COUNTY OF PENOBSCOT, MAINE

FINANCIAL STATEMENTS

DECEMBER 31, 2024

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To the County Commissioners of the
County of Penobscot, Maine

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Penobscot, Maine as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County of Penobscot, Maine's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Adverse
Governmental Fund – General Fund	Unmodified
Governmental Fund – Jail Fund	Unmodified
Governmental Fund – Grants Fund	Unmodified
Governmental Fund – PRCC Bond Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Governmental Activities

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse and Unmodified Opinion" paragraph, the financial statements referred to above do not present fairly the financial position of the governmental activities of the County of Penobscot, Maine as of December 31, 2024, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Each Major Fund and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the County of Penobscot, Maine as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Penobscot, Maine, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on Governmental Activities

As discussed in Note 13 to the financial statements, related to health insurance benefits, management has not recorded a liability for other post-employment benefits (OPEB) obligations related to retiree health insurance benefits in accordance with Governmental Accounting Standards Board Statement No. 75 (GASB No. 75) within the governmental activities and has not recognized deferred outflows of resources, deferred inflows of resources or included disclosures and supplementary information required by GASB No. 75. Accounting principles generally accepted in the United States of America require that liabilities, deferred inflows of resources and deferred outflows of resources related to OPEB obligations be reported in accordance with GASB No. 75 for fiscal years beginning after June 15, 2017. The amount by which this departure would affect the deferred outflows of resources, liabilities, deferred inflows of resources, net position, and expenses of the governmental activities has not been determined.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County of Penobscot, Maine's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and the Schedule of Employer's Pension Contributions, the Schedule of Employer's Share of Net Pension Liability and the Schedule of Changes in Net OPEB Liability and Related Ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Penobscot, Maine's basic financial statements. The combining and individual fund financial statements and schedules and the accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 August 5, 2026, on our consideration of the County of Penobscot, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Penobscot's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Penobscot, Maine's internal control over financial reporting and compliance.

Chester M. Kearney

Presque Isle, Maine
August 5, 2026

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

(UNAUDITED)

The following management's discussion and analysis of the County of Penobscot, Maine's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the County's financial statements.

Financial Statement Overview

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

The Statement of Net Position – this statement presents *all* of the government's assets and liabilities with the difference being reported as net position.

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

The types of activities presented for the County of Penobscot are:

- Governmental activities – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the County's basic services are reported in governmental activities, which include County Treasurer, Registry of Deeds, Registry of Probate, Jail, District Attorney, Sheriff, and County Commissioners, buildings and other unclassified.

Fund Financial Statements

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

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

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

The County of Penobscot presents three columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County's major governmental funds are the general fund, jail fund, grants fund, and PRCC bond fund. All other funds are shown as nonmajor and are presented in the "Other nonmajor funds" column on these statements.

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to financial statements can be found following the fiduciary fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions and related notes.

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the County's governmental activities. The County's total net position decreased by $1,534,478 from $12,546,982 to $11,012,504. This decrease was largely a result of rising costs in the jail department.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased to a balance of $252,977 at the end of this year.

Table 1
County of Penobscot, Maine
Net Position
Years Ended December 31,

	2024	2023
Assets		
Current and other assets	18,665,248	29,143,700
Capital assets	10,703,287	9,156,192
Total Assets	29,368,535	38,299,892
Deferred outflows of resources		
Deferred outflows related to pension expense	2,251,893	1,312,622
Deferred outflows related to OPEB expense	31,496	42,698
Total Deferred Outflows	2,283,389	1,355,320
Liabilities		
Current liabilities	13,688,590	21,534,625
Long-term liabilities	5,951,009	4,404,204
Total Liabilities	19,639,599	25,938,829
Deferred inflows of resources		
Deferred inflows related to pension expense	491,569	575,363
Deferred inflows related to OPEB expense	57,035	52,386
Unearned lease revenue	451,217	541,652
Total Deferred Inflows	999,821	1,169,401
Net position		
Invested in capital assets, net of related debt	10,672,616	9,056,299
Restricted	86,911	72,327
Unrestricted	252,977	3,418,356
Total Net Position	11,012,504	12,546,982

Table 2
County of Penobscot, Maine
Change in Net Position
Years Ended December 31,

	2024	2023
Revenues		
Program revenues:		
Charges for services	4,886,638	4,493,674
Operating grants and contributions	12,999,124	8,935,024
General revenues:		
Tax commitment	22,887,525	21,087,005
Rental of office space	94,469	154,414
Other revenues	2,548,098	2,242,557
Total Revenues	43,415,854	36,912,674

Table 2
County of Penobscot, Maine
Change in Net Position
Years Ended December 31,

	2024	2023
Expenses		
Human relations	295,468	226,238
Emergency management	423,292	427,854
Telecommunications	3,747,381	3,797,534
District attorney	1,460,894	1,282,959
County commissioners	437,646	414,690
County treasurer	375,340	364,355
County buildings	1,299,167	1,330,214
Jail	15,497,119	13,899,602
ARPA grant	7,397,314	4,417,419
MAT grant	122,953	113,762
Registry of deeds	380,858	345,948
Registry of probate	594,225	515,744
Sheriff	8,582,844	7,386,980
Civil process	509,935	441,433
UT administration	194,996	179,420
IT department	679,618	856,816
Workplace safety	3,096	3,247
Employee benefits	4,213	7,245
County insurance	97,816	58,146
Development corporations	63,000	63,000
Programs/donations	1,877,454	1,506,682
Labor relations	10,020	1,477
Wage adjustments	-	1,612
Unallocated depreciation	141,252	139,030
Capital outlay	379,178	85,526
Interest on debt	85,407	80,466
OPEB expense (recovery)	(24,316)	(12,808)
Pension expense	314,162	563,724
Total Expenses	44,950,332	38,498,315
Change in net position	(1,534,478)	(1,410,641)
Net position – January 1	12,546,982	13,957,623
Net position – December 31	11,012,504	12,546,982

Revenues and Expenses

Revenues for the County's governmental activities increased by 17.6%, while total expenses increased by 16.8%. Revenues and expenses were fairly consistent with the prior year with the largest increases being in tax commitment revenue and ARPA grant revenue.

Financial Analysis of the County's Fund Statements

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

Table 3
County of Penobscot, Maine
Fund Balances – Gov't. Funds
December 31,

	2024	2023
Major funds:		
General fund:		
Nonspendable	808,159	465,415
Committed	100,000	100,000
Unassigned	(5,093,298)	(184,327)
Total General fund	(4,185,139)	381,088
Jail fund:		
Committed	507,420	-
Unassigned	-	(245,433)
Total Jail fund	507,420	(245,433)
Grants fund:		
Restricted	86,861	72,277
Total Grants fund	86,861	72,277
PRCC Bond fund:		
Unassigned	(717,686)	(449,888)
Total PRCC Bond fund	(717,686)	(449,888)
Total major funds	(4,308,544)	(241,956)
Non-major funds		
Special revenue:		
Restricted	50	50
Assigned	4,358,128	3,174,467
Unassigned	(77,831)	(157,608)
Total Special revenue	4,280,347	3,016,909

Capital projects:		
Committed	3,476,171	3,518,882
Unassigned	(6,088)	-
Total Capital projects	3,470,083	3,518,882
Total Non-major funds	7,750,430	6,535,791
Total Governmental funds	3,441,886	6,293,835

The general fund total fund balance decreased by $4,566,227 from the prior fiscal year. The jail fund balance increased by $752,853. The grants fund balance increased by $14,584. The PRCC bond fund balance decreased by $267,798. The other nonmajor fund balances increased by $1,214,639 from the prior fiscal year.

Budgetary Highlights

There was no significant difference between the original and final budget for the general fund.

The general fund actual revenues exceeded budget by $71,323. This was a result of charges for services coming in under the budgeted amount by $31,939 and interest revenues exceeding the budgeted amount by $111,662.

The general fund actual expenditures exceeded budget by $3,772,209. All expenditure categories were under budget with the exception of human relations, county commissioners, sheriff, programs/donations, labor relations, and transfers to other funds.

Capital Asset and Debt Administration

Capital Assets

As of December 31, 2024, the net book value of capital assets recorded by the County increased by $1,547,095 from the prior year. Refer to Note 4 of Notes to Financial Statements for more detailed information.

Table 4
County of Penobscot, Maine
Capital Assets (Net of Depreciation and Amortization)
December 31,

	2024	2023
Land	1,097,497	900,514
Construction in process	1,800,232	844,053
Buildings and improvements	4,249,512	4,404,556
Machinery and equipment	3,233,612	2,917,165
Intangible right-to-use leases	79,915	89,904
Intangible right-to-use software arrangements	242,519	-
Total	10,703,287	9,156,192

Debt

At December 31, 2024, the County had no bonds payable. The County did have long-term liabilities related to accrued compensated absences, pension liabilities, OPEB liabilities and finance leases which can be seen in Note 5 of Notes to Financial Statements.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Finance Department at 97 Hammond Street, Bangor, Maine 04401.

COUNTY OF PENOBSCOT, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities
ASSETS	
Current Assets	
Cash and cash equivalents	$ 15,660,438
Accounts receivable (net of allowance for uncollectibles)	1,343,505
Prepaid expenses	808,159
Total current assets	17,812,102
Noncurrent assets	
Capital assets	
Land and other assets not being depreciated	2,897,729
Depreciable assets, net of accumulated depreciation and amortization	7,805,558
Total noncurrent assets	10,703,287
Other assets	
Leases receivable	444,696
Right of use assets	408,450
Total other assets	853,146
Total assets	29,368,535
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension expense	2,251,893
Deferred outflows related to OPEB	31,496
Total deferred outflows of resources	2,283,389
LIABILITIES	
Current Liabilities	
Accounts payable	851,101
Payroll related liabilities	71,847
Deferred revenue	11,913,253
Line of credit	720,422
Lease payable, current portion	101,296
Notes payable, current portion	30,671
Total current liabilities	13,688,590
Noncurrent liabilities	
Noncurrent portion of long-term obligations	
Net pension liability	4,727,804
OPEB Liability	96,719
Accrued compensated absences	813,593
Lease payable, net of current portion	312,893
Notes payable, net of current portion	-
Total noncurrent liabilities	5,951,009
Total liabilities	19,639,599
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension expense	491,569
Deferred inflows related to OPEB	57,035
Unearned lease revenue	451,217
Total deferred inflows of resources	999,821
NET POSITION	
Invested in capital assets, net of related debt	10,672,616
Restricted	86,911
Unrestricted	252,977
Total net position	$ 11,012,504

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

COUNTY OF PENOBSCOT, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services / Dept Revenues	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities:					
Human relations	$ 295,468	$ -	$ -	$ -	$ (295,468)
Emergency management	423,292	-	214,795	-	(208,497)
Telecommunications	3,747,381	219,751	-	-	(3,527,630)
District attorney	1,460,894	5,040	-	-	(1,455,854)
County commissioners	437,646	135,456	-	-	(302,190)
County treasurer	375,340	105,629	-	-	(269,711)
County buildings	1,299,167	-	-	-	(1,299,167)
Jail	15,497,119	46,092	3,702,638	-	(11,748,389)
ARPA Grant	7,397,314	-	8,255,290	-	857,976
MAT grant	122,953	-	137,537	-	14,584
Registry of deeds	380,858	1,248,817	-	-	867,959
Registry of probate	594,225	257,636	-	-	(336,589)
Sheriff	8,582,844	2,358,319	-	-	(6,224,525)
Civil process	509,935	428,832	-	-	(81,103)
UT administration	194,996	70,910	-	-	(124,086)
IT department	679,618	10,156	-	-	(669,462)
Workplace safety	3,096	-	-	-	(3,096)
Employee benefits	4,213	-	-	-	(4,213)
County insurance	97,816	-	-	-	(97,816)
Development corporations	63,000	-	-	-	(63,000)
Programs / donations	1,877,454	-	688,864	-	(1,188,590)
Labor relations	10,020	-	-	-	(10,020)
Unallocated depreciation (Note 4)	141,252	-	-	-	(141,252)
Capital outlay	379,178	-	-	-	(379,178)
TAN interest	85,407	-	-	-	(85,407)
OPEB expense (recovery)	(24,316)	-	-	-	24,316
Pension expense (recovery)	314,162	-	-	-	(314,162)
Total government	$ 44,950,332	$ 4,886,638	$ 12,999,124	$ -	$ (27,064,570)

General revenues:	
Tax Commitment	22,887,525
PILT	175,000
Rental of office space	94,469
Interest	143,654
Other revenues	2,229,444
Total general revenues	25,530,092
Change in net position	(1,534,478)
Net position - January 1	12,546,982
Net position - December 31	$ 11,012,504

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

COUNTY OF PENOBSCOT, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Jail Fund	ARPA / MAT Grants Fund	PRCC Bond Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 3,717,355	$ -	$ 11,934,392	$ 5,438	$ 3,253	$ 15,660,438
Accounts receivable (net of allowance for uncollectables)	359,033	773,913	-	-	210,559	1,343,505
Prepaid expenses	808,159	-	-	-	-	808,159
Due from other funds	-	-	167,766	-	7,824,121	7,991,887
TOTAL ASSETS	4,884,547	773,913	12,102,158	5,438	8,037,933	25,803,989
LIABILITIES						
Accounts payable	$ 745,514	$ -	$ 102,044	$ 2,702	$ 841	$ 851,101
Payroll related liabilities	71,847	-	-	-	-	71,847
Due to other funds	7,705,225	-	-	-	286,662	7,991,887
Deferred revenue	-	-	11,913,253	-	-	11,913,253
Line of credit	-	-	-	720,422	-	720,422
Accrued compensated absences	547,100	266,493	-	-	-	813,593
TOTAL LIABILITIES	9,069,686	266,493	12,015,297	723,124	287,503	22,362,103
FUND BALANCES						
Nonspendable	808,159	-	-	-	-	808,159
Restricted	-	-	86,861	-	50	86,911
Committed	100,000	507,420	-	-	3,476,171	4,083,591
Assigned	-	-	-	-	4,358,128	4,358,128
Unassigned	(5,093,298)	-	-	(717,686)	(83,919)	(5,894,903)
TOTAL FUND BALANCES	(4,185,139)	507,420	86,861	(717,686)	7,750,430	3,441,886
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 4,884,547	$ 773,913	12,102,158	5,438	$ 8,037,933	$ 25,803,989

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

COUNTY OF PENOBSCOT, MAINE

RECONCILIATION OF THE GOVERNMENTAL BALANCE SHEET TO THE
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Total Governmental Funds
Total Fund Balances	$ 3,441,886
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governemental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation and amortization	10,703,287
Amounts reported related to net pension liabilty under GASB #68 are used in governmental activities and therefore are not reported in the funds	
Net pension liability	(4,727,804)
Deferred outflows of resources	2,251,893
Deferred inflows of resources	(491,569)
	(2,967,480)
Amounts reported related to net OPEB liability under GASB #75 are used in governmental activities and therefore are not reported in the funds	
Net OPEB liability	(96,719)
Deferred outflows of resources	31,496
Deferred inflows of resources	(57,035)
	(122,258)
Amounts reported related to leases under GASB #87 are used in governmental activities and therefore are not reported in the funds	
Leases receivable	444,696
Right of use assets	408,450
Leases payable	(414,189)
Unearned lease revenue	(451,217)
	(12,260)
Long-term liabilities shown below are not due and payable in the current period and therefore are not reported in the funds shown above:	
Notes payable	(30,671)
Net position of governmental activities	$ 11,012,504

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

COUNTY OF PENOBSCOT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund	Jail Fund	ARPA / MAT Grants Fund	PRCC Bond Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes	$ 22,887,525	$ -	$ -	$ -	$ -	$ 22,887,525
PILT	175,000	-	-	-	-	175,000
Intergovernmental	214,795	3,702,638	8,392,827	-	688,864	12,999,124
Charges for services/other fees	4,840,546	46,092	-	-	-	4,886,638
Rental of office space	94,469	-	-	-	-	94,469
Interest	119,162	-	-	702	23,790	143,654
Other revenues	14,462	22,677	-	-	2,192,305	2,229,444
TOTAL REVENUES	28,345,959	3,771,407	8,392,827	702	2,904,959	43,415,854
EXPENDITURES						
Current:						
Human relations	295,468	-	-	-	-	295,468
Emergency management	416,865	-	-	-	-	416,865
Telecommunications	3,739,416	-	-	81,412	-	3,820,828
District attorney	1,459,940	-	-	-	-	1,459,940
County commissioners	437,646	-	-	-	-	437,646
County treasurer	375,340	-	-	-	-	375,340
County buildings	1,359,389	-	-	-	-	1,359,389
Jail	-	15,419,996	-	-	-	15,419,996
Registry of deeds	380,858	-	-	-	-	380,858
Registry of probate	594,225	-	-	-	-	594,225
Sheriff	8,591,356	-	-	-	-	8,591,356
Civil process	509,935	-	-	-	-	509,935
UT administration	194,996	-	-	-	-	194,996
IT department	856,055	-	-	-	-	856,055
Workplace safety	3,096	-	-	-	-	3,096
MPERS	4,213	-	-	-	-	4,213
County insurance	97,816	-	-	-	-	97,816
Development corporations	63,000	-	-	-	-	63,000
Programs/donations	314,304	-	-	-	1,563,150	1,877,454
Labor relations	10,020	-	-	-	-	10,020
MAT grant	-	-	122,953	-	-	122,953
ARPA grant	-	-	8,255,290	-	-	8,255,290
Capital outlay	-	-	-	670,840	364,817	1,035,657
Interest on debt	68,344	-	-	17,063	-	85,407
TOTAL EXPENDITURES	19,772,282	15,419,996	8,378,243	769,315	1,927,967	46,267,803
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,573,677	(11,648,589)	14,584	(768,613)	976,992	(2,851,949)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	12,401,442	-	500,815	237,647	13,139,904
Operating transfers (out)	(13,139,904)	-	-	-	-	(13,139,904)
TOTAL OTHER FINANCING SOURCES (USES)	(13,139,904)	12,401,442	-	500,815	237,647	-
NET CHANGE IN FUND BALANCES	(4,566,227)	752,853	14,584	(267,798)	1,214,639	(2,851,949)
FUND BALANCES - JANUARY 1	381,088	(245,433)	72,277	(449,888)	6,535,791	6,293,835
FUND BALANCES - DECEMBER 31	$ (4,185,139)	$ 507,420	$ 86,861	$ (717,686)	$ 7,750,430	$ 3,441,886

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

COUNTY OF PENOBSCOT, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

Net change in fund balances - total governmental funds	$ (2,851,949)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation and amortization expense allocated to those expenditures over the life of the assets.	
Capital asset purchases	2,616,852
Depreciation and amortization expense	(1,069,757)
	1,547,095
Net change in lease assets, lease liabilities and lease-related deferred inflows under GASB #87 are not reported in the governmental funds	60,222
OPEB expense recovery reported under GASB #75 is not reported in the governmental funds	24,316
Pension expense recovery reported under GASB #68 is not reported in the governmental funds	(314,162)
Change in net position of governmental activities	$ (1,534,478)

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

COUNTY OF PENOBSCOT, MAINE

STATEMENT OF FIDUCIARY FUNDS NET POSITION (DEFICIT)

DECEMBER 31, 2024

	Private Purpose Trust Fund	Custodial Funds										
		Registry of Deeds & Probate	Extradition Account	Inmate Account	Civil Revenue Account	Officer Account	Restitution Account	TPA Account	Witness Account	SO Forfeiture	Northeastern Workforce Development Board	Total
ASSETS												
Cash and cash equivalents	$ -	$ 429,137	$ 28,346	$ 24,556	$ 70,571	$ 11,831	$ 46,762	$ 243,077	$ 291,344	$ 91,377	$ 11,439	$ 1,248,440
Accounts receivable	-	-	-	-	-	-	-	-	-	-	138,251	138,251
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-
Investments, at fair value	12,494,144	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	12,494,144	429,137	28,346	24,556	70,571	11,831	46,762	243,077	291,344	91,377	149,690	1,386,691
LIABILITIES												
Accounts payable and accrued expenses	-	-	-	-	-	-	-	-	-	-	245,502	245,502
Deposits held for others	-	429,137	28,346	24,556	70,571	11,831	46,762	-	291,344	91,377	-	993,924
TOTAL LIABILITIES	-	429,137	28,346	24,556	70,571	11,831	46,762	-	291,344	91,377	245,502	1,239,426
NET POSITION (DEFICIT)												
Unrestricted	-	-	-	-	-	-	-	243,077	-	-	(95,812)	147,265
Held in trust for employee benefits	12,494,144	-	-	-	-	-	-	-	-	-	-	-
	12,494,144	-	-	-	-	-	-	243,077	-	-	(95,812)	147,265
TOTAL LIABILITIES AND NET POSITION (DEFICIT)	$ 12,494,144	$ 429,137	$ 28,346	$ 24,556	$ 70,571	$ 11,831	$ 46,762	$ 243,077	$ 291,344	$ 91,377	$ 149,690	$ 1,386,691

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

COUNTY OF PENOBSCOT

STATEMENT OF CHANGES IN FIDUCIARY FUNDS NET POSITION (DEFICIT)

FOR THE YEAR ENDED DECEMBER 31, 2024

		Custodial Funds		
	Private Purpose Trust Fund	TPA Account	Northeastern Workforce Development Board	Total
ADDITIONS				
Contributions	$ 602,477	$ -	$ -	$ -
Federal grants	-	-	2,328,136	2,328,136
Net increase in the fair value of investments	1,393,777	-	-	-
Interest income	16,229	11,535	2,548	14,083
Inmate sales	-	190,904	-	190,904
Other	62,736	-	-	-
Total additions	2,075,219	202,439	2,330,684	2,533,123
DEDUCTIONS				
Salaries	-	-	117,315	117,315
Benefits	-	-	25,959	25,959
Travel	-	-	7,271	7,271
Supplies	-	-	489	489
Professional fees	-	-	52,875	52,875
Other administrative expenses	1,701	13,416	46,144	59,560
Payments to sub-recipients	-	-	2,122,947	2,122,947
Program expenses	-	-	3,117	3,117
Interest expense	-	-	-	-
Inmate store	-	123,229	-	123,229
Inmate costs	-	29,184	-	29,184
Distributions	1,045,731	-	-	-
Total deductions	1,047,432	165,829	2,376,117	2,541,946
CHANGE IN NET POSITION (DEFICIT)	1,027,787	36,610	(45,433)	(8,823)
NET POSITION (DEFICIT) - JANUARY 1	11,466,357	206,467	(50,379)	156,088
NET POSITION (DEFICIT) - DECEMBER 31	$ 12,494,144	$ 243,077	$ (95,812)	$ 147,265

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Penobscot , Maine (the County), was incorporated under the laws of the State of Maine. The County operates under the commissioner-manager form of government and provides the following services: Jail services, District Attorney, Sheriff, Registry of Deeds, Registry of Probate, Treasurer, and Commissioners.

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

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

Government–Wide and Fund Financial Statements

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

Both the government-wide and fund financial statements categorize primary activities as governmental. All activities of the County are categorized as governmental.

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

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

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

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

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

Measurement Focus – Basic Financial Statements and Fund Financial Statements

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

The following fund types are used by the County:

Governmental Funds:

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

a. The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

b. Jail Fund is operating fund of the County that was established by state statutes.

c. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. There is one major Special Revenue Fund (ARPA / MAT Grants Fund) that is used to track activity involving ARPA (American Rescue Plan Act) and MAT (Medication Assisted Treatment) grant funds.

d. Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities. There is one major Capital Projects Fund (PRCC Bond Fund) that is used to track activity on the PRCC upgrade project.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Fiduciary Funds:

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

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

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

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

Budget

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

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

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Budget (cont'd.)

The budget committee reviews the budget and makes recommendations to the County Commissioners. The budget is adopted subsequent to passage by the commissioners of the County.

The County does not adopt budgets for Special Revenue Funds or Capital Projects Funds.

Deposits and Investments

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

Fair values for investments are determined by the framework established by FASB *ASC 820, Fair Value Measurements and Disclosures*, which requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

Level 1 – Observable inputs such as quoted market prices in active markets for identical assets or liabilities.
Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3 – Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

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

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

The County of Penobscot has no formal investment policy but instead follows the State of Maine Statutes. They are in the process of adopting a more detailed investment policy.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase and are not included in the general fund balance sheet.

Interfund Receivables and Payables

Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "interfund balances". Interfund balances and transactions have been eliminated in the government-wide financial statements. There were no business-type activities for the current year.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of both Governmental and Proprietary Funds. There were no proprietary funds for the current year.

Allowance for Uncollectible Accounts

Management believes all outstanding receivables to be collectible; therefore, the allowance for uncollectible accounts is estimated to be $0 as of December 31, 2024.

Capital Assets

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

The assets are valued at historical cost when available and estimated historical cost when actual invoices or budgetary data is unavailable. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. The County has not retroactively recorded infrastructure.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Capital Assets (cont'd.)

Estimated useful lives are as follows:

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

Subscription-Based Information Technology Arrangements (SBITA) – The County follows the provisions of Statement No. 96 of the Governmental Accounting Standards Board (GASB) – Subscription Based Technology Arrangements.

The County has entered into a contract that conveys control of the right to use information technology software. The County has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements. At the commencement of the IT subscription term, the County initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The right-to-use an IT subscription asset is initially measured as the sum of the initial IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalization implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to IT subscription arrangements include how the District determines the discount rate it uses to discount the expected payments to present value, term, and payments.

The County uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate.

The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

The County monitors changes in circumstances that would require a remeasurement of its IT subscription and will remeasure the right-to-use IT subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Long-term Obligations

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide or fund financial statements. The long-term debt consists primarily of capital leases payable and compensated absences.

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

Compensated Absences

The County has adopted the provisions of Statement No. 101 of the Governmental Accounting Standards Board (GASB) Accounting Board – Compensated Absences, effective January 1, 2024. GASB #101 revised the requirements for accruing unpaid compensated absences. Adoption of this standard does not impact previously reported net position.

Vested or accumulated vacation leave that is expected to liquidate with expendable available financial resources is reported in an expenditure and fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue.

Under terms of personnel policies and a union contract, vacation and sick leave are granted in varying amounts according to length of service. In some cases, employees are entitled to payment for unused vacation upon termination or retirement. Additionally, certain employees earn compensatory time off for overtime worked.

All accrued vacation and the eligible portion of accrued sick time has been recorded in the statement of net position and amounts to $813,593. Management has estimated that the entirety of this balance is noncurrent.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Net Position

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

Net Position Flow Assumption

At times, the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to be depleted before unrestricted net position is applied.

Fund Balances

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

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

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

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the County Commissioners. The County Commissioners are the highest level of decision-making authority of the County. Commitments may be established, modified, or rescinded only through a meeting of the County Commissioners.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Fund Balances (cont'd.)

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

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

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

The County is in the process of adopting a set of financial policies to guide the financial operation of the County. Included in the policies will be guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

Encumbrance Accounting

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

Program Revenues

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

Use of Estimates

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Deferred Outflows of Resources

The County reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its statement of net position. The County's deferred outflows of resources as of December 31, 2024, are related to amounts for future pension expense and other post-employment benefit obligations.

Deferred Inflows of Resources

The County reports a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to future periods. The County will not recognize the related revenues until a future event occurs. The County's deferred inflows of resources consist of items related to pension expense and other post-employment benefit obligations.

Leases

The County follows the provisions of Statement No. 87 of the Governmental Accounting Standards Board (GASB) – Leases. GASB 87 expands required reporting of long-term lease commitments. See note #20 for additional detail related to leases.

(2) DEPOSITS AND INVESTMENTS

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

Deposits

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

The County's cash is categorized to give an indication of the level of risk assumed by the County at year end. These categories are defined as follows:

Category #1 - Insured or collateralized with securities held by the County or by its agent in the County's name.

(2) DEPOSITS AND INVESTMENTS (cont'd.)

Category #2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.

Category #3 - Uncollateralized, which includes any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the County's name.

At December 31, 2024, the County's governmental activities' cash balance of $15,660,438 and fiduciary funds' cash balance of $1,248,440 was comprised of bank deposits amounting to $19,517,603. This entire amount was fully insured by federal depository insurance or covered by an irrevocable letter of credit and thus not exposed to custodial credit risk.

Account Type	Bank Balance
Checking Accounts	$ 5,955,923
Savings Accounts	13,561,680
	$ 19,517,603

Investments

Custodial credit risk for investments is that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. At December 31, 2024, $500,000 of the County's mutual fund investments, held as a fiduciary private purpose trust fund for the County's deferred compensation plan, was covered by the Securities Investor Protection Corporation (SIPC) and consequently not exposed to custodial credit risk. The remaining $11,994,144 was comprised of mutual funds which were uninsured and collateralized and therefore exposed to custodial credit risk.

Investments are stated at market value, determined using level 1 inputs as defined in Note #1.

At December 31, 2024, the County had the following investments and maturities reported as fiduciary private purpose trust fund:

Account type	Fair Value	Demand	Maturity <1 Year	Maturity 2-5 Years
Mutual funds - equity	$12,494,144	$12,494,144	$ 0	$0

Credit risk – The County does not have an investment policy on credit risk. Generally, the County invests excess funds in savings accounts and various certificates of deposit.

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

(3) INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2024 consisted of the following individual fund receivables and payables:

	Receivables (Due From)	Payables (Due to)
General fund	$ -	$ 7,705,225
Grants fund	167,766	-
Special revenue funds	4,347,950	280,574
Capital projects funds	3,476,171	6,088
	$ 7,991,887	$ 7,991,887

(4) CAPITAL ASSETS

The following is a summary of changes in capital assets at December 31, 2024:

	Balance 1/1/2024	Additions	Disposals	Balance 12/31/2024
Governmental activities				
Non-depreciated assets				
Land	$ 900,514	196,983		$ 1,097,497
Construction in process	844,053	956,179		1,800,232
	$1,744,567	1,153,162		$ 2,897,729
Depreciated assets				
Land improvements	$ 62,000			$ 62,000
Buildings	9,091,717			9,091,717
Building improvements	5,253,161	89,030		5,342,191
Machinery and equipment	4,503,809	483,979		4,987,788
Vehicles	2,717,613	587,532		3,305,145
Intangible right-to-use leases - equipment	99,893			99,893
Intangible right-to-use software arrangements		303,149		303,149
	21,728,193	1,463,690		23,191,883
Less: Accumulated depreciation & amortization	(14,316,568)	(1,069,757)		(15,386,325)
	7,411,625	393,933		7,805,558
Net capital assets	$ 9,156,192	1,547,095		$ 10,703,287

The County has one software arrangement that requires recognition under GASBS No. 96. The software amortization expense is included on the Statement of Activities related to the County's intangible asset of one software system, which is included in the above table as Intangible Right-to-Use Software Arrangements. The County now recognizes an intangible right-to-use asset for the Motorola software in the IT department. No subscription-based information technology arrangements (SBITA) liability has been recognized as the subscription was paid in a lump sum.

(4) CAPITAL ASSETS (cont'd)

Current year depreciation & amortization	
Sheriff	$ 520,645
PRCC	190,062
EMA	6,427
District Attorney	954
Jail	83,705
IT Department	126,712
Unallocated depreciation	141,252
Total depreciation expense	$1,069,757

(5) LONG-TERM LIABILITIES

The following is a summary of changes in the long-term liabilities for the year ended December 31, 2024:

	Balance 1/1/2024	Additions	Reductions	Balance 12/31/2024	Current Portion
Accrued compensated absences	846,070	-	32,477	813,593	-
Pension liability	3,390,577	1,337,227	-	4,727,804	-
OPEB liability	136,886	-	40,167	96,719	-
Leases payable (Operating Leases)	-	414,189	-	414,189	101,296
Notes payable (Finance Leases)	99,893	-	69,222	30,671	30,671
	4,473,426	1,751,416	141,866	6,082,976	131,967

(6) RESTRICTED FUND BALANCES

At December 31, 2024, the County has the following restricted fund balances:

Non-major special revenue funds (Pages 59-73)	$ 50
ARPA/MAT Grants fund	86,861
	$ 86,911

(7) COMMITTED FUND BALANCES

Title 30-A, Section 922, Maine Revised Statutes Annotated of 1964 provides that a County can establish a contingency account not to exceed the greater of 1.5% of the annual county budget or $100,000. This fund may be used at the discretion of the County Commissioners for emergency purposes only. The contingency account balance was $100,000 as of December 31, 2024.

(7) COMMITTED FUND BALANCES (cont'd)

Title 30-A, Section 922, Maine Revised Statutes Annotated of 1964 provides that any unexpended balance of capital expenditures shall not lapse but shall be carried forward into the next year or until the purpose for which said account was established has been completed. At December 31, 2024, the capital project accounts carried forward can be found on pages 74-84.

At December 31, 2024, the County had the following committed fund balances:

Contingency	$	100,000
Jail fund		507,420
Non-major capital project funds (pages 74-84)		3,476,171
	$	4,083,591

(8) ASSIGNED FUND BALANCES

At December 31, 2024, the County had the following assigned fund balances:

Non-major special revenue funds (pages 59-73)	$	4,358,128
	$	4,358,128

(9) DEFERRED COMPENSATION PENSION PLAN

VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY

A. Plan Description

The County offers certain employees a deferred compensation plan with Voya Retirement Insurance and Annuity Company (formerly ING North America Insurance Corporation) created in accordance with Internal Revenue Code Section 457(b). The plan, available to County employees as part of a collective bargaining agreement and to the County elected officials and assistants to department heads, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights (until paid or made available to the employee or other beneficiary) are held in a trust for the exclusive benefit of participants and their beneficiaries. All amounts are not subject to the claims of the County's general creditors.

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

(9) DEFERRED COMPENSATION PENSION PLAN (cont'd.)

B. Funding Policy

Under the deferred compensation plan, employees may elect to participate. Employees are required to contribute a minimum of $600 of their annual salary to participate in the plan. The County is required to match 6.5% - 7% of the employee's contribution. The rate is determined by the individual collective bargaining plans under which the employees operate. Non-union employees became eligible to participate and receive a 7% match in November 2016. The employee's contribution is tax-deferred for federal and state taxes until the withdrawal date. Employees are immediately 100% vested in employee and employer contributions. Employer contributions for the year ended December 31, 2024 totaled $156,931.

(10) DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

A. Plan Description

County employees contribute to the Participating Local Districts (PLDs) Consolidated Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Maine Public Employees Retirement System (MainePERS). The PLDs Consolidated Plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the PLD's Consolidated Plan Board of Trustees. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PLDs Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333, by calling (800) 451-9800 or at MainePERS.org.

B. Funding Policy

The contribution requirements of plan members and the County are established and may be amended by the PLD's Consolidated Board of Trustees. The County's employees are part of the PLD's plan "AC" and are required to contribute 7.7% of their annual salary through June 30, 2024. The rate decreased to 7.5% effective July 1, 2024. Through June 30, 2024, the County was required to contribute a blended rate of 10.2% of the plan "AC" members' covered payroll annually to the system along with a predetermined initial unpooled unfunded actuarial liability (IUUAL) rate set by the system. The blended rate decreased to 9.9%, effective July 1, 2024. The IUUAL can either be a monthly payment or credit, which is added to or subtracted from the employer's percentage of employees' covered payroll to determine the employers actual cost. Beginning July 1, 2017, as part of their collective bargaining plan, corrections employees were transferred to MainePers PLD "2C" plan under which employers contribute 11.6%. This rate increased to 11.8% effective July 1, 2024.

(10) DEFINED BENEFIT PENSION PLAN (cont'd.)

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

The Net Pension Liability (Asset) was measured as of June 30, 2024, by MainePERS and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The County reported a liability of $4,727,804 for its proportionate share of the Net Pension Liability. The County recognized pension expense of $314,162, plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

The County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$1,403,190	
Difference between projected and actual earnings		$ 491,569
Changes of assumptions		
Contributions subsequent to the measurement date	599,203	
Changes in proportion and differences between employer contributions and proportionate share of contributions	249,500	
	$2,251,893	$ 491,569

$599,203 is reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2025	650,373
2026	1,270,726
2027	(65,521)
2028	(95,254)

(10) DEFINED BENEFIT PENSION PLAN (cont'd.)

Discount Rate

The discount rate used to measure the collective pension liability was 6.50% for 2024. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at the contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table shows how the collective net pension liability as of June 30, 2024 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for the PLD Consolidated Plan.

1% Decrease	Current Discount Rate	1% Increase
5.50%	6.50%	7.50%
$11,813,087	$4,727,804	(1,109,656)

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 adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Public Equities	5.6%
U.S. Government	2.2%
Private equity	7.2%
Real estate	5.8%
Infrastructure	5.3%
Natural resources	5.1%
Traditional credit	2.7%
Alternative credit	6.4%
Diversifiers	4.8%

(11) COMMITMENTS/CONTINGENCIES

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

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

(12) JAIL OPERATIONAL CONTINGENCIES

During its 2007 fiscal year, the State of Maine enacted legislation known as LD 2080 "An Act to Better Coordinate and Reduce the Cost of the delivery of State and County Correctional Services", located in Public Laws 2007, Chapter 653. This Act has in essence capped what counties can assess their municipalities for taxes to fund their corrections budgets, and will also establish the annual growth limitations for future corrections expenditures. A Board of Overseers at the State of Maine has been appointed to supervise county correction operations. The Act has raised many accounting and auditing issues regarding both financial and budgetary reporting. It is the position of the County that it addressed, to the best of its ability, these issues in its 2013 annual audit report.

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

(13) OTHER POST-EMPLOYMENT BENEFITS

The County, in accordance with its current health insurance company agreement, provides health and other benefits to eligible retirees and their spouses. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts towards the cost of receiving benefits under the County's medical benefits program.

Management was unable to obtain complete information to properly report deferred outflows of resources, deferred inflows of resources, OPEB liabilities and the related disclosures and required supplementary information in accordance with GASB No. 75 as required for fiscal years beginning after June 15, 2017.

(13) OTHER POST-EMPLOYMENT BENEFITS (cont'd.)

PLD Consolidated Plan – Retiree Group Life Insurance

Plan Description

The Group Life Insurance Plan for Retired Participating Local District (PLD) Employees (the PLD Consolidated Plan) is a multiple-employer cost sharing plan.

The Group Life Insurance Plans (the Plans) provide basic group life insurance benefits, during retirement, to retirees who participated in the Plans prior to retirement for a minimum of ten years (the 10-year participation requirement does not apply to recipients of disability retirement benefits).

The level of coverage in retirement is initially set to an amount equal to the retiree's average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or $2,500.

The Net OPEB Liability was measured as of June 30, 2024, by MainePERS and the total pension liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The County reported a liability of $96,719 for its proportionate share of the Net Pension Liability. The County recognized OPEB recovery of $24,316 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

The County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,059	$ 5,831
Difference between projected and actual earnings		7,429
Changes of assumptions	4,111	13,180
Contributions subsequent to the measurement date	13,045	
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,281	30,595
	$ 31,496	$ 57,035

(13) OTHER POST-EMPLOYMENT BENEFITS (cont'd.)

$13,045 is reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2025	(7,458)
2026	(87)
2027	(7,807)
2028	(6,001)
2029	(4,186)

Discount Rate

The discount rate used to measure the total OPEB liability for the PLD Consolidated Plan was 6.50%, equal to the assumed long-term expected rate of return as of June 30, 2026. 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 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.

The following table shows how the collective net pension liability as of June 30, 2024, would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for the PLD Consolidated Plan.

1% Decrease	Current Discount Rate	1% Increase
5.50%	6.50%	7.50%
$143,204	$96,719	$59,336

Assets of the Plans are pooled for investment purposes and are allocated to each Plan based on each Plan's fiduciary net position. The long-term expected rate of return on the Plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2024, are summarized in the following table:

(13) OTHER POST-EMPLOYMENT BENEFITS (cont'd.)

Asset Class	Long-term Expected Real Rate of Return
Public Equities	5.6%
Traditional Credit	2.7%
US Government Securities	2.2%

(14) DEFICIT FUND BALANCES

At December 31, 2024, the County has the following special revenue and capital project funds with deficit fund balances:

Special revenue funds	
FY 18 Homeland Security	500
FY 20 Homeland Security	3,270
FY 22 Homeland Security	1,615
FY 23 Homeland Security	12,611
FY 24 Homeland Security	29,708
ACO Services	11,632
MDEA	2,162
Tri-County Workforce	168
Health Advisory Fund	7,500
MDEA Full-Time Officer	1,486
VWA Development	2,779
Mental Health	4,400
Capital projects funds	
PRCC Vehicle	6,088

(15) OVERSPENT APPROPRIATIONS

At December 31, 2024, the County has the following overspent appropriations:

Human relations	$ 20,803
County commissioners	17,105
Sheriff	485,936
Programs/donations	109
Labor relations	6,020
Transfers to other funds	4,876,386

(16) SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 5, 2026, the date the financial statements were available to be issued, and has determined that no additional disclosures are necessary.

(17) TAXES

As a municipal entity, the County is not subject to federal and state income taxes; accordingly, it is not necessary to consider the effects of any uncertain tax positions.

The County is subject to federal and state payroll taxes and is required to file the appropriate tax returns. Management believes that all required returns have been properly filed as of December 31, 2024. No examinations have been conducted by the federal or state taxing authorities and no correspondence has been received from these authorities.

(18) RISK MANAGEMENT

The County is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 1998, the Department contracted with Maine County Commissioners Association Self-Funded Risk Management Pool for property insurance and general liability insurance.

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

The County is self-funded regarding unemployment compensation. The County reimburses the State of Maine, which pays the former County employees while unemployed, for all valid unemployment claims. The County has a surety bond on file with the State of Maine for Security.

(19) LEASING

The County follows GASB #87 in regard to reporting leases. The policy is applied to contracts entered or changed, on or after January 1, 2022. The County assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the County assesses whether: the contract involves the use of an identified asset; the County has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use and if the County has the right to direct the use of the asset. The County recognizes a right of use asset and a lease liability at the lease commencement date.

The lease receivable is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those for property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the County's incremental borrowing rate. Generally, the County will use the incremental borrowing rate as the discount rate. The County has elected not to separate non-lease components of the contract and account for the lease and non-lease components as a single lease component.

When the County acts as a lessor, it determines at lease inception whether each lease is classified as a short-term lease, a contract that transfers ownership, or all other leases. Under GASB #87, a lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. If the underlying asset transfers ownership to the lessee by the end of the contract, the transaction should be reported as a financed purchase of the underlying asset by the lessee, or sale of the asset by the lessor. GASB #87 requires the recognition of lease payments received under short-term financing leases as income on a straight-line basis over the lease term. For long-term leases whereby the lessee has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use and has the right to direct the use of the asset, the County recognizes a lease receivable and deferred revenue for the remaining lease term discounted at 6.5% to net present value.

(19) LEASING (cont'd.)

A short-term lease is defined as a lease that, at the commencement date, has a lease term of twelve months or less and does not include an option to extend that the lessee is reasonably certain to exercise. Under GASB #87, lease transactions of buildings and equipment that have a lease term of twelve months or less are recognized in the statement of activities as an expense on a straight-line basis over the lease term in the period in which the obligation for those payments has occurred.

Lessor:

The County leases building/office space to the United States Postal Service and the Northeastern Workforce Development Board. As of December 31, 2024, the future minimum lease payments, discounted at a rate of 6.5%, for the next five years and thereafter are as follows:

Year ending December 31:	
2025	94,186
2026	86,899
2027	87,383
2028	87,869
2029	88,359
	$444,696

An unearned lease revenue balance of $451,217 has also been recorded as a deferred inflow of resources as of December 31, 2024.

Lessee:

The County leases its computer equipment, servers and PRCC towers. As of December 31, 2024, the future minimum lease payments, discounted at a rate of 6.5%, for the next five years and thereafter are as follows:

Year ending December 31:	Operating	Finance	Total
2025	101,296	30,671	131,967
2026	101,827	-	101,827
2027	102,378	-	102,378
2028	102,949	-	102,949
	$408,450	$30,671	$439,121

Required Supplementary Information

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

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

COUNTY OF PENOBSCOT, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts			Variance Positive
	Original	Final	Actual	(Negative)
Resources (Inflows)				
Tax Commitment	22,887,525	22,887,525	22,887,525	-
PILT	175,000	175,000	175,000	-
Intergovernmental:				
EMA	214,126	214,126	214,795	669
Charges for services/other fees:				
County treasurer	-	-	105,629	105,629
County commissioners	136,500	136,500	135,456	(1,044)
PRCC	219,300	219,300	219,751	451
District attorney	61,000	61,000	5,040	(55,960)
Registry of deeds	1,100,000	1,100,000	1,248,817	148,817
Registry of probate	286,520	286,520	257,636	(28,884)
Civil process	541,980	541,980	428,832	(113,148)
Civil services - sheriff	2,447,185	2,447,185	2,358,319	(88,866)
Information technology	10,000	10,000	10,156	156
UT administration	70,000	70,000	70,910	910
Office space rental	94,500	94,500	94,469	(31)
Interest	7,500	7,500	119,162	111,662
Miscellaneous revenue	23,500	23,500	14,462	(9,038)
Amounts Available for Appropriation	28,274,636	28,274,636	28,345,959	71,323
Charges to Appropriations (Outflows):				
Human relations	274,665	274,665	295,468	(20,803)
Emergency management	465,167	465,167	416,097	49,070
Telecommunications	4,289,012	4,289,012	3,770,252	518,760
District Attorney	1,527,727	1,527,727	1,451,044	76,683
County commissioners	429,005	429,005	446,110	(17,105)
County treasurer	415,598	415,598	375,340	40,258
County buildings	1,386,992	1,386,992	1,361,957	25,035
Registry of deeds	441,059	441,059	381,346	59,713
Registry of probate	615,248	615,248	593,961	21,287
Sheriff	8,131,528	8,131,528	8,617,464	(485,936)
Civil process	541,993	541,993	506,142	35,851
UT administration	201,777	201,777	194,996	6,781
IT department	949,676	949,676	855,037	94,639

COUNTY OF PENOBSCOT, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS (cont'd.)

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Workplace safety	6,000	6,000	3,096	2,904
Employee related expenses	4,500	4,500	4,213	287
County insurance	105,000	105,000	97,816	7,184
Development corporations	63,000	63,000	63,000	-
Building improvement	120,000	120,000	-	120,000
Programs/donations	314,007	314,007	314,116	(109)
Labor relations	4,000	4,000	10,020	(6,020)
Wage adjustment	5,000	5,000	-	5,000
Interest on short term debt	639,042	639,042	68,344	570,698
Transfers to other funds	8,263,518	8,263,518	13,139,904	(4,876,386)
Total Charges to Appropriations	29,193,514	29,193,514	32,965,723	(3,772,209)
Change in budgetary fund balance	(918,878)	(918,878)	(4,619,764)	(3,700,886)
Budgetary Fund Balance - January 1			2,779,091	
Budgetary Fund Balance - December 31			$ (4,619,764)	

RECONCILIATION OF BUDGETARY TO GAAP BASIS

Net change in budgetary fund balance (as above)	(4,619,764)
Change in accrued compensated absences not reported on the budgetary basis	53,537
Change in Fund Balance - General Fund	(4,566,227)

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS

FOR THE YEAR ENDED DECEMBER 31, 2024

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	265,223	265,223	-	3,168,115	8.37%
2016	311,835	311,835	-	3,381,654	9.22%
2017	359,506	359,506	-	3,733,371	9.63%
2018	408,830	408,830	-	4,104,880	9.96%
2019	495,869	495,869	-	4,878,452	10.16%
2020	606,241	606,241	-	5,903,857	10.27%
2021	713,972	713,972	-	6,793,156	10.51%
2022	881,464	881,464	-	8,181,020	10.77%
2023	1,069,214	1,069,214	-	9,850,993	10.85%
2024	1,198,282	1,198,282	-	10,995,826	10.90%

Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023	2022	2021	2020	2019	2018
Employer's proportion of the Net Pension Liability (Asset)	1.181209%	1.06256%	1.061328%	0.926871%	0.836818%	0.736395%	0.677027%
Employer's proportionate share of the Net Pension Liability (Asset)	$ 4,727,804	$ 3,390,577	$ 2,821,385	$ (297,861)	$ 3,324,787	$ 2,250,891	$ 1,852,870
Employer's covered payroll	$ 10,995,826	$ 9,850,993	$ 8,181,020	$ 6,793,156	$ 5,903,857	$ 4,878,452	$ 4,104,880
Employer's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered employee payroll	43.00%	34.42%	34.49%	-4.38%	56.32%	46.14%	45.14%
Plan fiduciary net position as a percentage of the total pension liability	91.1%	92.3%	93.3%	100.9%	88.4%	90.6%	91.1%

Amounts presented have a measurement date of June 30, 2024

Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023	2022	2021	2020	2019
Plan fiduciary net position as a percentage of the total OPEB liability	67.88%	59.71%	55.88%	67.26%	55.40%	43.18%
Covered employee payroll	10,995,826	9,850,993	8,181,020	6,793,156	5,903,857	4,878,452
Net OPEB liability as a percentage of covered employee payroll	0.88%	1.39%	1.56%	1.46%	2.26%	4.61%

Amounts presented have a measurement date of June 30, 2024

Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

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

GASB #68 -

Valuation Date: June 30, 2024

Only fiscal years 2015 - 2024 are reported. The County will continue to present information until a full ten-year trend is compiled. Valuation is as of June 30 of each fiscal year.

Changes of Benefit Terms include:

There were no benefit changes for the County employees in the employees' retirement plan.

Changes of Assumptions include:

The discount rate remained unchanged at 6.50% and the COLA increase remained at 1.91%.
The rate of inflation was 2.75% which was also used by MainePers in its years ended June 30, 2016 through June 30, 2023.

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry age normal
Amortization method	A level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.
Asset valuation method	One-third of the investment return that is different from the actuarial assumption for investment return.
Retirement age	60 or 65, depending on years of creditable service at certain dates.
Mortality	RPEC2020 Total Dataset Health Annuitant Mortality Table for males and females is used.

GASB #75 -

Valuation Date:

Only fiscal years 2018 - 2024 are reported. The County will continue to present information until a full ten-year trend is compiled. Valuation is as of June 30 of each fiscal year.

Changes of Benefit Terms include:

There were no benefit changes for the County employees in the employees' plan.

Changes of Assumptions include:

The discount rate reamined unchanged at 6.50%.

Methods and assumptions used to determine contribution rates

Investment rate of return	6.50% per annum, compounded annually
Inflation rate	2.75%
Annual Salary Increases	2.75% - 11.48%
Actuarial cost method	Entry age normal
Amortization method	A level percentage of payroll over a 30 year period on a closed basis. As of June 30, 2024 there were 6 years remaining.
Participation rate	100% of those currently enrolled
Form of benefit payment	Lump Sum
Mortality	RPEC2020 Total Dataset Health Annuitant Mortality Table

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, not a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Departmental Operations – General Fund
- Combining Balance Sheet – Non-major Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds
- Combining Balance Sheet – Non-major Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds
- Combining Balance Sheet – Non-major Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Capital Projects Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF DEPARMENTAL OPERATIONS - GENERAL FUND - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
HUMAN RELATIONS					
Payroll	$ 240,575	$ -	$ 240,575	$ 240,417	$ 158
Services/utilities	29,590	-	29,590	49,380	(19,790)
Supplies/materials	4,000	-	4,000	5,031	(1,031)
Building/equipment	500	-	500	640	(140)
Totals	274,665	-	274,665	295,468	(20,803)
EMERGENCY MANAGEMENT					
Payroll	396,207	-	396,207	359,172	37,035
Services/utilities	39,755	-	39,755	46,054	(6,299)
Supplies/materials	11,655	-	11,655	10,871	784
Buildings/equipment	17,550	-	17,550	-	17,550
Totals	465,167	-	465,167	416,097	49,070
TELECOMMUNICATIONS					
Payroll	3,841,562	-	3,841,562	3,304,995	536,567
Services/utilities	356,750	-	356,750	382,036	(25,286)
Supplies/materials	30,700	-	30,700	29,575	1,125
Buildings/equipment	60,000	-	60,000	53,646	6,354
Totals	4,289,012	-	4,289,012	3,770,252	518,760

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF DEPARMENTAL OPERATIONS - GENERAL FUND - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
DISTRICT ATTORNEY					
Payroll	$ 1,322,002	$ -	$ 1,322,002	$ 1,318,117	$ 3,885
Services/utilities	162,475	-	162,475	108,999	53,476
Supplies/materials	24,250	-	24,250	22,029	2,221
Buildings/equipment	19,000	-	19,000	1,899	17,101
Totals	1,527,727	-	1,527,727	1,451,044	76,683
COUNTY COMMISSIONERS					
Payroll	377,605	-	377,605	399,203	(21,598)
Services/utilities	44,000	-	44,000	39,832	4,168
Supplies/materials	5,200	-	5,200	6,876	(1,676)
Buildings/equipment	2,200	-	2,200	199	2,001
Totals	429,005	-	429,005	446,110	(17,105)
COUNTY TREASURER					
Payroll	366,620	-	366,620	340,176	26,444
Services/utilities	40,478	-	40,478	29,728	10,750
Supplies/materials	6,500	-	6,500	5,436	1,064
Buildings/equipment	2,000	-	2,000	-	2,000
Totals	415,598	-	415,598	375,340	40,258
COUNTY BUILDINGS					
Payroll	623,604	-	623,604	629,075	(5,471)
Services/utilities	571,300	-	571,300	619,908	(48,608)
Supplies/materials	188,588	-	188,588	110,998	77,590
Buildings/equipment	3,500	-	3,500	1,976	1,524
Totals	$ 1,386,992	-	$ 1,386,992	$ 1,361,957	$ 25,035

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF DEPARMENTAL OPERATIONS - GENERAL FUND - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
REGISTRY OF DEEDS					
Payroll	$ 363,334	-	$ 363,334	$ 341,024	$ 22,310
Services/utilities	44,950	-	44,950	32,345	12,605
Supplies/materials	10,775	-	10,775	1,915	8,860
Buildings/equipment	22,000	-	22,000	6,062	15,938
Totals	441,059	-	441,059	381,346	59,713
REGISTRY OF PROBATE					
Payroll	483,148	-	483,148	470,440	12,708
Services/utilities	122,900	-	122,900	116,497	6,403
Supplies/materials	7,700	-	7,700	7,024	676
Buildings/equipment	1,500	-	1,500	-	1,500
Totals	615,248	-	615,248	593,961	21,287
SHERIFF					
Payroll	6,718,303	-	6,718,303	7,175,391	(457,088)
Services/utilities	479,625	-	479,625	557,695	(78,070)
Supplies/materials	98,600	-	98,600	92,694	5,906
Buildings/equipment	835,000	-	835,000	791,684	43,316
Totals	$ 8,131,528	-	$ 8,131,528	$ 8,617,464	$ (485,936)

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF DEPARMENTAL OPERATIONS - GENERAL FUND - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
CIVIL PROCESS					
Payroll	$ 479,243	-	$ 479,243	$ 468,661	$ 10,582
Services/utilities	35,000	-	35,000	29,441	5,559
Supplies/materials	12,500	-	12,500	5,912	6,588
Buildings/equipment	15,250	-	15,250	2,128	13,122
Totals	541,993	-	541,993	506,142	35,851
UT ADMINISTRATION					
Payroll	192,227	-	192,227	184,554	7,673
Services/utilities	7,650	-	7,650	9,047	(1,397)
Supplies/materials	1,900	-	1,900	1,395	505
Totals	201,777	-	201,777	194,996	6,781
IT DEPARTMENT					
Payroll	353,276	-	353,276	342,026	11,250
Services/utilities	500,900	-	500,900	436,636	64,264
Supplies/materials	14,500	-	14,500	14,631	(131)
Buildings/equipment	81,000	-	81,000	61,744	19,256
Totals	949,676	-	949,676	855,037	94,639
WORKPLACE SAFETY					
Services/utilities	6,000	-	6,000	2,844	3,156
Supplies/materials	-	-	-	252	(252)
Totals	$ 6,000	-	$ 6,000	$ 3,096	$ 2,904

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF DEPARMENTAL OPERATIONS - GENERAL FUND - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
EMPLOYEE RELATED					
Maine retirement	$ 4,500	-	$ 4,500	$ 3,491	$ 1,009
Employee benefit	-	-	-	722	(722)
Totals	4,500	-	4,500	4,213	287
COUNTY INSURANCE					
Services/utilities	105,000	-	105,000	97,816	7,184
Totals	105,000	-	105,000	97,816	7,184
DEVELOPMENT CORPORATIONS					
Program donations	63,000	-	63,000	63,000	-
Totals	63,000	-	63,000	63,000	-
CAPITAL OUTLAY					
Building Improvement	120,000	-	120,000	-	120,000
	120,000	-	120,000	-	120,000
PROGRAMS / DONATIONS					
Penobscot County Extension	96,500	-	96,500	96,500	-
Penquis Cap	25,000	-	25,000	25,000	-
Soil/Conservation District	91,907	-	91,907	96,116	(4,209)
Agency costs	100,500	-	100,500	96,500	4,000
Bridge account	100	-	100	-	100
Totals	$ 314,007	-	$ 314,007	$ 314,116	$ (109)

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF DEPARMENTAL OPERATIONS - GENERAL FUND - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
LABOR RELATIONS					
Labor negotiations	$ 4,000	-	$ 4,000	$ 10,020	$ (6,020)
Totals	4,000	-	4,000	10,020	(6,020)
WAGE ADJUSTMENT					
Agency costs	5,000	-	5,000	-	5,000
Totals	5,000	-	5,000	-	5,000
INTEREST ON SHORT-TERM DEBT					
Principal	605,042	-	605,042	-	605,042
Interest	31,000	-	31,000	65,040	(34,040)
Services	3,000	-	3,000	3,304	(304)
Totals	639,042	-	639,042	68,344	570,698
TRANSFERS					
Capital projects fund	-	-	-	237,647	(237,647)
Jail fund	8,263,518	-	8,263,518	12,401,442	(4,137,924)
PRCC project fund	-	-	-	500,815	(500,815)
Totals	8,263,518	-	8,263,518	13,139,904	(4,876,386)
TOTALS	$ 29,193,514	$ -	$ 29,193,514	$ 32,965,723	$ (3,772,209)

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 3,253	$ -	$ 3,253
Accounts receivable (net of allowance for uncollectibles)	210,559	-	210,559
Due from other funds	4,347,950	3,476,171	7,824,121
TOTAL ASSETS	4,561,762	3,476,171	8,037,933
LIABILITIES			
Accounts payable	841	-	841
Due to other funds	280,574	6,088	286,662
TOTAL LIABILITIES	281,415	6,088	287,503
FUND BALANCES			
Nonspendable	-	-	-
Restricted	50	-	50
Committed	-	3,476,171	3,476,171
Assigned	4,358,128	-	4,358,128
Unassigned	(77,831)	(6,088)	(83,919)
TOTAL FUND BALANCES	4,280,347	3,470,083	7,750,430
TOTAL LIABILITIES AND FUND BALANCES	$ 4,561,762	$ 3,476,171	$ 8,037,933

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCES - NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ 596,864	$ 92,000	$ 688,864
Interest income	-	23,790	23,790
Other income	2,053,522	138,783	2,192,305
TOTAL REVENUES	2,650,386	254,573	2,904,959
EXPENDITURES			
Capital outlay	-	364,817	364,817
Other	1,386,948	176,202	1,563,150
TOTAL EXPENDITURES	1,386,948	541,019	1,927,967
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,263,438	(286,446)	976,992
OTHER FINANCING SOURCES			
Operating transfers in	-	237,647	237,647
Operating transfers (out)	-	-	-
TOTAL OTHER FINANCING SOURCES	-	237,647	237,647
NET CHANGE IN FUND BALANCE	1,263,438	(48,799)	1,214,639
FUND BALANCES - JANUARY 1	3,016,909	3,518,882	6,535,791
FUND BALANCES - DECEMBER 31	$ 4,280,347	$ 3,470,083	$ 7,750,430

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

Special Revenue Funds

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Hazmat Funds	LEPC	FY 18 Homeland Security	FY 19 Homeland Security	FY 20 Homeland Security	Cigna Rebate	Awareness Training LEPC
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	3,062	9,578	-	28,130	-	152,673	50
TOTAL ASSETS	3,062	9,578	-	28,130	-	152,673	50
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	500	-	3,270	-	-
TOTAL LIABILITIES	-	-	500	-	3,270	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	50
Committed	-	-	-	-	-	-	-
Assigned	3,062	9,578	-	28,130	-	152,673	-
Unassigned	-	-	(500)	-	(3,270)	-	-
TOTAL FUND BALANCES	3,062	9,578	(500)	28,130	(3,270)	152,673	50
TOTAL LIABILITIES AND FUND BALANCES	$ 3,062	$ 9,578	$ -	$ 28,130	$ -	$ 152,673	$ 50

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	FY 22 Homeland Security	Security Services	ARPA Interest	State Drug Forfeiture	PACE	Katahdin PILT	Enfield Supplemental
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	-	2,984	1,770,310	7,643	-	75,408	-
TOTAL ASSETS	-	2,984	1,770,310	7,643	-	75,408	-
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	1,615	-	-	-	-	-	-
TOTAL LIABILITIES	1,615	-	-	-	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	2,984	1,770,310	7,643	-	75,408	-
Unassigned	(1,615)	-	-	-	-	-	-
TOTAL FUND BALANCES	(1,615)	2,984	1,770,310	7,643	-	75,408	-
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 2,984	$ 1,770,310	$ 7,643	$ -	$ 75,408	$ -

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	ACO Services	Byrne / JAG	Sheriff	MDEA	DA Forfeiture	Stetson Supplemental	County PILT
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	14,036	-	62,433	27,582	5,795	-	-
Due from other funds	-	-	-	-	9,949	-	622,962
TOTAL ASSETS	14,036	-	62,433	27,582	15,744	-	622,962
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	25,668	-	62,433	29,744	-	-	-
TOTAL LIABILITIES	25,668	-	62,433	29,744	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	15,744	-	622,962
Unassigned	(11,632)	-	-	(2,162)	-	-	-
TOTAL FUND BALANCES	(11,632)	-	-	(2,162)	15,744	-	622,962
TOTAL LIABILITIES AND FUND BALANCES	$ 14,036	$ -	$ 62,433	$ 27,582	$ 15,744	$ -	$ 622,962

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	FY 21 Homeland Security	Opioid Funds	Kenduskeag Supplemental	Howland Supplemental	Bradley Supplemental	Greenbush Supplemental	Tri-County Workforce
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	297	-	-	-	-
Due from other funds	-	1,221,391	-	-	-	-	-
TOTAL ASSETS	-	1,221,391	297	-	-	-	-
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	14	-	-	-	168
TOTAL LIABILITIES	-	-	14	-	-	-	168
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	1,221,391	283	-	-	-	-
Unassigned	-	-	-	-	-	-	(168)
TOTAL FUND BALANCES	-	1,221,391	283	-	-	-	(168)
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 1,221,391	$ 297	$ -	$ -	$ -	$ -

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Winn Supplemental	EMA Disaster Relief	Levant Supplemental	Health Advisory Fund	Sunshine Fund	MDEA Full-Time Officer	Domestic Abuse
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 3,253	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	297	-	-	-	-
Due from other funds	-	1,257	-	-	-	-	14,016
TOTAL ASSETS	-	1,257	297	-	3,253	-	14,016
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	297	7,500	226	1,486	-
TOTAL LIABILITIES	-	-	297	7,500	226	1,486	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	1,257	-	-	3,027	-	14,016
Unassigned	-	-	-	(7,500)	-	(1,486)	-
TOTAL FUND BALANCES	-	1,257	-	(7,500)	3,027	(1,486)	14,016
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 1,257	$ 297	$ -	$ 3,253	$ -	$ 14,016

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	MDEA Position	Substance Abuse Prevention	Northeast Workforce Development	VWA Development	Commissioners	Passadumkeag Supplemental	LATCF ARPA
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	46,015	-	-	-	-
Due from other funds	-	5,396	-	-	841	-	422,300
TOTAL ASSETS	-	5,396	46,015	-	841	-	422,300
LIABILITIES							
Accounts payable	-	-	-	-	841	-	-
Due to other funds	-	-	44,051	2,779	-	-	-
TOTAL LIABILITIES	-	-	44,051	2,779	841	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	5,396	1,964	-	-	-	422,300
Unassigned	-	-	-	(2,779)	-	-	-
TOTAL FUND BALANCES	-	5,396	1,964	(2,779)	-	-	422,300
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 5,396	$ 46,015	$ -	$ 841	$ -	$ 422,300

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Mental Health	FY 23 Homeland Security	FY 24 Homeland Security	Totals
ASSETS				
Cash and cash equivalents	$ -	$ -	$ -	$ 3,253
Accounts receivable (net of allowance for uncollectibles)	54,104	-	-	210,559
Due from other funds	-	-	-	4,347,950
TOTAL ASSETS	54,104	-	-	4,561,762
LIABILITIES				
Accounts payable	-	-	-	841
Due to other funds	58,504	12,611	29,708	280,574
TOTAL LIABILITIES	58,504	12,611	29,708	281,415
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	50
Committed	-	-	-	-
Assigned	-	-	-	4,358,128
Unassigned	(4,400)	(12,611)	(29,708)	(77,831)
TOTAL FUND BALANCES	(4,400)	(12,611)	(29,708)	4,280,347
TOTAL LIABILITIES AND FUND BALANCES	$ 54,104	$ -	$ -	$ 4,561,762

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Hazmat Funds	LEPC	FY 18 Homeland Security	FY 19 Homeland Security	FY 20 Homeland Security	Cigna Rebate	Awareness Training LEPC
REVENUES							
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other income	46,050	21,005	6,152	-	-	-	-
TOTAL REVENUES	46,050	21,005	6,152	-	-	-	-
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	36,688	20,924	6,152	-	-	-	-
TOTAL EXPENDITURES	36,688	20,924	6,152	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	9,362	81	-	-	-	-	-
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	9,362	81	-	-	-	-	-
FUND BALANCES - JANUARY 1	(6,300)	9,497	(500)	28,130	(3,270)	152,673	50
FUND BALANCES - DECEMBER 31	$ 3,062	$ 9,578	$ (500)	$ 28,130	$ (3,270)	$ 152,673	$ 50

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	FY 22 Homeland Security	Security Services	ARPA Interest	State Drug Forfeiture	PACE	Katahdin PILT	Enfield Supplemental
REVENUES							
Intergovernmental	$ 41,272	$ -	$ -	$ -	$ -	$ -	$ -
Other income	-	18,055	567,370	2,092	6,300	-	6,629
TOTAL REVENUES	41,272	18,055	567,370	2,092	6,300	-	6,629
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	22,191	19,353	-	13,230	11,870	20,453	6,629
TOTAL EXPENDITURES	22,191	19,353	-	13,230	11,870	20,453	6,629
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	19,081	(1,298)	567,370	(11,138)	(5,570)	(20,453)	-
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-		-	-	-	-	
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	19,081	(1,298)	567,370	(11,138)	(5,570)	(20,453)	-
FUND BALANCES - JANUARY 1	(20,696)	4,282	1,202,940	18,781	5,570	95,861	-
FUND BALANCES - DECEMBER 31	$ (1,615)	$ 2,984	$ 1,770,310	$ 7,643	$ -	$ 75,408	$ -

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	ACO Services	Byrne / JAG	Sheriff	MDEA	DA Forfeiture	Stetson Supplemental	County PILT
REVENUES							
Intergovernmental	$ -	$ 21,771	$ -	$ 161,601	$ -	$ -	$ -
Other income	43,330	-	-	-	13,323	4,655	118,153
TOTAL REVENUES	43,330	21,771	-	161,601	13,323	4,655	118,153
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	37,300	10,887	-	163,763	11,270	4,655	23,850
TOTAL EXPENDITURES	37,300	10,887	-	163,763	11,270	4,655	23,850
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,030	10,884	-	(2,162)	2,053	-	94,303
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	6,030	10,884	-	(2,162)	2,053	-	94,303
FUND BALANCES - JANUARY 1	(17,662)	(10,884)	-	-	13,691	-	528,659
FUND BALANCES - DECEMBER 31	$ (11,632)	$ -	$ -	$ (2,162)	$ 15,744	$ -	$ 622,962

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	FY 21 Homeland Security	Opioid Funds	Kenduskeag Supplemental	Howland Supplemental	Bradley Supplemental	Greenbush Supplemental	Tri-County Workforce
REVENUES							
Intergovernmental	$ 40,482	$ -	$ -	$ -	$ -	$ -	$ -
Other income	-	785,464	6,594	6,147	6,153	15,139	-
TOTAL REVENUES	40,482	785,464	6,594	6,147	6,153	15,139	-
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	40,482	194,196	6,311	6,147	6,153	15,139	-
TOTAL EXPENDITURES	40,482	194,196	6,311	6,147	6,153	15,139	-
EXCESS OF REVENUES OVER EXPENDITURES	-	591,268	283	-	-	-	-
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	-	
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	591,268	283	-	-	-	-
FUND BALANCES - JANUARY 1	-	630,123	-	-	-	-	(168)
FUND BALANCES - DECEMBER 31	$ -	$ 1,221,391	$ 283	$ -	$ -	$ -	$ (168)

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Winn Supplemental	EMA Disaster Relief	Levant Supplemental	Health Advisory Fund	Sunshine Fund	MDEA Full-Time Officer	Domestic Abuse
REVENUES							
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other income	3,398	12,001	13,719	14,888	614	-	-
TOTAL REVENUES	3,398	12,001	13,719	14,888	614	-	-
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	3,398	10,744	13,719	17,605	561	-	93
TOTAL EXPENDITURES	3,398	10,744	13,719	17,605	561	-	93
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	1,257	-	(2,717)	53	-	(93)
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	1,257	-	(2,717)	53	-	(93)
FUND BALANCES - JANUARY 1	-	-	-	(4,783)	2,974	(1,486)	14,109
FUND BALANCES - DECEMBER 31	$ -	$ 1,257	$ -	$ (7,500)	$ 3,027	$ (1,486)	$ 14,016

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	MDEA Position	Substance Abuse Prevention	Northeast Workforce Development	VWA Development	Commissioners	Passadumkeag Supplemental	LATCF ARPA
REVENUES							
Intergovernmental	$ 99,376	$ -	$ -	$ 41,786	$ -	$ -	$ -
Other income	-	-	143,274	-	-	3,452	-
TOTAL REVENUES	99,376	-	143,274	41,786	-	3,452	-
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	99,376	-	142,702	41,786	-	3,452	38,089
TOTAL EXPENDITURES	99,376	-	142,702	41,786	-	3,452	38,089
EXCESS OF REVENUES OVER EXPENDITURES	-	-	572	-	-	-	(38,089)
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	572	-	-		(38,089)
FUND BALANCES - JANUARY 1	-	5,396	1,392	(2,779)	-	-	460,389
FUND BALANCES - DECEMBER 31	$ -	$ 5,396	$ 1,964	$ (2,779)	$ -	$ -	$ 422,300

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Mental Health	FY 23 Homeland Security	FY 24 Homeland Security	Totals
REVENUES				
Intergovernmental	$ 190,576	$ -	$ -	$ 596,864
Other income	-	189,565	-	2,053,522
TOTAL REVENUES	190,576	189,565	-	2,650,386
EXPENDITURES				
Capital outlay	-	-	-	-
Other	194,976	113,096	29,708	1,386,948
TOTAL EXPENDITURES	194,976	113,096	29,708	1,386,948
EXCESS OF REVENUES OVER EXPENDITURES	(4,400)	76,469	(29,708)	1,263,438
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	(4,400)	76,469	(29,708)	1,263,438
FUND BALANCES - JANUARY 1	-	(89,080)	-	3,016,909
FUND BALANCES - DECEMBER 31	$ (4,400)	$ (12,611)	$ (29,708)	$ 4,280,347

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

Capital Projects Funds

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	County Buildings	Motor Vehicle DA	Parking Lot Improvements	Vehicle Sheriff	PRCC Vehicle	SO Public Safety	Lab Equipment Sheriff
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	703,086	40,824	446,200	45,938	-	23,376	10,532
TOTAL ASSETS	703,086	40,824	446,200	45,938	-	23,376	10,532
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	6,088		-
TOTAL LIABILITIES	-	-	-	-	6,088	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	703,086	40,824	446,200	45,938	-	23,376	10,532
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(6,088)	-	-
TOTAL FUND BALANCES	703,086	40,824	446,200	45,938	(6,088)	23,376	10,532
TOTAL LIABILITIES AND FUND BALANCES	$ 703,086	$ 40,824	$ 446,200	$ 45,938	$ -	$ 23,376	$ 10,532

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Equipment Commissioners	Equipment Probate	Institutional Equipment Jail	Deeds Computer Equipment	Copier UT/Admin	DA Office Equipment	Restoration Surcharge Deeds
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	10,679	5,136	1,930	77,404	1,523	14,476	545,140
TOTAL ASSETS	10,679	5,136	1,930	77,404	1,523	14,476	545,140
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	10,679	5,136	1,930	77,404	1,523	14,476	545,140
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	10,679	5,136	1,930	77,404	1,523	14,476	545,140
TOTAL LIABILITIES AND FUND BALANCES	$ 10,679	$ 5,136	$ 1,930	$ 77,404	$ 1,523	$ 14,476	$ 545,140

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Dispatch Reserve	PRCC Console	Information Technology Equipment	Office Equipment EMA/RM	EMA Soft Match	Bridge Construction	EMA Vehicle
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	417,410	129,096	90,132	5,927	36,205	243,259	48,019
TOTAL ASSETS	417,410	129,096	90,132	5,927	36,205	243,259	48,019
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	417,410	129,096	90,132	5,927	36,205	243,259	48,019
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	417,410	129,096	90,132	5,927	36,205	243,259	48,019
TOTAL LIABILITIES AND FUND BALANCES	$ 417,410	$ 129,096	$ 90,132	$ 5,927	$ 36,205	$ 243,259	$ 48,019

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	A/C Replacement	Probate Surcharge	Property Acquisition	PRCC Office/ Computer Equipment	Civil Process Vehicle	PRCC Furniture & Fixtures	SRT Grant
ASSETS							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	20,000	185,002	235,984	13,374	41,941	1,900	-
TOTAL ASSETS	20,000	185,002	235,984	13,374	41,941	1,900	-
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	20,000	185,002	235,984	13,374	41,941	1,900	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	20,000	185,002	235,984	13,374	41,941	1,900	-
TOTAL LIABILITIES AND FUND BALANCES	$ 20,000	$ 185,002	$ 235,984	$ 13,374	$ 41,941	$ 1,900	$ -

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

COUNTY OF PENOBSCOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	District Attorney Equipment	Equipment Sheriff	Civil Equipment	Software	Furnace Replacement	EMA Repeater	Building Maintenance	Totals
ASSETS								
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-	-
Due from other funds	32,988	1,360	14,890	14,920	10,000	6,000	1,520	3,476,171
TOTAL ASSETS	32,988	1,360	14,890	14,920	10,000	6,000	1,520	3,476,171
LIABILITIES								
Accounts payable	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	6,088
TOTAL LIABILITIES	-	-	-	-	-	-	-	6,088
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	32,988	1,360	14,890	14,920	10,000	6,000	1,520	3,476,171
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(6,088)
TOTAL FUND BALANCES	32,988	1,360	14,890	14,920	10,000	6,000	1,520	3,470,083
TOTAL LIABILITIES AND FUND BALANCES	$ 32,988	$ 1,360	$ 14,890	$ 14,920	$ 10,000	$ 6,000	$ 1,520	$ 3,476,171

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	County Buildings	Motor Vehicle DA	Parking Lot Improvements	Vehicle Sheriff	PRCC Vehicle	SO Public Safety	Lab Equipment Sheriff
REVENUES							
Intergovernmental	$ -	$ -	$ -	$ -	$ 30,000	$ -	$ -
Interest	-	-	-	-	-	-	-
Other income	-	-	-	28,275	-		-
TOTAL REVENUES	-	-	-	28,275	30,000	-	-
EXPENDITURES							
Capital outlay	-	-	-	51,992	49,538	-	-
Other	-	-	-	-	-	13,668	-
TOTAL EXPENDITURES	-	-	-	51,992	49,538	13,668	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	(23,717)	(19,538)	(13,668)	-
OTHER FINANCING SOURCES (USES)							
Operating transfers in	80,000	5,000	40,000	-	2,500	24,567	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	80,000	5,000	40,000	-	2,500	24,567	-
NET CHANGE IN FUND BALANCES	80,000	5,000	40,000	(23,717)	(17,038)	10,899	-
FUND BALANCES - JANUARY 1	623,086	35,824	406,200	69,655	10,950	12,477	10,532
FUND BALANCES - DECEMBER 31	$ 703,086	$ 40,824	$ 446,200	$ 45,938	$ (6,088)	$ 23,376	$ 10,532

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Equipment Commissioners	Equipment Probate	Institutional Equipment Jail	Deeds Computer Equipment	Copier UT/Admin	DA Office Equipment	Restoration Surcharge Deeds
REVENUES							
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	-	-	-	-	-	-	17,429
Other income	2,500	-	-	-	-	-	55,656
TOTAL REVENUES	2,500	-	-	-	-	-	73,085
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	1,609
Other	2,759	-	670	-	-	8,315	13,163
TOTAL EXPENDITURES	2,759	-	670	-	-	8,315	14,772
EXCESS OF REVENUES UNDER EXPENDITURES	(259)	-	(670)	-	-	(8,315)	58,313
OTHER FINANCING SOURCES (USES)							
Operating transfers in	2,000	1,500	-	15,935	-	4,500	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	2,000	1,500	-	15,935	-	4,500	-
NET CHANGE IN FUND BALANCES	1,741	1,500	(670)	15,935	-	(3,815)	58,313
FUND BALANCES - JANUARY 1	8,938	3,636	2,600	61,469	1,523	18,291	486,827
FUND BALANCES - DECEMBER 31	$ 10,679	$ 5,136	$ 1,930	$ 77,404	$ 1,523	$ 14,476	$ 545,140

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Dispatch Reserve	PRCC Console	Information Technology Equipment	Office Equipment EMA/RM	EMA Soft Match	Bridge Construction	EMA Vehicle
REVENUES							
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-
EXPENDITURES							
Capital outlay	196,978	-	-	-	-	-	-
Other	81,232	-	-	-	11,395	-	-
TOTAL EXPENDITURES	278,210	-	-	-	11,395	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(278,210)	-	-	-	(11,395)	-	-
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	3,660	19,255	550	-	100	12,000
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	3,660	19,255	550	-	100	12,000
NET CHANGE IN FUND BALANCES	(278,210)	3,660	19,255	550	(11,395)	100	12,000
FUND BALANCES - JANUARY 1	695,620	125,436	70,877	5,377	47,600	243,159	36,019
FUND BALANCES - DECEMBER 31	$ 417,410	$ 129,096	$ 90,132	$ 5,927	$ 36,205	$ 243,259	$ 48,019

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	A/C Replacement	Probate Surcharge	Property Acquisition	PRCC Office/ Computer Equipment	Civil Process Vehicle	PRCC Furniture & Fixtures	SRT Grant
REVENUES							
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ 62,000
Interest	-	6,361	-	-	-	-	-
Other income	-	52,352	-	-	-	-	-
TOTAL REVENUES	-	58,713	-	-	-	-	62,000
EXPENDITURES							
Capital outlay	-	2,700	-	-		-	62,000
Other	-	2,050	-	-	-	-	-
TOTAL EXPENDITURES	-	4,750	-	-	-	-	62,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	53,963	-	-	-	-	-
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	10,000	-	-
Operating transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	10,000	-	-
NET CHANGE IN FUND BALANCES	-	53,963	-	-	10,000	-	-
FUND BALANCES - JANUARY 1	20,000	131,039	235,984	13,374	31,941	1,900	-
FUND BALANCES - DECEMBER 31	$ 20,000	$ 185,002	$ 235,984	$ 13,374	$ 41,941	$ 1,900	$ -

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

COUNTY OF PENOBSCOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	District Attorney Equipment	Equipment Sheriff	Civil Equipment	Software	Furnace Replacement	EMA Repeater	Building Maintenance	Totals
REVENUES								
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 92,000
Interest	-	-	-	-	-	-	-	23,790
Other income	-	-	-	-	-	-	-	138,783
TOTAL REVENUES	-	-	-	-	-	-	-	254,573
EXPENDITURES								
Capital outlay	-		-	-	-	-	-	364,817
Other	-	-	-	42,950	-	-	-	176,202
TOTAL EXPENDITURES	-	-	-	42,950	-	-	-	541,019
EXCESS OF REVENUES UNDER EXPENDITURES	-	-	-	(42,950)	-	-	-	(286,446)
OTHER FINANCING SOURCES								
Operating transfers in	5,950	1,360	2,250	-	-	5,000	1,520	237,647
Operating transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	5,950	1,360	2,250	-	-	5,000	1,520	237,647
NET CHANGE IN FUND BALANCES	5,950	1,360	2,250	(42,950)	-	5,000	1,520	(48,799)
FUND BALANCES - JANUARY 1	27,038	-	12,640	57,870	10,000	1,000	-	3,518,882
FUND BALANCES - DECEMBER 31	$ 32,988	$ 1,360	$ 14,890	$ 14,920	$ 10,000	$ 6,000	$ 1,520	$3,470,083

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

General Capital Assets

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION

FOR THE YEAR ENDED DECEMBER 31, 2024

	Land, Non-Depreciable Infrastructure and Construction in Progress	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Intangible Right-to-Use Lease - Equipment	Intangible Right-to-Use Software Arrangements	Totals
Sheriff department	$ -	$ 5,477,811	$ 3,839,943	$ -	$ 303,149	$ 9,620,903
PRCC	1,697,515	-	2,712,543	-	-	4,410,058
Deeds	-	-	103,956	-	-	103,956
District Attorney	-	21,580	73,648	-	-	95,228
Jail	-	925,050	581,605	-	-	1,506,655
Emergency Management	-	5,803	125,488	-	-	131,291
Roads and mapping	-	-	9,100	-	-	9,100
Information technology	-	-	386,701	99,893	-	486,594
County-wide	1,200,214	8,065,664	459,949	-	-	9,725,827
Total General Capital Assets	2,897,729	14,495,908	8,292,933	99,893	303,149	26,089,612
Less: Accumulated Depreciation	-	(10,246,396)	(5,059,321)	(19,978)	(60,630)	(15,386,325)
Net General Capital Assets	$ 2,897,729	$ 4,249,512	$ 3,233,612	$ 79,915	$ 242,519	$ 10,703,287

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

COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION

FOR THE YEAR ENDED DECEMBER 31, 2024

	General Capital Assets 1/1/24	Additions	Disposals	General Capital Assets 12/31/24
Sheriff department	$ 8,692,650	$ 625,104	$ -	$ 9,317,754
PRCC	2,425,330	484,196	-	2,909,526
PRCC - Construction in process	844,053	656,479	-	1,500,532
Deeds	103,956	-	-	103,956
District Attorney	95,228	-	-	95,228
Jail	1,333,777	172,878	-	1,506,655
Emergency Management	89,286	42,005	-	131,291
Roads and mapping	9,100	-	-	9,100
Information technology	486,594	303,149	-	789,743
County-wide	9,392,786	33,341	-	9,426,127
County-wide - Construction in process	-	299,700	-	299,700
Total General Capital Assets	23,472,760	2,616,852	-	26,089,612
Less: Accumulated Depreciation and Amortization	(14,316,568)	(1,069,757)	-	(15,386,325)
Net General Capital Assets	$ 9,156,192	$ 1,547,095	$ -	$ 10,703,287

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

THE COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2024

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTOR NUMBER	AMOUNT PASSED-THROUGH TO SUBRECIPIENTS	FEDERAL REVENUE	EXPENDITURES RECOGNIZED
U.S. Department of Labor					
Pass through from Maine Department of Labor					
WIOA Cluster					
WIOA Adult 22/23	17.258	CT-12A-20220921*0871	184,734	184,734	184,734
WIOA Adult 23/24	17.258	CT-12A-20230830*0569	316,589	361,740	361,740
WIOA Adult 24/25	17.258	CT-12A-20240812*0323	-	10,305	10,305
			501,323	556,779	556,779
WIOA Youth 22/23	17.259	CT-12A-20220921*0871	205,447	205,447	205,447
WIOA Youth 23/24	17.259	CT-12A-20230830*0569	321,984	326,236	326,236
WIOA Youth 24/25	17.259	CT-12A-20240812*0323	-	67,058	67,058
			527,431	598,741	598,741
WIOA Dislocated Worker 22/23	17.278	CT-12A-20220921*0871	181,760	181,994	181,994
WIOA Dislocated Worker 23/24	17.278	CT-12A-20230830*0569	137,577	177,651	177,651
			319,337	359,645	359,645
Total WIOA Cluster			1,348,091	1,515,165	1,515,165
WIOA Quest	17.277	CT-12A-20221115*1363	623,158	672,909	672,909
WIOA Career DWG	17.277	CT-12A-20211201*1332	5,301	5,301	5,301
WIA National Emergency Grant-Opioid	17.277	CT-12A-20200318*2546	16,783	16,783	16,783
			645,242	694,993	694,993
Total U.S. Department of Labor			1,993,333	2,210,158	2,210,158
U.S. Department of Justice					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03488-JAGX	10,887	10,887	10,887
			10,887	10,887	10,887
Pass through from Maine Department of Health and Human Services					
Crime Victim Assistance - Discretionary Grants	16.575	OVP-24-2305	-	41,786	41,786
			-	41,786	41,786
Pass through from Maine Department of Public Safety					
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-22-GG-03521-UHPX	-	140,440	140,440
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2020-MO-BX-0042	-	190,576	190,576
Total U.S. Department of Justice			10,887	383,689	383,689
U.S. Department of Homeland Security					
Homeland Security Grant Program	97.067	2021		43,967	43,967
Homeland Security Grant Program	97.067	2022		40,278	40,278
Homeland Security Grant Program	97.067	2023		167,045	167,045
Homeland Security Grant Program	97.067	2024		-	29,708
				251,290	280,998
Total U.S. Department of Homeland Security				251,290	280,998
U.S. Department of Treasury					
COVID-19 - American Rescue Plan Act (ARPA)	21.027	N/A	4,691,902	8,255,290	8,255,290
Total U.S. Department of Treasury			-	8,255,290	8,255,290
TOTAL EXPENDITURES OF FEDERAL AWARDS			6,696,122	11,100,427	11,130,135

See notes to financial statements

THE COUNTY OF PENOBSCOT, MAINE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2024

PURPOSE OF THE SCHEDULE

The Uniform Guidance requires a Schedule of Expenditures of Federal Awards showing total expenditures for each federal award program as identified in the catalog of Federal Domestic Assistance (CFDA).

SIGNIFICANT ACCOUNTING POLICIES

1. REPORTING ENTITY

The accompanying schedule includes all federal award programs of The County of Penobscot, Maine for the fiscal year ended December 31, 2024. The reporting entity is defined in the notes to the Financial Statements of The County of Penobscot, Maine.

2. BASIS OF PRESENTATION

The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

a. Federal financial assistance is defined as assistance provided by federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations.

b. The Uniform Guidance establishes the level of expenditures to be used in defining major federal financial award programs. Major programs for the County have been identified in the Schedule of Findings and Questioned Costs.

3. BASIS OF ACCOUNTING

The information presented in the Schedule of Expenditures of Federal Awards is presented on a basis consistent with the County's basic financial statements. The grants included are all accounted for on a modified accrual basis of accounting which is described in the notes to the financial statements.

4. INDIRECT COSTS

The County has not elected to use the 10% De Minimis Cost rate for the year ended December 31, 2024.

5. FILING DEADLINE

The County's reporting package is being filed with the federal audit clearinghouse after the normal 9-month filing deadline due to business disruptions caused by the COVID-19 pandemic and resulting shutdowns and stay at home orders.

6. LOAN BALANCES

There are no loan programs.

7. PASS-THROUGH AWARDS

The County has passed the following awards through to subrecipients:

Program	Subrecipient	Amount
WIOA Adult	Eastern Maine Development Corporation	501,323
WIOA Youth	Eastern Maine Development Corporation	527,431
WIOA Dislocated Worker	Eastern Maine Development Corporation	319,337
WIOA Quest	Eastern Maine Development Corporation	623,158
Career DWG	Eastern Maine Development Corporation	5,301
NDWG -- Opioid	Eastern Maine Development Corporation	16,783
Subtotal		1,993,333
Coronavirus State and Local Fiscal Recovery Funds	Various	4,691,902
Edward Byrne Memorial Justice Assistance Grant Program	Bangor PC	10,887
Total Passed Through to Subrecipients		6,696,122

THE COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Opinion Unit	Type of Opinion
Governmental Activities	**Adverse**
Governmental Fund – General Fund	**Unmodified**
Governmental Fund – Jail Fund	**Unmodified**
Governmental Fund – Grants Fund	**Unmodified**
Governmental Fund – PRCC Bond	**Unmodified**
Aggregate Remaining Fund Information	**Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified — **Yes**
- Significant deficiency(ies) identified — **No**

Noncompliance material to financial statements noted? **No**

Federal Awards

Internal control over major programs:

- Material weakness(es) identified — **No**
- Significant deficiency(ies) identified — **No**

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

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) of the Uniform Guidance? **Yes**

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
CFDA: 21.027	Coronavirus State and Local Fiscal Recovery Funds
CFDA: 17.258/17.259/17.278	WIOA Cluster (Passed-through Maine Department of Labor)

Dollar threshold to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? **No**

THE COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2024

SECTION II - FINANCIAL STATEMENT FINDINGS

2024-001 Material Weakness – Bank Reconciliations

Condition: Bank reconciliations are not accurate

Criteria and effect: Bank reconciliations are an essential control for numerous reasons, including but not limited to: to detect items not entered and errors in the cash book; ensure that the cash book entries are complete; ensure cash is adequate to meet financial obligations; discover bank errors; discover dishonored checks; monitor "stale" checks and deposits; and monitor and deter fraud and embezzlement.

Cause: Reconciliations were not completed accurately due to lack of a policy and oversight to ensure accuracy.

Recommendation: We recommended that management assign an individual responsible for reconciling the bank statements for every bank account on a monthly basis by the 15th of each month. Upon completion, the reconciliations should be reviewed and approved by the supervisor of the individual performing the reconciliations.

Repeat finding: This finding is a repeat finding from the year ended December 31, 2023.

Views of responsible officials and planned corrective actions: Management agrees and will implement the corrective action plan found on page 96 of this report.

2024-002 Material Weakness – Bookkeeping

Condition: Controls are not in place to ensure that all general ledger accounts are properly reconciled.

Criteria and effect: It is essential to have a system in place to record all general ledger activity as it occurs. Lack of controls may cause assets to be unreceipted and liabilities to be unpaid resulting in late fees and financial statement errors.

Cause: Controls not in place.

Recommendation: We recommended that management assign an individual responsible for inputting all general ledger activity as they occur. Management should review all financial activity on a monthly basis to ensure proper recording and financial reporting.

Repeat finding: This finding as a repeat finding from the year ended December 31, 2023.

Views of responsible officials and planned corrective actions: Management agrees and will implement the corrective action plan found on page 96 of this report.

SECTION II - FINANCIAL STATEMENT FINDINGS (cont'd.)

2024-003 Material Weakness – Information and documentation sharing with finance department

Condition: Controls are not in place to ensure that all general ledger accounts are properly reconciled.

Criteria and effect: It is essential for the finance department to have access to all records and data for the County to maintain accurate bookkeeping and document retention. Lack of information sharing may cause bookkeeping deficiencies, policy violations and audit delays.

Cause: Policy not in place.

Recommendation: We recommended that the finance department be provided all original documents for all other departments in the County, individual departments can retain copies of all relevant documentation as needed.

Views of responsible officials and planned corrective actions: Management agrees and will implement the corrective action plan found on page 96 of this report.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-004 Other Matter – Other compliance requirements

Condition: Timely filing

Criteria and effect: Auditees are required to submit their audit to the federal audit clearinghouse within nine months of year end (September 30, 2025). Late submission is non-compliance and prevents the auditee from being considered low risk for the next two years.

Cause: Due to covid and significant turnover in critical positions at the County of Penobscot, the audit was unable to be completed on a timely basis.

Questioned costs: N/A

Recommendation: We recommended to management that they have controls in place to prevent delays in the future years.

Repeat finding: This finding as a repeat finding from the year ended December 31, 2023.

Views of responsible officials and planned corrective actions: Management agrees and will implement the corrective action plan found on page 96 of this report.

THE COUNTY OF PENOBSCOT, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2024

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

2023-001 Material Weakness – Bank Reconciliations

Condition: Bank reconciliations are not accurate.

Criteria and effect: Bank reconciliations are an essential control for numerous reasons, including but not limited to: to detect items not entered and errors in the cash boo; ensure that the cash book entries are complete; ensure cash is adequate to meet financial obligations; discover bank errors; discover dishonored checks; monitor "stale" checks and deposits; and monitor and deter fraud and embezzlement.

Cause: Reconciliations were not completed accurately due to lack of a policy and oversight to ensure accuracy.

Recommendation: We recommended that management assign an individual responsible for reconciling the bank statements for every bank account on a monthly basis by the 15th of each month. Upon completion, the reconciliations should be reviewed and approved by the supervisor of the individual performing the reconciliations.

2023-002 Material Weakness – Bookkeeping

Condition: Controls are not in place to ensure that all balance sheet accounts are properly reconciled.

Criteria and effect: It is essential to have a system in place to record all assets and liabilities as they are incurred and to clear the assets and liabilities from the general ledger as they are receipted or paid. Lack of controls may cause assets to be unreceipted and liabilities to be unpaid resulting in late fees and financial statement errors.

Cause: Controls not in place.

Recommendation: We recommended that management assign an individual responsible for inputting all assets and liabilities as they are incurred and the payment or invoice received. Management should review all balance sheet accounts on a monthly basis to ensure proper recording.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (cont'd.)

2023-003 Other Matter – Other compliance requirements

Condition: Timely filing

Criteria and effect: Auditees are required to submit their audit to the federal audit clearinghouse within nine months of year end (September 30, 2024). Late submission is non-compliance and prevents the auditee from being considered low risk for the next two years.

Cause: Due to covid and significant turnover in critical positions at the County of Penobscot, the audit was unable to be completed on a timely basis.

Questioned costs: N/A

Recommendation: We recommended to management that they have controls in place to prevent delays in the future years.

THE COUNTY OF PENOBSCOT, MAINE

CORRECTIVE ACTION PLAN

YEAR ENDED DECEMBER 31, 2024

FINANCIAL STATEMENT FINDINGS

2024-001 Material Weakness

Name of contact person: Blair Tinkham, County Administrator

Corrective Action: The Organization is aware of the bank reconciliation deficiencies and will ensure that bank reconciliations are completed on a timely basis and reviewed by a supervisor going forward.

Proposed implementation date: The corrective actions have been implemented subsequent to December 31, 2024.

2024-002 Material Weakness

Name of contact person: Blair Tinkham, County Administrator

Corrective Action: The Organization is aware of the bookkeeping deficiencies and will ensure that financial reports are reviewed on a monthly basis.

Proposed implementation date: The corrective actions have been implemented subsequent to December 31, 2024.

2024-003 Material Weakness

Name of contact person: Blair Tinkham, County Administrator

Corrective Action: The Organization is aware of the information and documentation sharing deficiencies with the finance department and will ensure a policy is put into place where all original documents are provided to and retained by the finance department.

Proposed implementation date: The corrective actions will be implemented as soon as possible.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-004 Other Matter

Name of contact person: Blair Tinkham, County Administrator

Corrective Action: The Organization is aware of the filing deadline and will ensure that future audits are completed on a timely basis. Controls are being implemented to ensure that the year end reporting can be completed within a period of time that will allow timely completion of the audit and submission to the audit clearinghouse.

Proposed implementation date: The corrective actions will be implemented as soon as possible.

ADDITIONAL REPORTS

Chester M. Kearney
Certified Public Accountants

12 Dyer Street, Presque Isle, Maine 04769-1550
207-764-3171 Fax 207-764-6362

Barbara E. McGuire, CPA, CGMA
Timothy P. Poitras, CPA, CGMA

To the County Commissioners of the
County of Penobscot, Maine

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, its major fund, and the aggregate remaining fund information of the County of Penobscot, Maine as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County of Penobscot, Maine's basic financial statements, and have issued our report thereon dated August 5, 2026.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002 and 2024-003 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Penobscot, Maine's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2024-004.

County of Penobscot, Maine's Response to Findings

County of Penobscot, Maine's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. County of Penobscot, Maine's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Chester M. Kearney

Presque Isle, Maine
August 5, 2026

Chester M. Kearney
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To the County Commissioners of the
County of Penobscot, Maine

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Penobscot, Maine's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County of Penobscot, Maine's major federal programs for the year ended December 31, 2024. The County of Penobscot, Maine's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County of Penobscot, Maine complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County of Penobscot, Maine's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County of Penobscot, Maine's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County of Penobscot, Maine's internal control over compliance. Accordingly, no such opinion is expressed.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-004. Our opinion on each major federal program is not modified with respect to these matters.

The County of Penobscot Maine's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County of Penobscot Maine's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

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

Chester M. Kearney

Presque Isle, Maine
August 5, 2026