annuitant Mortality Table.

**Net OPEB Liability**

Changes of Benefit Terms (OPEB – Life Insurance) - None

Changes of Assumptions (OPEB – Life Insurance) - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount rate - PLD	4.98%	5.13%	5.41%
Discount rate - SET	6.75%	6.75%	6.875%

**Total OPEB Liability - Town Health Insurance**

Changes of Benefit Terms (OPEB - Town Health Insurance) - None

Changes of Assumptions (OPEB – Town Health Insurance) - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Discount rate	2.74%	4.10%	3.44%	3.78%

Additionally, the valuation method for the District's Health Plan was changed from the Projected Unit Credit funding method in 2017 to the Entry Age Normal funding method in 2018.

**Total OPEB Liability - School Health Insurance**

Changes of Assumptions (OPEB – School Department Health Insurance) - Changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount rate	3.50%	3.87%	3.58%

*\* This schedule is intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.*

## **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The fund pays general operating expenditures, fixed charges, and capital improvement costs which are not paid through other funds.

**TOWN OF YORK, MAINE**  
**Comparative Balance Sheets**  
**General Fund**  
**June 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 18,721,116	15,249,655
Receivables:		
Accounts	197,376	203,451
Intergovernmental	-	170,132
Taxes - current year	567,835	833,145
Taxes - prior years	77,559	71,144
Tax liens	404,974	362,333
Tax acquired property	38,638	48,522
Prepaid expenditures	29,438	44,781
<b>Total assets</b>	<b>\$ 20,036,936</b>	<b>16,983,163</b>
<b>LIABILITIES</b>		
Accounts payable	1,037,622	1,448,379
Accrued payroll	2,501,587	2,119,276
Other liabilities	540,536	434,485
Interfund loans payable	2,494,818	2,156,664
<b>Total liabilities</b>	<b>6,574,563</b>	<b>6,158,804</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	910,565	869,000
<b>Total deferred inflows of resources</b>	<b>910,565</b>	<b>869,000</b>
<b>FUND BALANCE</b>		
Nonspendable	29,438	44,781
Restricted	1,998,749	622,406
Assigned	2,257,221	1,302,597
Unassigned	8,266,400	7,985,575
<b>Total fund balance</b>	<b>12,551,808</b>	<b>9,955,359</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 20,036,936</b>	<b>16,983,163</b>

**TOWN OF YORK, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**For the year ended June 30, 2020**  
**(with comparative actual amounts for the year ended June 30, 2019)**

	Budget	Actual	Variance positive (negative)	2019 Actual
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 51,024,332	51,024,872	540	49,115,442
Supplemental taxes	-	33,104	33,104	41,639
Change in unavailable taxes	-	(41,565)	(41,565)	(36,168)
Excise taxes	3,579,000	3,490,995	(88,005)	3,620,460
Other	-	44,715	44,715	47,725
<b>Total taxes</b>	<b>54,603,332</b>	<b>54,552,121</b>	<b>(51,211)</b>	<b>52,789,098</b>
Licenses and permits:				
Town clerk fees	95,000	99,204	4,204	95,929
Plumbing permits	40,000	38,655	(1,345)	41,107
Parking stickers	160,000	156,605	(3,395)	165,950
Parking permits	-	6,000	6,000	6,000
Transfer station permits	35,000	43,280	8,280	44,733
Other permits and fees	1,000	7,696	6,696	13,160
<b>Total licenses and permits</b>	<b>331,000</b>	<b>351,440</b>	<b>20,440</b>	<b>366,879</b>
Intergovernmental:				
State Revenue Sharing	345,500	561,678	216,178	367,289
Homestead reimbursement	329,883	333,095	3,212	244,527
BETE reimbursement	17,831	17,929	98	10,402
General assistance reimbursement	35,000	31,894	(3,106)	13,260
Rural roads	234,000	238,800	4,800	231,784
Education subsidy	2,213,967	2,213,967	-	2,083,357
State agency clients	25,000	-	(25,000)	9,576
Other	-	47,186	47,186	38,592
<b>Total intergovernmental</b>	<b>3,201,181</b>	<b>3,444,549</b>	<b>243,368</b>	<b>2,998,787</b>
Charges for services:				
Parking ticket revenue	120,000	59,691	(60,309)	44,814
Meter collections	400,000	450,327	50,327	361,601
Community development code fees	400,000	330,250	(69,750)	302,900
Police department fees	3,500	6,943	3,443	11,923
Ellis Park fees	154,414	138,377	(16,037)	114,241
Public safety answering point	122,595	140,445	17,850	132,555
Animal control officer registrations	19,000	4,972	(14,028)	5,026
Cell tower rental	30,000	15,654	(14,346)	14,746
School charges for services	19,000	36,228	17,228	71,375
Impact fees	55,851	52,700	(3,151)	179,986
<b>Total charges for services</b>	<b>1,324,360</b>	<b>1,235,587</b>	<b>(88,773)</b>	<b>1,239,167</b>
Other:				
Interest revenue	228,000	343,750	115,750	313,527
Board of Appeals	-	700	700	1,800
Cable TV	210,000	226,524	16,524	222,678
Other school department revenues	107,032	130,560	23,528	168,533
Sale of property	-	91,726	91,726	205,610
Miscellaneous	91,000	30,309	(60,691)	61,895
<b>Total other</b>	<b>636,032</b>	<b>823,569</b>	<b>187,537</b>	<b>974,043</b>
<b>Total revenues</b>	<b>60,095,905</b>	<b>60,407,266</b>	<b>311,361</b>	<b>58,367,974</b>

**TOWN OF YORK, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual, Continued**

	Budget	Actual	Variance positive (negative)	2019 Actual
<b>Expenditures:</b>				
<b>Current:</b>				
General government:				
Board of selectmen	\$ 36,994	36,847	147	31,287
Town manager	575,510	556,686	18,824	527,315
Finance	465,828	422,727	43,101	401,675
Assessing	326,846	322,148	4,698	307,724
Code enforcement	573,180	561,599	11,581	530,678
Town clerk/tax collector	489,923	478,031	11,892	462,447
Elections	54,801	24,098	30,703	39,650
Town hall operations	238,000	207,460	30,540	234,588
Information technology	598,591	532,543	66,048	534,445
Insurance	570,111	465,718	104,393	522,772
Boards and committees	41,440	9,293	32,147	17,513
Cable TV	23,000	10,732	12,268	14,765
Mosquito control	40,000	40,194	(194)	-
Contingency	67,800	26,220	41,580	31,188
<b>Total general government</b>	<b>4,102,024</b>	<b>3,694,296</b>	<b>407,728</b>	<b>3,656,047</b>
Public safety:				
Public safety services	5,418,528	5,168,128	250,400	5,051,825
Fire department	1,211,373	1,162,297	49,076	971,998
Hydrants	1,044,149	1,037,948	6,201	1,018,266
Public health	60,000	60,000	-	60,000
<b>Total public safety</b>	<b>7,734,050</b>	<b>7,428,373</b>	<b>305,677</b>	<b>7,102,089</b>
Public works:				
Maintenance	3,722,508	3,630,293	92,215	3,470,637
Transfer station and disposal services	1,576,432	1,566,385	10,047	1,541,664
Parking management	88,692	33,203	55,489	47,228
Municipal separate storm sewer	-	-	-	84,806
<b>Total public works</b>	<b>5,387,632</b>	<b>5,229,881</b>	<b>157,751</b>	<b>5,144,335</b>
Parks and recreation:				
Recreation administration	-	-	-	142,047
Senior center	357,276	320,210	37,066	332,121
Short Sands Park	74,131	71,472	2,659	54,111
Public buildings and grounds	1,207,728	1,187,704	20,024	1,051,449
<b>Total parks and recreation</b>	<b>1,639,135</b>	<b>1,579,386</b>	<b>59,749</b>	<b>1,579,728</b>
Public assistance:				
General assistance	74,105	69,449	4,656	35,201
Social services	51,950	51,950	-	41,100
Property tax relief	25,000	11,897	13,103	12,354
<b>Total public assistance</b>	<b>151,055</b>	<b>133,296</b>	<b>17,759</b>	<b>88,655</b>
Library	644,232	590,546	53,686	598,311
County tax	2,327,506	2,327,506	-	2,276,680
Unclassified:				
Overlay/abatements	143,321	75,980	67,341	72,014
<b>Total unclassified</b>	<b>143,321</b>	<b>75,980</b>	<b>67,341</b>	<b>72,014</b>

**TOWN OF YORK, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual, Continued**

	Budget	Actual	Variance positive (negative)	2019 Actual
<b>Expenditures, continued:</b>				
<b>Current:</b>				
<b>Education:</b>				
Regular instruction	\$ 14,257,447	13,991,575	265,872	13,940,037
Special education instruction	5,895,218	5,742,211	153,007	5,668,259
Career and technical education	14,031	14,284	(253)	20,590
Other instruction	1,451,313	1,204,886	246,427	1,268,924
Student and staff support	3,063,560	2,848,142	215,418	2,870,169
System administration	1,160,896	1,170,061	(9,165)	1,185,001
School administration	1,645,708	1,589,499	56,209	1,572,042
Transportation	1,126,655	1,052,974	73,681	1,034,773
Facilities maintenance	3,841,005	3,498,467	342,538	3,536,166
Other	357,358	362,445	(5,087)	280,649
Debt service				
Principal	1,904,705	1,903,485	1,220	1,755,906
Interest	386,584	368,445	18,139	332,226
<b>Total education</b>	<b>35,104,480</b>	<b>33,746,474</b>	<b>1,358,006</b>	<b>33,464,742</b>
<b>Capital outlay:</b>				
Financial software	150,000	82,277	67,723	85,540
T.V. broadcast equipment	-	-	-	45,000
Town hall planning and design	-	-	-	10,000
Police vehicles	128,623	42,090	86,533	82,015
Public works vehicles	20,000	19,009	991	-
Roads and side walks	100,000	88,222	11,778	96,822
Fishermen's walk	12,431	-	12,431	-
Seawall repair	27,925	-	27,925	1,395
<b>Total capital outlay</b>	<b>438,979</b>	<b>231,598</b>	<b>207,381</b>	<b>320,772</b>
<b>Debt service:</b>				
Bond issuance costs	54,000	43,747	10,253	1,500
Principal	2,348,549	2,308,061	40,488	2,209,001
Interest	473,675	358,113	115,562	382,692
<b>Total debt service</b>	<b>2,876,224</b>	<b>2,709,921</b>	<b>166,303</b>	<b>2,593,193</b>
<b>Total expenditures</b>	<b>60,548,638</b>	<b>57,747,257</b>	<b>2,801,381</b>	<b>56,896,566</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(452,733)</b>	<b>2,660,009</b>	<b>3,112,742</b>	<b>1,471,408</b>
<b>Other financing sources (uses):</b>				
Carryforward balances	128,691	-	(128,691)	-
Use of fund balance	608,542	-	(608,542)	-
Appropriations for reserve accounts	(69,500)	(69,500)	-	(47,500)
Transfers to reserve accounts	(345,000)	(536,091)	(191,091)	(263,836)
Transfers from reserve accounts	130,000	138,053	8,053	85,536
Transfer from capital projects	-	-	-	369
Transfers to special revenue funds	-	(43,745)	(43,745)	-
Transfers to enterprise funds	-	(2,067)	(2,067)	(536)
Transfers from enterprise funds	-	127,860	127,860	165,528
<b>Total other financing sources (uses)</b>	<b>452,733</b>	<b>(385,490)</b>	<b>(838,223)</b>	<b>(60,439)</b>
Net change in fund balance - budgetary basis	-	2,274,519	2,274,519	1,410,969
<b>Reconciliation to GAAP:</b>				
Change in prepaid debt service		4,991		9,750
Change in reserves		316,939		141,770
Net change in fund balance - GAAP basis		2,596,449		1,562,489
Fund balance, beginning of year - GAAP basis		9,955,359		8,392,870
<b>Fund balance, end of year - GAAP basis</b>	<b>\$</b>	<b>12,551,808</b>		<b>9,955,359</b>

## **CAPITAL PROJECT FUNDS**

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities.

**TOWN OF YORK, MAINE**  
**Capital Project Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For year ended June 30, 2020**

		Balance beginning of year	Expenditures				Balance end of year
			Bond Proceeds	Premium on Bonds	Capital Outlay	Other	
200	Capital improvements	\$ 38,526	-	92,566	-	-	56,065 75,027
201	Mitchell - airport drive	652,637	-	-	-	-	652,637 -
202	2018 road and sidewalk construction	165,931	-	-	158,388	7,543	-
205	2018 wheeler plow truck	3,844	-	-	3,501	343	-
206	2018 patrol plow truck	15,760	-	-	14,582	1,178	-
207	2018 four wheel drive pick up	36	-	-	-	-	36 -
208	2018 Bog Road parking lot paving	9,326	-	-	5,693	915	2,718 -
209	2018 parks utility tractor	145	-	-	-	-	145 -
211	2018 York Beach Fire Dept. rescue truck	212,042	-	-	210,000	2,042	-
212	2018 York Middle School flooring	392,976	-	-	128,698	9,684	- 254,594
213	2018 School extension building	396,044	-	-	287,771	7,699	- 100,574
214	2018 Coastal Ridge playground	175,905	-	-	170,465	3,410	- 2,030
215	2018 school vehicles	3,356	-	-	-	213	- 3,143
222	DPW dump truck	1,574	-	-	-	-	1,574 -
226	Town hall IT upgrades	3,399	-	-	-	-	3,399 -
227	Public safety building	177,928	-	-	36,809	-	- 141,119
229	Police station	89,815	-	-	89,815	-	-
230	PD vehicle laptops	- 94,000	-	-	84,234	-	- 9,766
231	2019 road and sidewalk paving	- 1,000,000	-	-	1,000,000	-	-
232	Patrol plow truck	- 175,000	-	-	69,894	-	- 105,106
233	LED Streetlights	- 425,000	-	-	397,732	-	- 27,268
234	DPW impact attenuator	- 40,000	-	-	34,500	-	- 5,500
235	4WD pickup truck	- 55,000	-	-	-	-	- 55,000
	Subtotal	\$ 2,339,244	1,789,000	92,566	2,692,082	33,027	716,574 779,127

continued

**TOWN OF YORK, MAINE**  
**Capital Project Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For year ended June 30, 2020**

	Balance beginning of year	Expenditures					Balance end of year
		Bond Proceeds	Premium on Bonds	Capital Outlay	Other	Debt Service	
236	Fuel facility	\$ -	150,000	-	-	-	150,000
237	Skid steer	-	80,000	-	-	-	80,000
238	CAL parking lot paving	-	60,000	-	-	-	60,000
239	Old Gaol renovation	-	35,000	-	-	-	35,000
240	LS bathhouse	3,758	-	-	3,710	-	48
241	Fire engine	-	650,000	-	584,823	-	65,177
242	YVF generator	-	22,000	-	22,000	-	-
243	YBF and YVFD radio comm	-	200,000	-	-	200,000	-
244	ADA school improvements	-	200,000	-	-	-	200,000
245	YMS windows	-	100,000	-	5,878	-	94,122
246	YMS gym hall entry doors	-	50,000	-	45,189	-	4,811
247	VES gym floors	-	50,000	-	7,158	-	42,842
248	YHS tennis court	-	275,000	-	5,900	-	269,100
249	Seawall project	-	1,000,000	-	219,227	-	780,773
250	Village project	-	400,000	-	-	-	400,000
269	YHS auditorium	43,404	-	-	37,318	-	6,086
275	Other school projects	1,189	-	-	-	-	1,189
Subtotal		48,351	3,272,000	-	931,203	200,000	48
<b>Total Capital Projects</b>		<b>\$ 2,387,595</b>	<b>5,061,000</b>	<b>92,566</b>	<b>3,623,285</b>	<b>233,027</b>	<b>716,622</b>
							<b>2,968,227</b>

## **OTHER GOVERNMENTAL FUNDS**

**TOWN OF YORK, MAINE**  
**Other Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2020**

	Special Revenue Funds				Clark Emerson Permanent Fund	Total Other Governmental Funds
	Town Programs	Adult Education	School Lunch	School Special Revenues		
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	5,820	4,224	-	23,885	33,929
Accounts receivable	141,290	6,954	-	-	-	148,244
Intergovernmental	-	2,880	73,068	88,638	-	164,586
Inventory	-	-	25,632	-	-	25,632
Interfund loans receivable	-	-	-	57,283	-	57,283
<b>Total assets</b>	<b>\$ 141,290</b>	<b>15,654</b>	<b>102,924</b>	<b>145,921</b>	<b>23,885</b>	<b>429,674</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>						
Liabilities:						
Accounts payable	108,368	2,154	1,964	29,825	-	142,311
Accrued payroll	-	1,883	19,800	1,389	-	23,072
Interfund loans payable	737,880	96,308	312,371	-	3,326	1,149,885
<b>Total liabilities</b>	<b>846,248</b>	<b>100,345</b>	<b>334,135</b>	<b>31,214</b>	<b>3,326</b>	<b>1,315,268</b>
Fund balances (deficits):						
Nonspendable	-	-	-	-	20,529	20,529
Restricted	184,660	22,737	-	124,229	30	331,656
Committed	848,195	-	-	-	-	848,195
Unassigned	(1,737,813)	(107,428)	(231,211)	(9,522)	-	(2,085,974)
<b>Total fund balances (deficits)</b>	<b>(704,958)</b>	<b>(84,691)</b>	<b>(231,211)</b>	<b>114,707</b>	<b>20,559</b>	<b>(885,594)</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 141,290</b>	<b>15,654</b>	<b>102,924</b>	<b>145,921</b>	<b>23,885</b>	<b>429,674</b>

**TOWN OF YORK, MAINE**  
**Other Governmental Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the year ended June 30, 2020**

	Special Revenue Funds				Clark	Total Other Governmental Funds
	Town Programs	Adult Education	School Lunch	School Special Revenues	Emerson Permanent Fund	
<b>Revenues:</b>						
Tax revenues	\$ -	149,823	-	-	-	149,823
Intergovernmental	142,654	81,818	208,784	696,729	-	1,129,985
Charges for services	135,998	32,814	411,635	16,083	-	596,530
Donations	-	-	-	42,069	-	42,069
Interest income	6,490	-	-	-	-	6,490
Other revenue	4,691	7,013	9,166	6,391	-	27,261
<b>Total revenues</b>	<b>289,833</b>	<b>271,468</b>	<b>629,585</b>	<b>761,272</b>	<b>-</b>	<b>1,952,158</b>
<b>Expenditures:</b>						
Current:						
Public safety	36,994	-	-	-	-	36,994
Public works	102,855	-	-	-	-	102,855
Other program expenditures	139,702	-	-	-	-	139,702
Education	-	271,595	847,361	745,896	-	1,864,852
Capital expenditures	587,346	-	-	-	-	587,346
<b>Total expenditures</b>	<b>866,897</b>	<b>271,595</b>	<b>847,361</b>	<b>745,896</b>	<b>-</b>	<b>2,731,749</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(577,064)</b>	<b>(127)</b>	<b>(217,776)</b>	<b>15,376</b>	<b>-</b>	<b>(779,591)</b>
<b>Other financing sources (uses):</b>						
Transfers in	43,745	-	295,709	-	-	339,454
<b>Total other financing sources (uses)</b>	<b>43,745</b>	<b>-</b>	<b>295,709</b>	<b>-</b>	<b>-</b>	<b>339,454</b>
<b>Net change in fund balances</b>	<b>(533,319)</b>	<b>(127)</b>	<b>77,933</b>	<b>15,376</b>	<b>-</b>	<b>(440,137)</b>
<b>Fund balances (deficits), beginning of year</b>	<b>(171,639)</b>	<b>(84,564)</b>	<b>(309,144)</b>	<b>99,331</b>	<b>20,559</b>	<b>(445,457)</b>
<b>Fund balances (deficits), end of year</b>	<b>\$ (704,958)</b>	<b>(84,691)</b>	<b>(231,211)</b>	<b>114,707</b>	<b>20,559</b>	<b>(885,594)</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Special Revenue Funds are established to account for resources obtained and expended for specified purposes that are restricted by law or administrative action.

**TOWN OF YORK, MAINE**  
**Nonmajor Special Revenue Funds - Town Programs**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For year ended June 30, 2020**

	Balance (deficit) beginning of year	Revenues				Expenditures Program Expenditures	Transfers in (out)	Balance (deficit) end of year
		Grants	Charges for Services	Other Revenues	Interest Income			
<b>Public Safety Grants:</b>								
413	ATV grants	\$ -	4,386	-	-	4,386	-	-
419	Stop domestic violence	-	247	-	-	247	-	-
420	Safe routes to school mini grant	-	367	-	-	367	-	-
425	Speed grant	-	3,207	-	-	3,207	-	-
441	ATV spring grant	-	5,343	-	-	5,343	-	-
445	Drive sober Maine	-	6,626	-	-	6,626	-	-
447	Distracted driving grant	-	2,885	-	-	2,885	-	-
463	Ride team grant	-	13,933	-	-	13,933	-	-
406	Beach reserve	18,274	-	-	194	-	-	18,468
407	Committee for veterans affairs	-	-	325	-	-	-	325
416	Maine partners initiative	129,581	-	-	-	30,457	-	99,124
440	Harbor dredge	279,975	-	22,418	-	3,023	-	305,416
442	Harbor/wharf	338,518	-	39,263	4,366	3,273	72,398	-
456	MMA wellness	257	1,226	-	-	-	742	-
469	COVID - Keep Maine Health	-	23,269	-	-	-	23,269	-
471	York Beach TIF	134,391	-	-	-	-	-	134,391
488	Long sands MPI grant	136,236	-	-	-	-	87,033	-
490	Performance accounts	121,329	-	74,317	-	-	83,481	-
493	FEMA 4354 fall grant	(208,973)	-	-	-	-	236,412	-
494	FEMA 4367 spring grant	(1,121,227)	23,100	-	-	-	186,729	5,718
496	Causeway MPI grant	-	-	-	-	-	38,027	38,027
497	Rt. 1 and York Beach	-	39,145	-	-	-	39,145	-
519	COVID - FEMA 4522	-	18,920	-	-	-	32,210	-
<b>Total</b>		<b>\$ (171,639)</b>	<b>142,654</b>	<b>135,998</b>	<b>4,691</b>	<b>6,490</b>	<b>866,897</b>	<b>43,745</b>
<b>(704,958)</b>								

## **NONMAJOR PROPRIETARY FUNDS**

Proprietary funds are used to report activities that are generally self-supporting through charging users fees and other related revenues.

**TOWN OF YORK, MAINE**  
**Nonmajor Proprietary Funds**  
**Combining Statement of Net Position**

June 30, 2020

	Mt. Recreation	Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Center for Active Living	Totals
<b>ASSETS</b>							
Current assets:							
Cash and cash equivalents	\$ 1,110	300	600	-	-	164	2,174
Inventory	-	-	119,582	-	-	-	119,582
Prepaid expenses	334	-	-	-	-	319	653
Interfund loan receivable	207,840	30,974	199,287	42,113	15,793	78,833	574,840
Total current assets	209,284	31,274	319,469	42,113	15,793	79,316	697,249
Noncurrent assets:							
Land	-	-	750,000	-	-	-	750,000
Capital assets being depreciated	-	-	645,559	-	-	82,476	728,035
Accumulated depreciation	-	-	(432,478)	-	-	(82,476)	(514,954)
Total noncurrent assets	-	-	963,081	-	-	-	963,081
Total assets	209,284	31,274	1,282,550	42,113	15,793	79,316	1,660,330
<b>LIABILITIES</b>							
Accounts payable	3,151	566	27,916	-	-	980	32,613
Accrued payroll	1,587	2,521	3,517	-	-	-	7,625
Total liabilities	4,738	3,087	31,433	-	-	980	40,238
<b>NET POSITION</b>							
Net investment in capital assets	-	-	963,081	-	-	-	963,081
Unrestricted	204,546	28,187	288,036	42,113	15,793	78,336	657,011
Total net position	\$ 204,546	28,187	1,251,117	42,113	15,793	78,336	1,620,092

**TOWN OF YORK, MAINE**  
**Nonmajor Proprietary Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**For the year ended June 30, 2020**

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Center for Active Living	Totals
<b>Operating revenues:</b>							
User fees	\$ 296,732	-	-	55,403	-	73,058	425,193
Sponsorships/memberships	48,517	-	-	-	-	4,807	53,324
Gift shop sales	-	13,068	589,607	-	-	-	602,675
Rental income	-	44,484	-	-	7,200	-	51,684
Donations	-	19,150	25,860	-	-	523	45,533
<b>Total operating revenues</b>	<b>345,249</b>	<b>76,702</b>	<b>615,467</b>	<b>55,403</b>	<b>7,200</b>	<b>78,388</b>	<b>1,178,409</b>
<b>Operating expenses:</b>							
Cost of goods	19,037	1,763	262,460	-	-	14,576	297,836
Salaries and benefits	228,046	74,529	110,028	54,804	-	8,720	476,127
Training, meetings, and travel	2,009	385	1,398	-	-	15	3,807
Equipment and maintenance	100	3,955	1,480	-	406	5,663	11,604
Office expenses	10,436	4,417	6,067	-	-	-	20,920
Supplies	43,562	7,625	11,488	-	3,943	18,947	85,565
Contracts	99,840	14,747	26,216	-	-	29,029	169,832
Utilities	-	2,343	2,786	-	-	672	5,801
Fuel	-	-	-	-	-	1,511	1,511
Depreciation	-	-	17,509	-	-	8,248	25,757
<b>Total operating expenses</b>	<b>403,030</b>	<b>109,764</b>	<b>439,432</b>	<b>54,804</b>	<b>4,349</b>	<b>87,381</b>	<b>1,098,760</b>
<b>Income (loss) before capital contributions and transfers</b>							
	(57,781)	(33,062)	176,035	599	2,851	(8,993)	79,649
Capital contributions	-	-	55,690	-	-	-	55,690
Transfers in	-	-	-	2,067	-	-	2,067
Transfers out	-	-	(123,100)	(4,760)	-	-	(127,860)
<b>Change in net position</b>	<b>(57,781)</b>	<b>(33,062)</b>	<b>108,625</b>	<b>(2,094)</b>	<b>2,851</b>	<b>(8,993)</b>	<b>9,546</b>
<b>Total net position, beginning of year, restated</b>	<b>262,327</b>	<b>61,249</b>	<b>1,142,492</b>	<b>44,207</b>	<b>12,942</b>	<b>87,329</b>	<b>1,610,546</b>
<b>Total net position, end of year</b>	<b>\$ 204,546</b>	<b>28,187</b>	<b>1,251,117</b>	<b>42,113</b>	<b>15,793</b>	<b>78,336</b>	<b>1,620,092</b>

## **SCHEDULE**

**TOWN OF YORK, MAINE**  
**General Fund Reserves**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For year ended June 30, 2020**

		Balance beginning of year		Charges for Services	Other revenues	Appropriations	Expenditures	Transfers in	Transfers out	Balance end of year	
			Interest	Donations							
134	Fire Equipment	\$ (268)	-	-	-	-	-	268	-	-	
400	Munis implementation	62,019	-	-	-	-	42,656	67,723	-	87,086	
401	350th	5,469	58	-	-	-	-	-	-	5,527	
403	Academic reimbursement	8,148	87	-	-	-	2,000	-	-	10,235	
404	Animal welfare	22,916	-	-	-	-	-	-	-	22,916	
408	Building	5,565	811	-	115,697	-	-	-	-	122,073	
412	Capital equipment	71,436	760	-	-	-	4,044	-	(5,718)	62,434	
414	CEO	684,253	-	-	43,070	-	29,117	-	(130,000)	568,206	
422	Earned time	163,075	1,775	-	-	60,000	85,874	-	-	138,976	
426	York Beach fire truck	2,058	9	-	-	-	-	-	(2,335)	(268)	
428	Fishermen's Fund	1,050	11	-	-	-	-	-	-	1,061	
430	Fishermen's Memorial	1,015	11	-	-	-	-	-	-	1,026	
432	Sustainability	-	-	-	-	-	16,201	50,000	-	33,799	
433	Comprehensive plan	-	-	-	-	-	-	200,000	-	200,000	
434	Chase Pon/CN Rvr bridge design	-	-	-	-	-	-	75,000	-	75,000	
438	LS bathhouse fundraising	29,097	309	-	-	-	47	-	-	29,359	
450	Hoist repair	11,594	123	-	850	-	105	-	-	12,462	
455	Town hall planning/design	-	-	-	-	-	-	20,000	-	20,000	
460	Sohier Park building	21,736	234	-	-	-	81,500	82,000	-	22,470	
470	Sohier Park maintenance	-	-	-	-	-	41,100	41,100	-	-	
478	Unemployment	12,852	180	-	-	7,500	6,047	-	-	14,485	
479	Village lights	1,706	9	475	-	-	1,521	-	-	669	
483	Iron/Metal Recycling	43,384	-	-	8,029	-	9,681	-	-	41,732	
486	Construction settlement	26,533	-	-	-	-	5,204	-	-	21,329	
<b>Total</b>		<b>\$ 1,173,638</b>	<b>4,377</b>	<b>475</b>	<b>51,949</b>	<b>115,697</b>	<b>69,500</b>	<b>323,097</b>	<b>536,091</b>	<b>(138,053)</b>	<b>1,490,577</b>