

TOWN OF TRENTON, MAINE

*FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT*

*FOR THE FISCAL YEAR
ENDED JUNE 30, 2022*

TOWN OF TRENTON, MAINE
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	PAGE(S)
<i>INDEPENDENT AUDITOR'S REPORT</i>	1-3
<i>MANAGEMENT'S DISCUSSION AND ANALYSIS</i>	4-8
 <i>EXHIBIT</i>	
<u>BASIC FINANCIAL STATEMENTS</u>	
<u>Government-wide Financial Statements</u>	
I Statement of Net Position	9
II Statement of Activities	10
<u>FUND FINANCIAL STATEMENTS</u>	
<u>Governmental Fund Financial Statements</u>	
III Balance Sheet	11
IV Statement of Revenues, Expenditures and Changes in Fund Balances	12
<u>Fiduciary Fund Financial Statements</u>	
V Statement of Fiduciary Net Position	13
VI Statement of Changes in Fiduciary Net Position	14
<i>NOTES TO THE FINANCIAL STATEMENTS</i>	15-31
 <u>REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS</u>	
VII Budgetary Comparison Schedule - General Fund	32
<u>Pension and Other Post-Employment Benefits Disclosure Schedules:</u>	
VIII Schedule of Proportionate Share of Net Pension Liability	33
IX Schedule of Employer Contributions	34
<i>NOTES TO THE SCHEDULES OF HISTORICAL PENSION INFORMATION</i>	35
X Schedule of Proportionate Share of Net Other Post-Employment Benefits Liability	36
XI Schedule of Employer Contributions	37
<i>NOTES TO THE SCHEDULES OF HISTORICAL OPEB INFORMATION</i>	38-39
<u>SUPPLEMENTARY INFORMATION</u>	
1 Schedule of Departmental Operations	40-41
2 Schedule of Appropriations	42
3 Schedule of Valuation, Commitment and Collections	43
4 Schedule of Changes in Unassigned Fund Balance	44
5 Schedule of Uncollected Prior Year Taxes	45
6 Schedule of Uncollected Tax Liens	46
7 Schedule of Administration Account	47
8 Schedule of Fiduciary Fund Transactions	48
9 Schedule of Expenditures of Federal Awards	49

James W. Wadman

CERTIFIED PUBLIC ACCOUNTANT

James W. Wadman, C.P.A.
Ronald C. Bean, C.P.A.
Kellie M. Bowden, C.P.A.
Wanese L. Lynch, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Selectmen
Town of Trenton
Trenton, ME 04605

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Trenton, Maine as of and for the fiscal year ended June 30, 2022, which collectively comprise the Town's basic financial statements as listed in the table of contents, including the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Trenton, Maine, as of June 30, 2022, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Town of Trenton, Maine, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 Town of Trenton, 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 Responsibility 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.

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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 Town'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 Town'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 and budgetary comparison information on pages 4 through 8 and 32 through 39 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 Town's financial statements as a whole. The supplementary information and the schedule of expenditures of federal awards are presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The schedule of

expenditures of federal awards is presented for purposes of additional analysis as required by the State of Maine Department of Education.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully Submitted,

James W. Wadman, C.P.A.

James W. Wadman, C.P.A.

May 2, 2023

TOWN OF TRENTON, MAINE
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022

Management of the Town of Trenton, Maine (the Town) provides this *Management's Discussion and Analysis* of the Town's financial performance for readers of the Town's financial statements. This narrative overview and analysis of the financial activities of the Town is for the fiscal year ended June 30, 2022. We encourage readers to consider this information in conjunction with the financial statements and accompanying notes that follow.

The financial statements herein include all of the activities of the Town using the integrated approach as prescribed by Government Accounting Standards Board (GASB) Statement No. 34 and related subsequent statements.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-wide Highlights:

Net Position – The assets of the Town exceeded its liabilities at fiscal year ending June 30, 2022 by \$5,942,706 (presented as “net position”). Of this amount, \$1,746,223 was reported as “unrestricted net position”. Unrestricted net position represents the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position – The Town's total net position increased by \$78,746 (a 1.3% increase) for the fiscal year ended June 30, 2022.

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the fiscal year ended June 30, 2022, the Town's governmental funds reported a combined ending fund balance of \$2,802,265 with \$1,024,451 being general unassigned fund balance. This unassigned fund balance represents approximately 20% of the total general fund expenditures for the year.

Long-term Debt:

The Town has no general long-term debt obligations during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary comparison, pension and other post-employment benefits (OPEB) disclosures) and supplementary information. These components are described below:

Government-wide Financial Statements

The Government-wide financial statements present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities (if applicable) separately. These statements include all assets of the Town (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain elimination entries have occurred as prescribed by the statement in regards to inter-fund activity, payables and receivables.

The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

The fund financial statements include statements for each of the three categories of activities – governmental, business-type (if applicable) and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs.

Reconciliation of the fund financial statements to the Government-wide financial statements is provided to explain the differences created by the integrated approach.

The basic governmental fund financial statements can be found on pages 11-12 of this report. The fiduciary fund financial statements can be found on pages 13-14 of this report.

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 the financial statements can be found on pages 15-31 of this report.

Required Supplementary Information

This section includes a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the general fund as presented in the governmental fund financial statements (if necessary). This section also includes pension disclosure schedules as required by GASB statement #68 and the other post-employment benefits (OPEB) disclosure schedules as required by GASB statement #75. Required supplementary information can be found on page 32-39 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

53% of the Town’s net position reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, parking lots and other immovable assets), less any related debt used to acquire those assets that are still outstanding. The Town uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

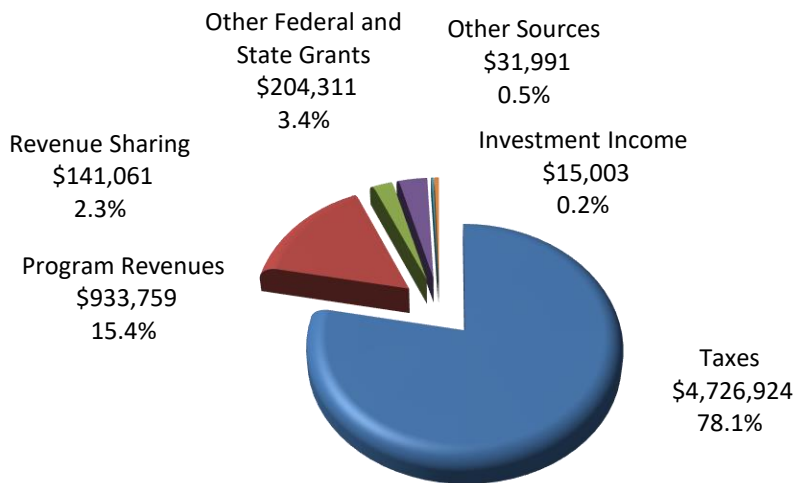
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total 2022</i>	<i>Total 2021</i>
Current Assets and Other	3,681,391	-	3,681,391	3,196,659
Capital Assets	3,153,815	-	3,153,815	3,320,266
<i>Total Assets and Other</i>	6,835,207	-	6,835,207	6,516,924
Current Liabilities and Other	553,548	-	553,548	380,710
Long-Term Liabilities	338,953	-	338,953	272,256
<i>Total Liabilities and Other</i>	892,501	-	892,501	652,966
<i>Net Position:</i>				
Invested in Capital Assets	3,153,815	-	3,153,815	3,320,266
Restricted	1,042,668	-	1,042,668	952,630
Unrestricted	1,746,223	-	1,746,223	1,591,063
<i>Total Net Position</i>	5,942,706	-	5,942,706	5,863,959
<i>Total Liabilities & Net Position</i>	6,835,207	-	6,835,207	6,516,924

Changes in Net Position

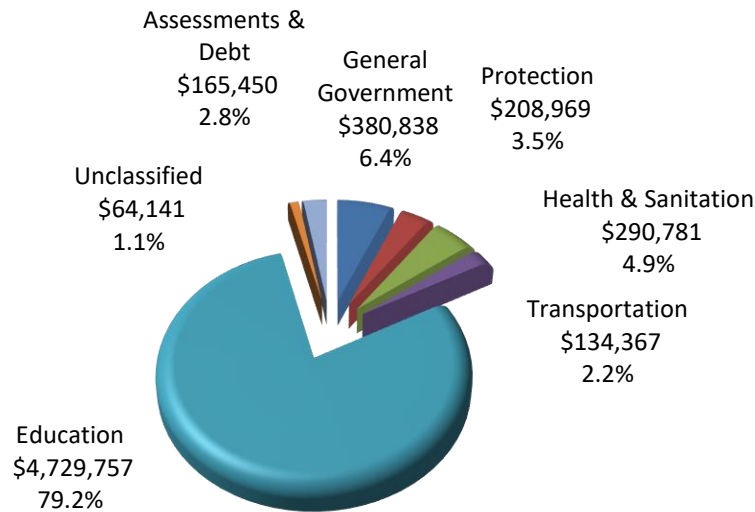
Approximately 78 percent of the Town’s total revenue came from property and excise taxes, approximately 20 percent came from Federal and State subsidies and grants, and approximately 2 percent came from services, investment earnings and other sources. Depreciation expense on the Town’s governmental and business-type activity assets represents \$181,186 of the total expenses for the fiscal year.

	Governmental	Business-type		
	Activities	Activities	Total 2022	Total 2021
Revenues:				
Taxes	4,726,924		4,726,924	4,631,571
Program Revenues	933,759		933,759	1,392,672
Investment Income	15,003		15,003	16,321
Revenue Sharing	141,061		141,061	86,078
Other Federal & State Grants	204,311		204,311	7,315
Other	31,991		31,991	23,587
Total	6,053,049	-	6,053,049	6,157,544
Expenses:				
General Government	380,838		380,838	347,428
Protection	208,969		208,969	125,492
Health / Sanitation	290,781		290,781	267,794
Transportation	134,367		134,367	150,686
Education	4,729,757		4,729,757	4,711,458
Unclassified	64,141		64,141	30,706
Assessments & Debt Service	165,450		165,450	153,329
Total	5,974,303	-	5,974,303	5,786,894
Changes in Net Position	78,746	-	78,746	370,650

Revenues by Source - Governmental and Business-Type



Expenditures by Source - Governmental and Business-Type



FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the Town's governmental funds reported ending fund balances of \$2,524,848, an increase of \$489,305 in comparison with the prior year. Approximately 38 percent of this total amount constitutes unassigned fund balance. The remainder is reserved to indicate that it is not available for spending because it has been committed to liquidate contracts and commitments of the prior fiscal year or for a variety of other purposes.

Variances between actual General Fund revenues and expenditures and the final amended budget included the following:

- \$363,171 positive variance in revenues. Property and excise tax revenue exceeded budget by \$30,677. State Revenue Sharing proceeds exceeded budget by \$96,061. In addition, the Town collected and earned over \$235,000 of unbudgeted revenue.
- \$6,556 negative variance in departmental expenditures. Several expenditure categories utilized carryforward balances during the fiscal year.

CAPITAL ASSET ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental and business-like activities amounts to \$7,022,280, net of accumulated depreciation of \$3,868,465 leaving a net book value of \$3,153,815. Current year additions include \$40,560 in School roof improvements. Current year retirements include copiers maintained by the School Department.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all citizens, taxpayers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Trenton, 59 Oak Point Road, Trenton, ME 04605.

TOWN OF TRENTON, MAINE
STATEMENT OF NET POSITION
JUNE 30, 2022

(Exhibit I)

<u>Assets & Deferred Outflows</u>	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$3,104,004
Accounts Receivable, net of Allowance for Uncollectible Accounts	\$122,789
Prepaid Assets	\$1,934
Taxes Receivable	\$176,067
<u>Non-current Assets:</u>	
Right to Use Leased Assets, net of Amortization	\$42,400
<u>Capital Assets</u>	
Land	\$193,177
Other Capital Assets, net of Accumulated Depreciation	\$2,960,638
<u>Total Assets</u>	<u>\$6,601,010</u>
<u>Deferred Outflows of Resources</u>	
Related to Pensions	\$161,584
Related to Other Post-Employment Benefits	\$72,613
<u>Total Deferred Outflows of Resources</u>	<u>\$234,197</u>
<u>Total Assets & Deferred Outflows</u>	<u>\$6,835,207</u>
<u>Liabilities, Deferred Inflows and Net Position</u>	
<u>Liabilities</u>	
<u>Current Liabilities:</u>	
Accrued Salaries & Benefits	\$239,228
Accounts Payable	\$187,382
<u>Long-Term Liabilities:</u>	
Accrued Compensated Absences	\$20,549
Net Pension Liability	\$64,443
Net Other Post-Employment Benefits Liability	\$230,112
<u>Lease Liability:</u>	
Due within One Year	\$11,320
Due in more than One Year	\$23,849
<u>Total Liabilities</u>	<u>\$776,883</u>
<u>Deferred Inflows of Resources:</u>	
Related to Pensions	\$90,462
Related to Other Post-Employment Benefits	\$5,169
Property Taxes Collected in Advance	\$19,987
<u>Total Deferred Inflows of Resources</u>	<u>\$115,618</u>
<u>Net Position</u>	
Net Investment in Capital Assets	\$3,153,815
Restricted	\$1,042,668
Unrestricted	\$1,746,223
<u>Total Net Position</u>	<u>\$5,942,706</u>
<u>Total Liabilities, Deferred Inflows & Net Position</u>	<u>\$6,835,207</u>

The Notes to the Financial Statements are an Integral Part of this Statement.

TOWN OF TRENTON, MAINE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Exhibit II)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating & Capital Grants</u>	<u>Revenue and Changes in Net Position</u>
<u>Primary Government</u>				<u>Governmental Activities</u>
<u>Governmental Activities</u>				
General Government	\$380,838	\$28,094		(\$352,743)
Protection	\$208,969	\$8,959		(\$200,010)
Health & Sanitation	\$290,781	\$7,159		(\$283,622)
Highways & Bridges	\$134,367		\$13,372	(\$120,995)
Education	\$4,532,043	\$1,122	\$674,811	(\$3,856,110)
State On-Behalf Contributions	\$197,714		\$197,714	\$0
Unclassified	\$64,141		\$2,528	(\$61,613)
Assessments and Debt Service	\$165,450			(\$165,450)
<u>Total Governmental Activities</u>	<u>\$5,974,303</u>	<u>\$45,334</u>	<u>\$888,425</u>	<u>(\$5,040,544)</u>
<u>Total Primary Government</u>	<u>\$5,974,303</u>	<u>\$45,334</u>	<u>\$888,425</u>	<u>(\$5,040,544)</u>
<u>General Revenues:</u>				
Tax Revenues				\$4,331,485
Excise Taxes				\$395,439
State Revenue Sharing				\$141,061
Other Federal and State Grant Funds				\$204,311
Interest Earned				\$15,003
Interest on Delinquent Taxes				\$15,753
Other Revenues				\$16,238
<u>Total Revenues</u>				<u>\$5,119,290</u>
<u>Changes in Net Position</u>				<u>\$78,746</u>
<u>Net Position - Beginning</u>				<u>\$5,863,960</u>
<u>Net Position - Ending</u>				<u>\$5,942,706</u>

The Notes to the Financial Statements are an Integral Part of this Statement.

TOWN OF TRENTON, MAINE
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

(Exhibit III)

<u>Assets</u>	<u>General Fund</u>
Cash and Cash Equivalents	\$3,104,004
Accounts Receivable	\$119,180
Prepaid Assets	\$1,934
Due from Fiduciary Funds	\$3,609
Taxes Receivable	\$121,207
Tax Liens & Tax Acquired Property	\$54,861
<u>Total Assets</u>	<u>\$3,404,795</u>
<u>Liabilities, Deferred Inflows & Fund Balances</u>	
<u>Liabilities;</u>	
Accrued Salaries & Benefits	\$239,228
Accounts Payable	\$187,382
<u>Total Liabilities</u>	<u>\$426,610</u>
<u>Deferred Inflows of Resources</u>	
Property Taxes Collected in Advance	\$19,987
Unavailable Property Tax Revenue	\$155,933
<u>Total Deferred Inflows of Resources</u>	<u>\$175,920</u>
<u>Fund Balances;</u>	
Nonspendable	\$1,434
Restricted	\$1,210,541
Committed	\$557,365
Assigned	\$8,473
Unassigned	\$1,024,451
<u>Total Fund Balances</u>	<u>\$2,802,265</u>
<u>Total Liabilities, Deferred Inflows & Fund Balances</u>	<u>\$3,404,795</u>
<u>Total Fund Balances - Governmental Funds</u>	<u>\$2,802,265</u>
<i>Net Position reported for Governmental Activities in the Statement of Net Position is different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	\$3,153,815
Deferred Inflows and Outflows related to Pension and OPEB Plans	\$138,566
Right to Use Leased Assets and related Lease Liabilities, net of related amortization	\$7,231
Delinquent taxes are recognized as revenue in the period for which levied in the government-wide financial statements, but are reported as unavailable revenue (a deferred inflow) in governmental funds	\$155,933
Some liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds	
Accrued Compensated Absences	(\$20,549)
This amount represents net pension and OPEB liabilities	(\$294,555)
<u>Net Position of Governmental Activities</u>	<u>\$5,942,706</u>

The Notes to the Financial Statements are an Integral Part of this Statement.

TOWN OF TRENTON, MAINE
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Exhibit IV)

	<u>General Fund</u>
<u>Revenues:</u>	
Property Taxes, including State Reimbursements	\$4,315,751
Excise Taxes	\$395,439
State On-Behalf Contributions	\$197,714
State Revenue Sharing	\$141,061
Other Federal and State Grant Funds	\$204,311
Interest Earned	\$15,003
Interest on Delinquent Taxes	\$15,753
Other Revenues	\$16,238
<u>Total Revenues</u>	<u>\$5,301,270</u>
<u>Expenditures (Net of Departmental Revenues):</u>	
General Government	\$345,316
Protection	\$156,158
Health & Sanitation	\$283,622
Highways & Bridges	\$63,279
Education	\$3,751,958
Unclassified	\$60,356
Assessments and Debt Service	\$165,450
State On-Behalf Contributions	\$197,714
<u>Total Expenditures</u>	<u>\$5,023,853</u>
<u>Excess of Revenues over Expenditures</u>	<u>\$277,417</u>
<u>Beginning Fund Balance</u>	<u>\$2,524,848</u>
<u>Ending Fund Balance</u>	<u>\$2,802,265</u>
<u>Reconciliation to Statement of Activities, changes in Net Position:</u>	
Net Change in Fund Balances - Above	\$277,417
Unavailable Revenue	\$15,734
Right to Use Leased Assets and related Lease Liabilities, net of related amortization	\$7,231
Accrued Compensated Absences	(\$20,549)
Pension and OPEB Plans (Deferred Outflows, Net Liability, Deferred Inflows)	(\$34,636)
Governmental funds report capital outlays as expenditures, while in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense	\$14,735
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Funds.	(\$181,186)
<u>Changes in Net Position of Governmental Activities</u>	<u>\$78,746</u>

The Notes to the Financial Statements are an Integral Part of this Statement.

TOWN OF TRENTON, MAINE
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

(Exhibit V)

	<i>Nonexpendable Trust Funds</i>		<i>Totals</i>
	<i>Cemetery Trust</i>	<i>Ministerial School Fund</i>	
<u>Assets</u>			
Cash and Cash Equivalents	\$26,724	\$705	\$27,429
<u>Total Assets</u>	<u>\$26,724</u>	<u>\$705</u>	<u>\$27,429</u>
<u>Liabilities and Net Position</u>			
<u>Liabilities:</u>			
Due to General Fund	\$3,609	\$0	\$3,609
<u>Total Liabilities</u>	<u>\$3,609</u>	<u>\$0</u>	<u>\$3,609</u>
<u>Net Position:</u>			
Reserve for Endowments	\$17,629	\$700	\$18,329
Unrestricted	\$5,486	\$5	\$5,491
<u>Total Net Position</u>	<u>\$23,115</u>	<u>\$705</u>	<u>\$23,820</u>
<u>Total Liabilities and Net Position</u>	<u>\$26,724</u>	<u>\$705</u>	<u>\$27,429</u>

The Notes to the Financial Statements are an Integral Part of this Statement.

TOWN OF TRENTON, MAINE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Exhibit VI)

	<i>Nonexpendable Trust Funds</i>		<i>Totals</i>
	<i>Cemetery Trust</i>	<i>Ministerial School Fund</i>	
<u>Additions</u>			
Perpetual Care	\$148	\$0	\$148
Interest Earned	\$567	\$0	\$567
<u>Total Additions</u>	\$715	\$0	\$715
<u>Reductions</u>			
Perpetual Care	\$469	\$0	\$469
School Purposes	\$0	\$0	\$0
<u>Total Liabilities</u>	\$469	\$0	\$469
<u>Changes in Net Position</u>	\$246	\$0	\$246
<u>Beginning Net Position</u>	\$22,869	\$705	\$23,574
<u>Ending Net Position</u>	\$23,115	\$705	\$23,820

The Notes to the Financial Statements are an Integral Part of this Statement.

TOWN OF TRENTON, MAINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Trenton, Maine (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for the governmental accounting and financial reporting principles. The more significant of the Town's accounting principles are described below.

A. Financial Reporting Entity

The accompanying financial statements present the government of the Town of Trenton, Maine which is identified based upon the criteria identified in Governmental Accounting Standards Board (GASB) Statement 14, as amended *The Financial Reporting Entity*. The Town is governed under an Administrative Assistant/Selectmen form of government. The Town engages in a comprehensive range of municipal services, including administrative services, police and fire protection, health and sanitation, highways and bridges and education. The financial statements include all operations of the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the Town. Fiduciary activities, whose resources are not available to finance the Town's programs are excluded from the government-wide statements. The material effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Functional expenses may also include an element of indirect cost, designed to recover administrative (overhead) costs. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when transactions occur and expenses and deductions are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants are recognized as revenue as soon as all eligibility requirements have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including interest on long-term debt, are recorded only when payment is due.

Property taxes, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports unearned revenue on its governmental fund financial statements. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

The Town reports the following major and non-major governmental funds:

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

Permanent funds are used to account for assets held in a perpetuity and therefore cannot be used to support the Town's own programs, but the investment earnings may be used for designated purposes.

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Position or Fund Balance

Deposits

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of one year or less from the date of acquisition. These investments are not specifically identified with any one fund.

The Town may invest in certificates of deposit, in time deposits, and in any securities in which State of Maine Statutes authorize them to invest in.

Accounts Receivable and Payable

All material receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure (e.g. roads, parking lots, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed. Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	10-50
Equipment	5-20

Interfund Receivable and Payables

Interfund receivables and payables arise from interfund transactions and are recorded by all funds effected in the period in which transactions are executed.

Pensions

For purposes of measuring net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System (the System) and additions to / deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable pursuant to formal commitments or statutory requirements. Investments are reported at fair value. Investment income is recognized when earned and investment expenses are recorded when incurred.

Other Post Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net positions of the Maine Education Association Benefits Trust (MEABT) and Maine Municipal Employees Health Trust (MMEHT) and additions to / deductions from their fiduciary net position have been determined on the same basis as they are reported by MEABT and MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable pursuant to formal commitments or statutory requirements. Investments are reported at fair value. Investment income is recognized when earned and investment expenses are recorded when incurred.

Accrued Compensated Absences

In the fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability in the governmental fund that will pay it. Vested or accumulated vacation and sick leave in the government-wide financial statements is recorded as an expense and liability of the fund as the benefits accrued to employees. In accordance GASB Statement No. 16, no liability is recorded for nonvesting accumulated right to receive sick pay benefits.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities when applicable. In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources.

Governmental Fund Balances

The Town has identified June 30, 2022 fund balances on the balance sheet as follows:

<u>Nonspendable</u>	<u>General Fund</u>	<u>Trust Funds</u>	<u>Total</u>
Trust Principal		\$18,329	\$18,329
School Lunch Program Inventory	\$1,434		\$1,434
<u>Restricted</u>			
Education Fund	\$959,003		\$959,003
Pre-Kindergarten Program	\$2,410		\$2,410
Revenue Sharing	\$173,020		\$173,020
ARPA Funds	\$70,960		\$70,960
Broadband Grant	\$5,148		\$5,148

	<u>General Fund</u>	<u>Trust Funds</u>	<u>Total</u>
<u>Committed</u>			
Business Park Infrastructure	\$43,365		\$43,365
Fire Truck Reserve	\$213,993		\$213,993
Fire Station Reserve	\$17,902		\$17,902
Animal Control Fund	\$9,778		\$9,778
Solid Waste Disposal	\$35,555		\$35,555
Town Roads	\$95,535		\$95,535
Recreation	\$3,439		\$3,439
Veteran's Graves	\$10,002		\$10,002
Harbor Committee	\$84,726		\$84,726
Veteran's Memorial	\$18,071		\$18,071
County Memorandum of Understanding	\$25,000		\$25,000
<u>Assigned</u>			
Fire Department	\$8,473		\$8,473
Cemetery Trust Income		\$5,486	\$5,486
Ministerial School Lot		\$5	\$5
<u>Unassigned</u>			
	\$1,024,451		\$1,024,451
<u>Total Fund Balances</u>			
	<u>\$2,802,265</u>	<u>\$23,820</u>	<u>\$2,826,085</u>

In accordance with GASB Statement 54, the Town classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as grantors or creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Town through formal action at the highest level of decision making authority and does not lapse at the end of the year.

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered Restricted nor Committed. The Board of Selectmen are authorized to make assignments pursuant to their appointment.

Unassigned - includes fund balance amounts that are not considered to be Non-spendable, Restricted, Committed or Assigned.

The Town considers restricted, committed, assigned and unassigned amounts to be spent in that order when expenditures are incurred for which any of those amounts are available.

Net Position

Net position is required to be classified into three components - net investment in capital assets, restricted; and unrestricted. These classifications are defined as follows:

Net Investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$1,042,668 of restricted net position, of which enabling legislation restricts \$0.

Unrestricted - This component consists of net position that do not meet the definition of "restricted" or "net investment in capital assets".

E. Budgetary Accounting

Formal budgetary accounting is employed as a management control for the general fund only. Annual operating budgets are adopted each fiscal year by the registered voters of the Town at their annual Town meeting. Budgets are established in accordance with generally accepted accounting principles. Budgetary control is exercised at the selectman level, since individual department heads do not exist. All unencumbered budget appropriations lapse at the end of the year unless specifically designated by the Board of Selectmen or required by law.

F. Endowments

In the permanent funds, there are established endowment funds of \$17,629 for cemetery purposes. The investment earnings of these funds are used for the specific purposes that the funds were established for and shall be paid out by order of those persons responsible for administering the funds. State law directs that, subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Town's deposit policy for custodial credit risk requires compliance with the provisions authorized by Maine State Statutes. The Town requires that, at the time funds are deposited, there is collateral in place to cover the deposits in excess of the FDIC insurance limits.

State Statutes require banks either to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the Town in the amount of the Town's deposits. The Statutes allow pledged securities to be reduced by the amount of the deposits insured by the Federal Deposit Insurance Corporation (FDIC).

The financial institutions holding the Town's cash accounts are participating in the Federal Deposit Insurance Corporation (FDIC) program. For interest and non-interest bearing cash accounts, the Town's cash deposits, including certificates of deposit, are insured up to \$250,000 each (interest bearing and non-interest bearing) by the FDIC. In order to avoid exceeding the \$250,000 FDIC limits, the Town deposits in Insured Cash Sweep (ICS) funds.

At year end, the carrying value of the Town's deposits was \$3,090,775 and the bank balance was \$3,307,583. The Town has no uninsured and uncollateralized deposits as of June 30, 2022.

Credit risk - credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town limits its investments to those authorized by Maine State Statutes, which authorize the Town to make deposits/investments in insured commercial banks, insured credit union and direct debt securities of the United States Government unless such an investment is expressly prohibited by law.

Note 3 - Property Taxes

Property taxes were assessed on April 1, 2021 and committed on July 13, 2021. Interest of 6% per annum is charged on delinquent taxes. Tax liens are recorded on property taxes remaining unpaid twelve months after the commitment date. Tax liens unpaid for a period of eighteen months expire and the property becomes tax acquired by the Town. For governmental funds, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year-end are recorded as revenue. Accordingly, \$155,933 of the property taxes receivable have been classified as unavailable tax revenue on the general fund balance sheet.

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Governmental Activities:</i>				
<i>Capital assets not being depreciated</i>				
Land	\$193,177			\$193,177
<i>Capital assets being depreciated</i>				
Buildings & Improvements	\$3,515,846	\$40,560		\$3,556,406
Equipment	\$1,194,841		\$43,042	\$1,151,799
Infrastructure	\$2,120,898			\$2,120,898
<i>Total capital assets being depreciated</i>	<u>\$6,831,584</u>	<u>\$40,560</u>	<u>\$43,042</u>	<u>\$6,829,103</u>
<i>Less Accumulated Depreciation for</i>				
Buildings & Improvements	\$1,598,640	\$80,247		\$1,678,888
Equipment	\$707,541	\$46,702	\$17,217	\$737,026
Infrastructure	\$1,398,315	\$54,236		\$1,452,551
<i>Total accumulated depreciation</i>	<u>\$3,704,496</u>	<u>\$181,186</u>	<u>\$17,217</u>	<u>\$3,868,465</u>
<i>Net capital assets being depreciated</i>	<u>\$3,127,089</u>	<u>(\$140,626)</u>	<u>\$25,825</u>	<u>\$2,960,638</u>
<i>Governmental Activities, Capital Assets, net</i>	<u>\$3,320,266</u>	<u>(\$140,626)</u>	<u>\$25,825</u>	<u>\$3,153,815</u>

Depreciation expense was charged to functions/programs of the primary government as follows;

Governmental Activities:

General Government	\$7,428
Protection	\$43,852
Education	\$70,933
Public Transportation, including depreciation of general infrastructure assets	\$57,716
Unclassified	\$1,257
Total Depreciation Expense - Governmental Activities	<u>\$181,186</u>

Note 5 - Long-Term Debt

The Town of Trenton, Maine has no outstanding debt for the fiscal year ended June 30, 2022.

Note 6 - Participation in Public Entity Risk Pool

The Town participates in Public Entity Risk Pools for the purposes of Workers Compensation, Property and Liability Insurance and Unemployment Compensation. The Public Entity Risk Pool is administered by the Maine Municipal Association. The Public Entity Risk Pools were established for the purposes of lowering costs for members and for developing specific programs to control losses. Members pay annual premiums to the Maine Municipal Association for participation in the respective programs.

The Town is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which it carries municipal and commercial insurance. The Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2022.

Note 7 - Obligation Under Contracted Salaries

An obligation for July and August salaries for employees under September through August contracts is being recorded on the general fund balance sheet. This obligation represents generally accepted accounting principles reporting for the Town.

Note 8 - Defined Benefit Employee Pension Plan

A. Plan Description

Qualifying personnel of the School Department participate in the Maine Public Employees Retirement System (System) State Employee and Teacher (SET) Plan. The plan is a multiple-employer, cost-sharing pension plan with a special funding situation. The State of Maine is the a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of teachers, while school systems contribute the normal cost, calculated actuarially, for their teacher members.

B. Pension Benefits

Benefit terms are established in Maine Statute. The System's retirement programs provide defined retirement benefits based on member's average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit for State employees and teachers. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for State employees and teachers is age 60, 62 or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by statute for State employee and teacher members.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual interest credited to members' accounts is set by the System's Board of Trustees.

C. Member and Employer Contributions

Retirement benefits are funded by contributions from members, employers, State contributions and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member contribution rates are defined by law or Board rule and depend on the terms of the Plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. For the year ended June 30, 2022, the member contribution rate was 7.65% and the employer contribution rate was 3.84% of applicable member compensation. The employer is also responsible for contributing 14.89% of all federally funded member compensation. The State of Maine, as a non-employer contributing entity, pays 14.29% of the applicable member compensation into the System.

The required contributions paid into the System for the year ended June 30, 2022 and the previous two years are as follows:

<i>For the year ended June 30,</i>	<i>Employee Contributions</i>	<i>Employer Contributions</i>	<i>State of Maine Contributions</i>	<i>Applicable Member Compensation</i>
2022	\$113,281	\$74,193	\$194,973	\$1,480,792
2021	\$111,323	\$75,612	\$194,091	\$1,455,209
2020	\$106,446	\$64,522	\$193,032	\$1,391,450

D. Revenue Recognition

Employer contributions to the System are recognized as additions in the period when they become due pursuant to formal commitments or statutory requirements. Investment income is recognized when earned and investment expenses are recorded when incurred. For the teacher group, total employer and non-employer contributions were the basis for the allocation, adjusted to remove the normal cost contributions paid by local school systems on behalf of their employees. This leaves contributions toward the net pension liability of the Plan as the basis of allocation. This method of allocation properly distribute, the collective net pension liability between the State of Maine as the non-employer contributing entity and those School Systems contributing toward the net pension liability of the Plan using grant funding.

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

At June 30, 2022, the School Department reported a net pension liability of \$64,443. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of that date. The School Department's proportion of the net pension liability was based on a projection of the School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At June 30, 2021, the School Department's proportion was .007619%, which was an increase of 0.004121% from its proportion measured at June 30, 2020

For the fiscal year ended June 30, 2022, the School Department recognized pension expense of \$74,193. At June 30, 2022, the School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$955	\$1,317
Changes in Assumptions	\$43,936	\$0
Net Difference between projected between projected and actual earnings on pension plan investments	\$0	\$87,810
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$42,500	\$1,335
Employer contributions made subsequent to measurement date	<u>\$74,193</u>	<u>\$0</u>
	<u>\$161,584</u>	<u>\$90,462</u>

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

	<u>Year ended June 30,</u>
	2022
	\$91,747
	2023
	\$23,797
	2024
	(\$19,946)
	2025
	(\$24,476)

F. Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	2.80% - 13.03% at selected years of service
Investment Rate of Return	6.50%, net of administrative and pension plan investment expense
Cost of Livings Increases	2.20%

For the School Department employees, the mortality rate is based on the 2010 Public Plan Teacher Benefits Weighted Mortality Tables for males and females, projected generationally using the RPEC-2020 model.

The actuarial assumptions used in the June 30, 2021 valuation were based on the Entry Age Normal actuarial funding method. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of their expected future salary. The normal cost for each employee is the product of their pay and their normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e. decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public Equities	30.0%	6.0%
U.S. Government	7.5%	2.3%
Private Equity	15.0%	7.6%
Real Assets:		
Real Estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	7.5%	3.0%
Alternative Credit	5.0%	4.2%
Diversifiers	10.0%	5.9%
	<u>100%</u>	

G. Discount Rate

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

H. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School Department's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the School Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Proportionate Share of the Net Pension Liability	\$169,236	\$64,443	(\$22,807)

I. Pension Plan Financial and Actuarial Information

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

Note 9 - Other Post Employment Benefits (OPEB)

A. Plan Description - School Department Group Life Insurance Plan

Qualifying personnel of the School Department participate in the Group Life Insurance Plan for Retired State Employees and Teachers as provided by the Maine Public Employees Retirement System (SET Plan) The plan is a multiple-employer, cost sharing plan with a special funding situation. As of June 30, 2021 there were 228 employers, including the State of Maine participating in the plan. The State of Maine is also a non-employer contributing entity in that the State pays contributions for retired public school teachers in the Plan.

B. Benefits

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

C. Funding Policy

Premium rates are those determined by the System's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for basic life insurance for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution.

D. Actuarial Methods and Assumptions

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

Actuarial Cost Method

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

Asset Valuation Method

Investments are reported at fair value.

Significant Actuarial Assumptions

Inflation	2.75%
Salary Increases	2.80% - 13.03% at selected years of service

Investment Rate of Return	6.50%, net of administrative and pension plan investment expense
Participation Rates for Future Retirees	100% of those currently enrolled
Conversion Charges	Apply to the cost of active group life insurance, not retiree group life insurance
Form of Benefit Payment	Lump Sum

For the School Department employees, the mortality rate is based on the 2010 Public Plan Teacher Benefits Weighted Mortality Tables for males and females, projected generationally using the RPEC-2020 model.

E. On-Behalf Payments

As mentioned in Section A. above, contributions are made by the System for participating retired teachers. The summary below provides the School Department's allocation of these contributions as well as the proportionate share of the Net OPEB liability. The Net OPEB Liability is not recorded on the Town financial statements since it is a liability of the State of Maine and not a liability of the Town.

	<i>Allocation of:</i>		
	<u><i>On-Behalf Payments</i></u>	<u><i>Benefits Expense</i></u>	<u><i>Net OPEB Liability</i></u>
2022	\$2,741	\$147	\$11,700

A. Plan Description - Town Employees Group Health Insurance Plan

Qualifying personnel of the Town can participate in the Maine Municipal Employees Health Trust postretirement benefit plan. The plan is a single employer OPEB plan.

B. Benefits Provided

Medical/Prescription Drug: The non-Medicare retirees are offered the same plans that are available to the active employees, as described in the benefits summaries. Medicare retirees are assumed to be enrolled in Medicare Part A and Part B which are primary, and the Retiree Group Companion Plan which includes prescription drug coverage.

Medicare: Medicare benefits will be taken into account for any member or dependent while they are eligible to apply for Medicare. The Fund will determine a family member's benefit allowance, if any, based upon the applicable Medicare statutes and regulations. The Fund does not participate in the Medicare Retiree Drug Subsidy program.

Duration of Coverage: Medical benefits are provided for the life of retiree and surviving spouses.

Life Insurance: The \$2,000 life insurance benefit is provided automatically to all retirees participating in the retiree medical plan. Spouses are not covered for life insurance, but surviving spouses covered by the retiree medical plan are covered for a \$2,000 life insurance benefit as well.

Dental: Current retirees do not have access to dental benefits. Future new retirees who retire on and after January 1, 2017 will have access to purchase dental coverage at the Plan COBRA rates. Since retirees pay for the coverage and rates are set to mirror plan experience costs, no additional obligation is anticipated. Program experience will be monitored with future valuations and updated as with all benefit provisions and assumptions.

C. Employees covered by benefit terms:

At January 1, 2022, the following employees were covered under the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	0.00
Inactive employees entitled to but not yet receiving benefit payments	0.00
Active employees	2.00
Average age	53.51
Average service	3.47

D. Net OPEB Liability

The Town’s net OPEB liability was measured as of January 1, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<i>Discount Rate</i>	2.06% per annum 2022 reporting. 2.12% per annum 2021 reporting.
<i>Salary Increase Rate</i>	2.75% per year.
<i>Administration and claims expense</i>	3.00% per annum.

Healthcare cost trend rates:

Pre -Medicare Medical: Initial trend of 6.25% applied in FYE 2022 grading over 20 years to 3.53% per annum.

Pre -Medicare Drug: Initial trend of 13.10% applied in FYE 2022 grading over 20 years to 3.53% per annum.

Medicare Medical: Initial trend of 5.00% applied in FYE 2022 grading over 20 years to 3.53% per annum.

Medicare Drug: Initial trend of 9.90% applied in FYE 2022 grading over 20 years to 3.53% per annum.

E. Actuarial Assumptions

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

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

The Entry Age Normal Actuarial Cost Method was used to value the Plan’s actuarial liabilities and to set the normal cost. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for the Plan. An open 30-year amortization period was used. The amortization method is a level dollar amortization method. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records assembled and provided by Maine Municipal through June 30, 2021 were used by the Actuary. Medical and prescription experience for Medicare eligible (ME) and non-Medicare eligible (NME) (actives and retired covered persons) were analyzed by the Actuary. The Actuary assumed that the current enrollment distribution of Benefit Options will remain constant in the future for retirees. The Actuary distributed the cost based on the current covered population and Cheiron's (Actuary) standard age curves which vary by age, gender, and Medicare status. Children costs are converted to a load on the non-Medicare (NME) retirees which implicitly assumes that future retirees will have the same child distributions as current retirees.

The Actuary report does not reflect future changes in benefits, subsidies, penalties, taxes, or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 related legislation and regulations.

F. Discount Rate

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

G. Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
<u>Balances at 1/1/2021 (Reporting 12/31/2021)</u>	\$3,192	\$0	\$3,192
<u>Changes:</u>			
Service Cost	\$1,853		\$1,853
Interest	\$107		\$107
Changes of benefits	\$0		\$0
Differences between expected and actual experience	\$1,703		\$1,703
Changes of assumptions	(\$1,087)		(\$1,087)
Contributions - employer	\$0		\$0
Benefit payments	\$0		\$0
<u>Net changes</u>	<u>\$2,576</u>	<u>\$0</u>	<u>\$2,576</u>
<u>Balances at 1/1/2022 (Reporting 12/31/2022)</u>	<u>\$5,768</u>	<u>\$0</u>	<u>\$5,768</u>

H. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.06%) or 1 percentage point higher (3.06%) than the current discount rate:

	<u>1.0% Decrease (1.06%)</u>	<u>Discount Rate (2.06%)</u>	<u>1.0% Increase (3.06%)</u>
<i>Net OPEB Liability (Asset)</i>	\$6,941	\$5,768	\$4,826

I. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following represents the net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1.0% Decrease</u>	<u>Healthcare Trend Rate</u>	<u>1.0% Increase</u>
Net OPEB Liability (Asset)	\$4,656	\$5,768	\$7,223

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The impact of experience gains or losses and assumption changes on the Total OPEB Liability are recognized in the OPEB expense over the average expected remaining services life of all active and inactive members of the Plan. As of the beginning of the measurement period, the average was 8 years.

The table below summarizes the current balances of deferred outflows and deferred inflows of resources along with with the net recognition over the next five years, and thereafter.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$1,624	\$0
Changes in Assumptions	\$344	\$983
Net Difference between projected and actual earnings on OPEB plan investments	\$0	\$0
	<u>\$1,968</u>	<u>\$983</u>

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

<u>Year ended</u>	
2023	\$182
2024	\$182
2025	\$182
2026	\$183
2027	\$102
Thereafter	\$154

A. Plan Description - School Department Group Health Insurance Plan

Qualifying personnel of the School Department can participate in the Maine Education Association Benefits Trust (MEABT) postretirement benefit plan. The plan is a single employer OPEB plan.

B. Eligibility

The employee must have participated in the MEABT health plan for the 12 months prior to retirement, and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits.

A retiree who terminates coverage may elect to re-enroll in coverage at a later date if the participant participated in the health plan for 12 months prior to terminating coverage, if the re-enrollment occurs within 5 years from the date of termination coverage, and if the retiree does not surpass attaining age 62 at the time of re-enrollment. The participant has to have maintained continuous health insurance coverage during this break in coverage. To be eligible for re-enrollment, a retiree may not take more than one break in coverage.

C. Cost Sharing Provisions

The retiree is eligible for a State subsidy of 45% of the blended single premium for the retiree only. Under State law, the blended premium is determined by blending rates for active members and retired members.

The retiree pays 45% of the blended premium rate for coverage elected. Spouses must contribute 100% of the blended premium amounts. This the total premium is paid for by both the State and the retiree and/or spouse. The MEABT is not responsible for the premium, but instead the implicit rate subsidy. The implicit rate subsidy is the value of the cost of care minus the premiums charged. Since the premiums are based on the average active and per-Medicare retirees, the retirees are implicitly paying less than the true cost of coverage, thus an implied subsidy.

D. Employees covered by benefit terms:

At June 30, 2021, the following employees were covered under the benefit terms:

Active employees	24
Average age	50.13
Average service	16.77

E. Net OPEB Liability

The School Department’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<i>Discount Rate</i>	2.16% per annum for 2021 reporting. 2.21% per annum for 2020 reporting.
<i>Salary Increase Rate</i>	2.75% per year.
<i>Administration and claims expense</i>	Included in per capita claims cost
<i>Healthcare cost trend rates:</i>	
<i>Pre -Medicare Medical:</i>	Initial trend of 6.21% applied in FYE 2020 and 6.83% applied in FYE 2022 grading over 18 years to 3.25% per annum.
<i>Medicare Medical:</i>	Initial trend of 0.0% applied in FYE 2021 and 6.30% applied in FYE 2022 grading over 18 years to 3.25% per annum.

F. Actuarial Assumptions

Rates of mortality for the different level of participants are described below:

Healthy Annuitants: Based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table adjusted as follows:

- 98.1% and 87.5% respectively of the rates for males before age 85 and females before age 80.
- 106.4% and 122.3% respectively of the rates for males on and after age 85 and females on and after age 80.

Rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95, and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale.

Healthy Employees: Based on 93.1% and 91.9% of the 2010 Public Plan Teacher Benefits-Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality.

Disabled Annuitants: Based on 94.2% and 123.8% of the 2010 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality.

The actuarial assumptions are the assumptions that were adopted by the Maine Public Employees Retirement System State Employee and Teacher Program valuation at June 30, 2018 and are based on the experience study covering the period from June 30, 2015 through June 30, 2020.

The Entry Age Normal Actuarial Cost Method was used to value the Plan’s actuarial liabilities and to set the normal cost. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for the Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets. The plan has no assets to apply against the liabilities.

For claim curves, the Actuary used actual community rated premiums and census records provided by MEABT through June 30, 2020. Participation experience for Medicare eligible (ME) and non-Medicare eligible (NME) (activities and retired covered persons) were analyzed by the Actuary. The Actuary assumed that the current enrollment distribution of Benefit Options will remain constant in the future for retirees. The Actuary distributed the cost based on the current covered population and Cheiron’s (Actuary) standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare (NME) retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

The Actuary report does not reflect future changes in benefits, subsidies, penalties, taxes, or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 related legislation and regulations.

G. Discount Rate

Since the plan is pay as you go and is not funded, the discount rate will be based on a 20-year, tax-exempt general obligation municipal bond index. Using the Bond Buyer 20-Bond GO Index, the discount rate as of June 30, 2020 is 2.21% per annum. The discount rate as of June 30, 2021 is 2.16% per annum. This rate is assumed to be an index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher, for pay as you go plans.

H. Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
<u>Balances at 6/30/2020 (Reporting 6/30/2021)</u>	\$211,968	\$0	\$211,968
<u>Changes:</u>			
Service Cost	\$5,271		\$5,271
Interest	\$4,801		\$4,801
Changes of Benefits	\$0		\$0
Differences between expected and actual experience	\$0		\$0
Change of Assumptions	\$2,304		\$2,304
Contributions - employer			\$0
Benefit Payments			\$0
<u>Net changes</u>	<u>\$12,376</u>	<u>\$0</u>	<u>\$12,376</u>
<u>Balances at 6/30/2021 (Reporting 6/30/2022)</u>	<u>\$224,344</u>	<u>\$0</u>	<u>\$224,344</u>

I. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the School Department, as well as what the School Department's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current discount rate:

	<u>1.0% Decrease</u> <u>(1.16%)</u>	<u>Discount Rate</u> <u>(2.16%)</u>	<u>1.0% Increase</u> <u>(3.16%)</u>
Net OPEB Liability (Asset)	\$277,006	\$224,344	\$183,266

J. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following represents the net OPEB liability of the School Department, as well as what the School Department's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1.0% Decrease</u>	<u>Healthcare</u> <u>Trend Rate</u>	<u>1.0% Increase</u>
Net OPEB Liability (Asset)	\$177,584	\$224,344	\$286,875

K. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The impact of experience gains or losses and assumption changes on the Total OPEB Liability are recognized in the OPEB expense over the average expected remaining services life of all active and inactive members of the Plan. As of the beginning of the measurement period, the average was 8 years.

The table below summarizes the current balances of deferred outflows and deferred inflows of resources along with the net recognition over the next five years, and thereafter.

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience	\$15,653	\$0
Changes in Assumptions	\$54,992	\$4,186
Net Difference between projected and actual earnings on OPEB plan investments	\$0	\$0
Employer contributions made subsequent to measurement date	\$0	\$0
	<u>\$70,645</u>	<u>\$4,186</u>

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

<u>Year ended</u>	
2022	\$10,946
2023	\$10,946
2024	\$10,945
2025	\$12,338
2026	\$10,500
Thereafter	\$10,784

Note 10 - GASB Statement #87

The general fund beginning fund balance was adjusted by \$110 at July 1, 2021 due to the implementation of Governmental Accounting Standards Board Statement #87 (Leases). The School Department has recorded right to use lease assets as a result of implementing GASB Statement #87. The right to use assets are initially measured at an amount to equal the initial measurement of the related lease plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The assets are amortized on a straight line basis over the life of the lease. Lease liabilities are recorded at the present value of the future minimum lease payments as of the date of their inception.

TOWN OF TRENTON, MAINE

(Exhibit VII)

REQUIRED SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET (BUDGET BASIS) AND ACTUAL - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes, including State Reimbursements	\$4,328,512	\$4,328,512	\$4,315,751	(\$12,762)
Excise Taxes	\$352,000	\$352,000	\$395,439	\$43,439
State Revenue Sharing	\$45,000	\$45,000	\$141,061	\$96,061
Other Federal and State Grant Funds	\$0	\$0	\$204,311	\$204,311
Interest Earned	\$0	\$0	\$15,003	\$15,003
Interest on Delinquent Taxes	\$0	\$0	\$15,753	\$15,753
Other Revenues	\$14,873	\$14,873	\$16,238	\$1,365
<u>Total Revenues</u>	<u>\$4,740,385</u>	<u>\$4,740,385</u>	<u>\$5,103,556</u>	<u>\$363,171</u>
<u>Expenditures (Net of Departmental Revenues):</u>				
General Government	\$380,304	\$380,304	\$345,316	\$34,988
Protection	\$152,300	\$152,300	\$156,158	(\$3,858)
Health & Sanitation	\$269,000	\$269,000	\$283,622	(\$14,622)
Highways & Bridges	\$90,928	\$90,928	\$63,279	\$27,649
Education	\$3,717,781	\$3,717,781	\$3,751,958	(\$34,177)
Unclassified	\$33,534	\$33,534	\$60,356	(\$26,822)
Assessments and Debt Service	\$175,736	\$175,736	\$165,450	\$10,286
<u>Total Expenditures</u>	<u>\$4,819,583</u>	<u>\$4,819,583</u>	<u>\$4,826,139</u>	<u>(\$6,556)</u>
<u>Excess of Revenues over Expenditures</u>	<u>(\$79,198)</u>	<u>(\$79,198)</u>	<u>\$277,417</u>	<u>\$356,615</u>
<u>Beginning Fund Balances</u>	<u>\$2,524,848</u>	<u>\$2,524,848</u>	<u>\$2,524,848</u>	<u>\$0</u>
<u>Ending Fund Balances</u>	<u>\$2,445,650</u>	<u>\$2,445,650</u>	<u>\$2,802,265</u>	<u>\$356,615</u>

Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds:

Total Revenues per above	\$5,103,556
State On-Behalf Contributions	\$197,714
Total Revenues per Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	<u>\$5,301,270</u>
Total Expenditures per above	\$4,826,139
State On-Behalf Contributions	\$197,714
Total Expenditures per Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	<u>\$5,023,853</u>

TOWN OF TRENTON, MAINE

(Exhibit VIII)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF HISTORICAL PENSION INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM - STATE EMPLOYEE AND TEACHER PLAN

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<i>For the Fiscal Year Ended June 30,</i>	<i>Proportion of Net Pension Liability</i>	<i>Proportionate Share of Net Pension Liability (Asset)</i>	<i>Covered Employee Payroll</i>	<i>Proportionate Share of Net Pension Liability (Asset) as a % of Its Covered Employee Payroll</i>	<i>Plan Total Pension Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Plan Net Pension Liability</i>	<i>Plan Fiduciary Net Position as a % of the Total Pension Liability</i>	<i>Plan Covered Employee Payroll</i>	<i>Plan Net Pension Liability as a % of the Covered Employee Payroll</i>
2022	0.007619%	\$64,443	\$1,480,792	4.352%	\$16,392,351,328	\$14,900,649,703	\$1,491,701,625	90.900%	\$2,096,365,332	71.157%
2021	0.003498%	\$57,096	\$1,455,209	3.924%	\$14,865,460,130	\$12,044,918,612	\$2,820,541,518	81.026%	\$2,003,075,813	140.811%
2020	0.003762%	\$55,146	\$1,391,450	3.963%	\$14,547,222,913	\$12,035,565,075	\$2,511,657,838	82.734%	\$1,924,006,618	130.543%
2019	0.004100%	\$55,327	\$1,335,001	4.144%	\$14,031,187,845	\$11,632,179,683	\$2,399,008,162	82.902%	\$1,808,274,919	132.668%
2018	0.004623%	\$67,151	\$1,252,762	5.360%	\$13,484,886,512	\$10,893,291,864	\$2,591,594,648	80.781%	\$1,860,230,663	139.316%
2017	0.005050%	\$89,216	\$1,272,871	7.009%	\$13,069,954,948	\$9,960,335,390	\$3,109,619,558	76.208%	\$1,816,435,084	171.194%
2016	0.006134%	\$82,816	\$1,242,446	6.666%	\$12,616,287,054	\$10,242,097,022	\$2,374,190,032	81.182%	\$1,699,160,889	139.727%
2015	0.005426%	\$58,619	\$1,199,649	4.886%	\$12,320,158,783	\$10,337,639,472	\$1,982,519,311	83.908%	\$1,676,857,294	118.228%

* Amounts presented for each fiscal year were determined as of June 30 of the previous fiscal year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF HISTORICAL PENSION INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM - STATE EMPLOYEE AND TEACHER PLAN

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<i>For the Fiscal Year Ended June 30,</i>	<i>Contractually Required Contribution</i>	<i>Actual Contribution</i>	<i>Contribution Deficiency</i>	<i>Covered Employee Payroll</i>	<i>Contributions as a % of Covered Employee Payroll</i>
2022	\$74,193	\$74,193	\$0	\$1,480,792	5.010%
2021	\$75,612	\$75,612	\$0	\$1,455,209	5.196%
2020	\$64,522	\$64,522	\$0	\$1,391,450	4.637%
2019	\$58,503	\$58,503	\$0	\$1,335,001	4.382%
2018	\$55,586	\$55,586	\$0	\$1,252,762	4.437%
2017	\$48,727	\$48,727	\$0	\$1,272,871	3.828%
2016	\$48,035	\$48,035	\$0	\$1,242,446	3.866%
2015	\$41,624	\$41,624	\$0	\$1,199,649	3.470%

* Amounts presented for each fiscal year were determined as of June 30 of the previous fiscal year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF TRENTON, MAINE
NOTES TO HISTORICAL PENSION INFORMATION
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1 - Actuarial Methods and Assumptions

The information in the historical pension information was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation date, June 30, 2021, is as follows:

A. Actuarial Cost Method

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

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of their expected future salary. The normal cost for each employee is the product of their pay and their normal cost rate. The normal cost rate for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e. decreases or increases in liabilities and/or assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

B. Asset Valuation Method

An actuarial value of assets is used for determining employer contributions. The use of an actuarial value of assets for this purpose helps mitigate volatility in contribution rates that might otherwise occur due to fluctuations in market conditions. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

C. Amortization

The net pension liability is amortized on a level percentage of payroll over the amortization period then in effect in statutory and constitutional requirements. The statutory and constitutional requirements include an amendment to the Maine Constitution approved in November 1995 that requires the State of Maine to fund the unfunded actuarial liability existing on June 30, 1996, over a period not to exceed 31 years beginning on July 1, 1997, and not later than June 30, 2028. The Amendment prohibits the creation of new unfunded liabilities in the Plan except those arising from experience losses, which must be funded over a period of not more than ten years. In addition, the amendment requires the use of actuarially sound current cost accounting, reinforcing existing statutory requirements.

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

Inflation	2.75%
Salary Increases	2.80% - 13.03% at selected years of service
Investment Rate of Return	6.50%, net of administrative and pension plan investment expense
Cost of Living Benefit Increases	2.20%

For members, the mortality rate is based on the 2010 Public Plan Teacher Benefits - Weighted Healthy Retiree Mortality Table, for males and females. The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period of June 30, 2012 to June 30, 2015. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. There were no changes in assumptions for the fiscal year ended June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

For the Fiscal Years Ended	Total OPEB Liability								Plan Fiduciary Net Position							Net OPEB Liability as a % of the Covered Employee Payroll	
	Service Cost (BOY)	Interest (Includes on Service Cost)	Changes of Benefit Terms and Assumptions	Difference between Estimated and Actual Experience	Benefit Payments	Net Change in Total OPEB Liability	Total OPEB Liability - Beginning	Total OPEB Liability - Ending	Contributions- Employer	Contributions- Member	Benefit Payments, Including Refunds of Member Contributions	Net Change in Plan Fiduciary Net Position	Plan Fiduciary Net Position - Beginning	Plan Fiduciary Net Position - Ending	Net OPEB Liability - Ending		Covered Employee Payroll
Maine Education Association Benefit Trust School Plan																	
2022	\$5,271	\$4,801	\$2,304	\$0	\$0	\$12,376	\$211,968	\$224,344	\$0	\$0	\$0	\$0	\$0	\$0	\$224,344	\$1,480,792	15.150%
2021	\$2,526	\$5,752	\$21,468	\$20,871	(\$938)	\$49,679	\$162,289	\$211,968	\$938	\$0	(\$938)	\$0	\$0	\$0	\$211,968	\$1,230,309	17.229%
2020	\$2,066	\$5,567	\$12,884	\$0	\$0	\$20,517	\$141,772	\$162,289	\$0	\$0	\$0	\$0	\$0	\$0	\$162,289	\$1,331,531	12.188%
2019	\$2,264	\$5,238	(\$9,766)	\$0	\$0	(\$2,264)	\$144,036	\$141,772	\$0	\$0	\$0	\$0	\$0	\$0	\$141,772	\$1,295,894	10.940%
Maine Municipal Employees Health Trust Town Plan																	
2022	\$1,853	\$107	(\$1,087)	\$1,703	\$0	\$2,576	\$3,192	\$5,768	\$0	\$0	\$0	\$0	\$0	\$0	\$5,768	\$72,030	8.008%
2021	\$1,650	\$79	\$231	\$0	\$0	\$1,960	\$1,232	\$3,192	\$0	\$0	\$0	\$0	\$0	\$0	\$3,192	\$59,952	5.324%
2020	\$340	\$28	\$291	\$233	\$0	\$892	\$340	\$1,232	\$0	\$0	\$0	\$0	\$0	\$0	\$1,232	\$59,952	2.055%
2019	\$383	\$13	(\$56)	\$0	\$0	\$340	\$0	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$340	\$30,000	1.133%

* Amounts presented for each fiscal year were determined as of June 30 (School) or January 1 (Town) of the previous year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF TRENTON, MAINE

(Exhibit XI)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<i>For the</i> <i>Fiscal</i> <i>Year Ended</i> <i>June 30,</i>	<i>Contractually</i> <i>Required</i> <i>Contribution</i>	<i>Actual</i> <i>Contribution</i>	<i>Contribution</i> <i>Deficiency</i>
<u>Maine Education Association Benefit Trust School Plan</u>			
2022	\$0	\$0	\$0
2021	\$938	\$938	\$0
2020	\$0	\$0	\$0
2019	\$0	\$0	\$0
<u>Maine Municipal Employees Health Trust Town Plan</u>			
2022	\$0	\$0	\$0
2021	\$0	\$0	\$0
2020	\$0	\$0	\$0
2019	\$0	\$0	\$0

* Amounts presented for each fiscal year were determined as of June 30 (School) or January 1 (Town) of the previous year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF TRENTON, MAINE
NOTES TO OPEB LIABILITIES AND CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1 – Actuarial Methods and Assumptions - Maine Education Association Benefits Trust School Plan

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Benefit Changes

Claims costs and retiree contributions were updated to reflect current healthcare costs.

Changes of Assumptions

Changes in assumptions relate to the reduction in the discount rate.

Net OPEB Liability

The School Department’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Amortization period	30 years
Discount Rate	2.16% per annum for 2021. 2.21% per annum for 2020.
Salary Increase Rate	2.75% per year
Administration and claims expense	Included in per-capita claims cost
Retirement Age	65

Healthcare cost trend rates;

Pre -Medicare Medical: Initial trend of 6.21% applied in FYE 2020 and 6.83% applied in FYE 2022 grading over 18 years to 3.25% per annum.

Medicare Medical: Initial trend of 0.0% applied in FYE 2021 and 6.30% applied in FYE 2022 grading over 18 years to 3.25% per annum.

Rates of mortality for the different level of participants are described below:

Healthy Annuitants: Based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table adjusted as follows:

- 98.1% and 87.5% respectively of the rates for males before age 85 and females before age 80.
- 106.4% and 122.3% respectively of the rates for males on and after age 85 and females on and after age 80.

Rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95, and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale.

Healthy Employees: Based on 93.1% and 91.9% of the 2010 Public Plan Teacher Benefits-Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality.

Disabled Annuitants: Based on 94.2% and 123.8% of the 2010 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality.

Note 2 – Actuarial Methods and Assumptions - Maine Municipal Employees Health Trust Town Plan

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Changes of Assumptions

Funding method was changed from Projected Unit Credit funding to Entry Age Normal funding method

Net OPEB Liability

The Town’s net OPEB liability was measured as of January 1, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Amortization period	30 years
Discount Rate	2.06% per annum for 2022. 2.12% per annum for 2021.
Salary Increase Rate	2.75% per year
Administration and claims expense	3% per annum
Retirement Age	65
Healthcare cost trend rates	

Pre -Medicare Medical: Initial trend of 6.25% applied in FYE 2022 grading over 20 years to 3.53% per annum.

Pre -Medicare Drug: Initial trend of 13.10% applied in FYE 2022 grading over 20 years to 3.53% per annum.

Medicare Medical: Initial trend of 5.00% applied in FYE 2022 grading over 20 years to 3.53% per annum.

Medicare Drug: Initial trend of 9.90% applied in FYE 2022 grading over 20 years to 3.53% per annum.

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

TOWN OF TRENTON, MAINE
SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<u>Department</u>	<u>Beginning Balance</u>	<u>Approp- riations</u>
<u>General Government:</u>		
Administration (Schedule 7)	\$0	\$365,304
Abatements	\$0	\$15,000
	<u>\$0</u>	<u>\$380,304</u>
<u>Protection:</u>		
Fire Department	\$7,042	\$71,800
Fire Truck Reserve	\$170,453	\$40,000
Fire Station Reserve	\$10,000	\$10,000
County Memorandum of Understanding	\$0	\$25,000
E-911 / Emergency Management	\$0	\$5,500
Animal Control	\$10,081	\$2,000
	<u>\$197,576</u>	<u>\$154,300</u>
<u>Health & Sanitation:</u>		
Ambulance	\$0	\$20,000
Septic Waste Disposal	\$0	\$10,000
Acadia Disposal District	\$0	\$4,000
Solid Waste Disposal	\$62,440	\$265,000
	<u>\$62,440</u>	<u>\$299,000</u>
<u>Highways & Bridges:</u>		
Town Roads	\$67,329	\$15,000
Snow Removal	\$0	\$62,500
Salt / Sand	\$0	\$25,000
Salt / Sand Shed Lights	\$0	\$1,500
	<u>\$67,329</u>	<u>\$104,000</u>
<u>Education:</u>		
School Department	\$994,614	\$3,717,781
Pre-K Program	\$2,410	\$0
	<u>\$997,024</u>	<u>\$3,717,781</u>
<u>Unclassified:</u>		
General Assistance	\$0	\$2,500
Recreation	\$3,439	\$0
Harbor Committee	\$84,726	\$0
Veteran's Graves	\$11,244	\$1,080
Veteran's Memorial	\$17,636	\$0
Community Service Agencies	\$0	\$29,954
	<u>\$117,044</u>	<u>\$33,534</u>
<u>Assessments and Debt Service</u>		
Hancock County Taxes	\$0	\$165,451
Overlay	\$0	\$10,285
	<u>\$0</u>	<u>\$175,736</u>
<u>TOTALS</u>	<u><u>\$1,441,414</u></u>	<u><u>\$4,864,655</u></u>

<i>Revenues/ Transfers In</i>	<i>Total Available</i>	<i>Expenditures/ Transfers Out</i>	<i>Unexpended (Overdraft)</i>	<i>Ending Balance</i>
\$28,094	\$393,398	\$372,090	\$21,308	\$0
\$0	\$15,000	\$560	\$14,440	\$0
<u>\$28,094</u>	<u>\$408,398</u>	<u>\$372,649</u>	<u>\$35,749</u>	<u>\$0</u>
\$4,472	\$83,314	\$74,840	\$0	\$8,473
\$3,540	\$213,993	\$0	\$0	\$213,993
\$0	\$20,000	\$2,098	\$0	\$17,902
\$0	\$25,000	\$0	\$0	\$25,000
\$0	\$5,500	\$3,547	\$1,953	\$0
\$947	\$13,028	\$3,251	\$0	\$9,778
<u>\$8,959</u>	<u>\$360,835</u>	<u>\$83,736</u>	<u>\$1,953</u>	<u>\$275,146</u>
\$0	\$20,000	\$14,573	\$5,427	\$0
\$0	\$10,000	\$10,254	(\$254)	\$0
\$0	\$4,000	\$2,911	\$1,089	\$0
\$7,159	\$334,599	\$299,043	\$0	\$35,555
<u>\$7,159</u>	<u>\$368,599</u>	<u>\$326,781</u>	<u>\$6,262</u>	<u>\$35,555</u>
\$36,303	\$118,632	\$23,098	\$0	\$95,535
\$0	\$62,500	\$62,500	\$0	\$0
\$0	\$25,000	\$25,000	\$0	\$0
\$0	\$1,500	\$2,057	(\$557)	\$0
<u>\$36,303</u>	<u>\$207,632</u>	<u>\$112,655</u>	<u>(\$557)</u>	<u>\$95,535</u>
\$748,160	\$5,460,555	\$4,500,118	\$0	\$960,437
\$0	\$2,410	\$0	\$0	\$2,410
<u>\$748,160</u>	<u>\$5,462,965</u>	<u>\$4,500,118</u>	<u>\$0</u>	<u>\$962,848</u>
\$2,093	\$4,593	\$0	\$4,593	\$0
\$0	\$3,439	\$0	\$0	\$3,439
\$0	\$84,726	\$0	\$0	\$84,726
\$0	\$12,324	\$2,322	\$0	\$10,002
\$435	\$18,071	\$0	\$0	\$18,071
\$0	\$29,954	\$24,968	\$4,986	\$0
<u>\$2,528</u>	<u>\$153,107</u>	<u>\$27,290</u>	<u>\$9,579</u>	<u>\$116,237</u>
\$0	\$165,451	\$165,450	\$1	\$0
\$0	\$10,285	\$0	\$10,285	\$0
\$0	\$175,736	\$165,450	\$10,286	\$0
<u>\$831,204</u>	<u>\$7,137,273</u>	<u>\$5,588,679</u>	<u>\$63,273</u>	<u>\$1,485,321</u>

TOWN OF TRENTON, MAINE
SCHEDULE OF APPROPRIATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 2)

Revenues:

Tax Commitment	\$4,231,598	
Excise Taxes	\$352,000	
State Revenue Sharing	\$45,000	
Solid Waste Revenue	\$6,000	
Homestead Exemption & BETE Reimbursement	\$96,914	
State Road Assistance	\$13,072	
Solid Waste Reserve	\$30,000	
Animal Control Reserve	\$2,000	
Veteran's Reimbursement	\$1,080	
Health Insurance Employee Contribution	\$1,716	
Unassigned Fund Balance	\$79,198	
<u>Total Revenues</u>		<u>\$4,858,578</u>

Expenditures:

General Government	\$365,304	
Abatements on Taxes	\$15,000	
Fire Department	\$71,800	
Fire Truck Reserve	\$40,000	
Fire Station Reserve	\$10,000	
E-911 / Emergency Management	\$5,500	
Hancock County Airport Memorandum of Understanding	\$25,000	
Animal Control	\$2,000	
Ambulance	\$20,000	
Town Roads	\$15,000	
Snow Removal	\$62,500	
Salt/Sand	\$25,000	
Salt/Sand Shed Lights	\$1,500	
General Assistance	\$2,500	
Septic Waste	\$10,000	
Solid Waste	\$265,000	
Education	\$3,651,704	
School Roof	\$60,000	
Acadia Disposal District	\$4,000	
County Tax	\$165,451	
Overlay	\$10,285	
Community Service Agencies	\$29,954	
Veteran's Graves	\$1,080	
<u>Total Expenditures</u>		<u>\$4,858,578</u>

TOWN OF TRENTON, MAINE
SCHEDULE OF VALUATION, COMMITMENT AND COLLECTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 3)

Taxable Valuation:

Land and Buildings	\$295,792,760
Personal Property	\$13,083,000
	<hr/>

Total Taxable Valuation

\$308,875,760

Tax Rate

\$0.01370

Tax Commitment

\$4,231,598

Add Supplemental Taxes

\$3,250

Total to be Collected

\$4,234,848

Collections and Adjustments:

Cash Collections, less overpayments refunded	\$4,144,660
Abatements Applied	\$540
	<hr/>

Total Collections and Adjustments

\$4,145,199

Uncollected Taxes, June 30

\$89,649

TOWN OF TRENTON, MAINE
SCHEDULE OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 4)

<u>Beginning Unassigned Fund Balance</u>		\$963,110
<u>Increases:</u>		
Lapsed Balances - Schedule of Departmental Operations	\$63,273	
Interest Earned	\$15,003	
Interest on Unpaid Taxes and Liens	\$15,753	
Excise Taxes - Net of Appropriation	\$43,439	
State Reimbursements - Net of Appropriation	\$7,871	
Miscellaneous Revenues (Expenses)	\$10,935	
	<hr/>	
<u>Total Increases</u>		\$156,273
<u>Decreases:</u>		
Increase in Unavailable Tax Revenues	\$15,734	
Appropriations from Unassigned Fund Balance	\$79,198	
	<hr/>	
<u>Total Decreases</u>		<hr/> \$94,932
<u>Ending Unassigned Fund Balance</u>		<hr/> <hr/> \$1,024,451

TOWN OF TRENTON, MAINE

(Schedule 5)

SCHEDULE OF UNCOLLECTED PRIOR YEAR PROPERTY TAXES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<i>Uncollected Taxes:</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
AT & T								\$83.35	\$325.13	\$290.52	\$345.45	\$263.74
Alley, Hope						\$56.10						
Alley, Sid						\$0.74						
Artistic Design								\$11.03	\$11.04	\$11.84	\$13.10	\$14.65
Bar Harbor Biotechnology							\$898.48	\$1,709.26	\$12,283.87	\$1,410.64		
Bayside Transport								\$33.08				
Bickford, Darlene						\$58.14						
Black, Norman									\$91.32			
Braley, Dale							\$80.58	\$79.20				
Country Store Antiques								\$9.55	\$250.88	\$269.00	\$297.80	\$327.67
Davidson, Jackie			\$17.33	\$16.13		\$15.30						
Demuro, Leonard	\$316.88											
Echostar Satellite, LLC	\$37.28											
Fitzpatrick, Floyd							\$232.56					
Frazier, Sheena								\$91.23				
GE Capital						(\$7.00)						
Granite Shop								\$15.04	\$15.05	\$16.14	\$17.87	
Gross, Chris											\$121.50	\$133.20
Gross, Donald						\$98.94						
Harrington Landscaping												\$35.96
Harris Corporation												\$34.63
Hazelton, Bobby								\$363.91	\$364.27	\$390.59	\$432.41	\$474.19
Heartworks							\$16.32	\$15.04				
Henderson Auto Repair							\$125.46	\$114.29	\$106.37	\$103.30	\$102.44	\$101.23
Herrick, Mark							\$92.82	\$91.23	\$91.32	\$97.92	\$108.40	\$118.55
High End Builders											\$13.10	\$14.65
J&P Farm Market		\$108.30	\$147.84	\$137.60	\$133.12	\$130.56	\$165.24	\$162.41	\$162.57	\$174.31	\$192.97	\$277.06
Johnson's Seafood Shack								\$28.07				
Kisma Preserve												\$14.65
KVK Automotive							\$7.05	\$71.18	\$71.25	\$76.40	\$84.58	\$93.24
Lehto, Andrew	\$15.21	\$144.90	\$145.53	\$135.45	\$131.04							
Lemoine, Richard						\$92.82						
Libitzki, Edward						\$70.38						
Mawson, Jason						\$49.98	\$49.98					
McAllister, Leisa							\$96.90	\$95.24	\$95.33	\$102.22	\$113.16	\$123.88
McClellan, Brian						\$138.72						
MDI Yacht Transport									\$132.19	\$477.74	\$528.89	\$579.42
Metal Magic							\$145.86	\$139.35	\$134.47	\$128.04	\$248.96	\$273.06
Mitchell, Gloria				\$48.37	\$46.80	\$45.90						
Nice Grass									\$1.00	\$250.71		
O'Donnell, Deb								\$91.23	\$105.37	\$112.98	\$89.34	\$98.57
Poseidon Firearms										\$40.89		
Ross Woodworking							\$11.88	\$44.11	\$41.14	\$39.81	\$39.31	\$38.63
Roy, Michael						\$114.24						
Saunders, Walter										\$80.70		
Shear Designs											\$1.97	\$34.63
Stevens, Joy								\$91.23				
TC Customs							\$22.44	\$19.05	\$17.06	\$16.14	\$15.49	\$14.65
Tengo Internet								\$15.04				
Trenton Lobster Pound												\$130.54
US Bank									(\$1.91)			
Yamaha									\$3.10			
<i>Totals</i>	<u>\$369.37</u>	<u>\$253.20</u>	<u>\$310.70</u>	<u>\$337.55</u>	<u>\$310.96</u>	<u>\$864.82</u>	<u>\$1,945.57</u>	<u>\$3,373.12</u>	<u>\$14,300.82</u>	<u>\$4,089.89</u>	<u>\$2,766.74</u>	<u>\$3,196.80</u>

TOWN OF TRENTON, MAINE
SCHEDULE OF UNCOLLECTED TAX LIENS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 6)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Adams, Troy											\$1,448.19
Arango Steven											\$779.77
Biron, Robert											\$1,472.38
Denmark Holding	\$41.50										
Fitch Matthew R.				\$74.63	\$418.20	\$418.20	\$411.03	\$411.44	\$441.16	\$488.39	\$546.12
Forrest, Evette											\$718.68
Forrest, John											\$452.88
Gott, Helen										\$257.30	\$287.71
Greenlaw, Nancy			\$2.00	\$29.12	\$28.56		\$25.06	\$25.09	\$26.90	\$29.78	\$33.30
Greenlaw, Nancy							\$28.07	\$28.10	\$30.13	\$33.35	\$37.30
Greenlaw, Nancy								\$336.41	\$1,010.36	\$1,100.67	\$1,152.18
Hooper, Marie									\$313.22	\$465.76	\$520.81
Jones, Peter											\$1,163.91
King, Michaud Jenny											\$610.06
Lawson, Karla								\$766.89	\$882.32	\$976.78	\$780.55
Libitzki, Edward							\$1,457.51	\$1,459.09	\$1,564.50	\$1,732.00	\$1,936.73
Lilly, Judith Heirs											\$295.03
Madore, Michael										\$1,799.91	\$1,281.38
Madore, Michael											\$725.94
Madore, Nancy										\$838.60	\$866.07
McMannis, Whitney											\$618.05
O'Neill, Melissa											\$590.76
Owner Unknown						\$186.66	\$183.46	\$183.64			\$243.76
Robbins, Daniel							\$135.46	\$434.52	\$465.91	\$513.41	\$514.15
Rich, Douglas	\$660.56		\$21.33								
Shady Lane Realty Trust										\$2,574.18	\$2,878.45
Scott, Elsie	\$290.09	\$286.35	\$287.60								
Sprague, Kenneth											\$879.12
Urquhart, Stacy & Stephanie										\$843.92	\$4,089.24
<u>Totals</u>	<u>\$992.15</u>	<u>\$286.35</u>	<u>\$310.93</u>	<u>\$103.75</u>	<u>\$446.76</u>	<u>\$604.86</u>	<u>\$2,240.59</u>	<u>\$3,645.18</u>	<u>\$4,734.50</u>	<u>\$11,654.05</u>	<u>\$24,922.52</u>

TOWN OF TRENTON, MAINE
SCHEDULE OF ADMINISTRATION ACCOUNT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 7)

<i>Description</i>	<i>Appropriation</i>	<i>Receipts</i>	<i>Expenditures</i>	<i>Unexpended (Overdraft)</i>
Fees, Applications and Permits	\$0	\$11,314	\$0	\$11,314
Building Permits	\$0	\$8,280	\$0	\$8,280
Plumbing Permits	\$0	\$8,500	\$8,657	(\$157)
Selectman's Salary	\$11,000	\$0	\$11,000	\$0
Assessor Contract	\$33,000	\$0	\$36,012	(\$3,012)
Administrative Assist.	\$44,500	\$0	\$44,697	(\$197)
Web Page	\$1,500	\$0	\$1,252	\$248
RE Tax Disct Volunteers	\$4,000	\$0	\$2,398	\$1,603
Fire Chief	\$5,500	\$0	\$5,700	(\$200)
Code Enforcement Officer	\$15,000	\$0	\$15,000	\$0
Code Enforcement Mileage	\$400	\$0	\$426	(\$26)
Sign Control Officer	\$1,000	\$0	\$1,000	\$0
Assistant to Administrator	\$41,780	\$0	\$42,307	(\$527)
Front Desk Clerk	\$33,250	\$0	\$33,691	(\$441)
Road Commissioner	\$1,200	\$0	\$1,200	\$0
Election Clerks	\$1,000	\$0	\$1,010	(\$10)
Supplies	\$500	\$0	\$58	\$442
Computer Repairs / Upgrades	\$3,000	\$0	\$42	\$2,958
Training	\$2,000	\$0	\$340	\$1,660
Legal Services	\$2,500	\$0	\$1,731	\$769
Street Lights	\$3,224	\$0	\$3,244	(\$20)
Route 230 Intersection	\$1,000	\$0	\$7,155	(\$6,155)
Insurance	\$18,500	\$0	\$20,164	(\$1,664)
MMA - Health Insurance	\$25,210	\$0	\$33,223	(\$8,013)
IRA Account	\$3,000	\$0	\$1,720	\$1,280
FICA Town	\$15,500	\$0	\$19,804	(\$4,304)
Unemployment	\$1,500	\$0	\$1,130	\$370
Advertising	\$3,500	\$0	\$2,186	\$1,314
Liens & Discharges	\$4,000	\$0	\$3,248	\$752
Tax Bills	\$2,500	\$0	\$2,500	\$0
Tax Mapping	\$1,500	\$0	\$1,150	\$350
Audit	\$10,000	\$0	\$8,602	\$1,398
Maine Municipal Association	\$2,500	\$0	\$3,962	(\$1,462)
MDI League of Towns	\$400	\$0	\$401	(\$1)
Town Reports	\$2,200	\$0	\$2,009	\$191
Hancock County Planning	\$1,290	\$0	\$1,290	\$0
Rebinding Books	\$750	\$0	\$0	\$750
Miscellaneous Expenditures	\$500	\$0	\$776	(\$276)
Mileage Reimbursement	\$3,000	\$0	\$829	\$2,171
Software Fees	\$13,000	\$0	\$14,153	(\$1,153)
Municipal Building - Fuel	\$5,500	\$0	\$4,172	\$1,328
Municipal Building - Telephone	\$4,000	\$0	\$2,465	\$1,535
Municipal Building - Internet	\$2,200	\$0	\$900	\$1,300
Municipal Building - Computer Repair	\$1,000	\$0	\$0	\$1,000
Municipal Building - Lights	\$5,300	\$0	\$5,462	(\$162)
Municipal Building - Janitor	\$3,600	\$0	\$3,300	\$300
Municipal Building - Trash Disposal	\$6,000	\$0	\$732	\$5,268
Municipal Building - Maintenance	\$2,500	\$0	\$1,476	\$1,024
Municipal Building - Renovations	\$8,000	\$0	\$7,780	\$220
Municipal Building - Supplies	\$6,500	\$0	\$5,988	\$512
Municipal Building - Lawn Care	\$3,000	\$0	\$2,714	\$286
Municipal Building - Security	\$500	\$0	\$335	\$165
Municipal Building - Miscellaneous	\$1,000	\$0	\$297	\$703
Municipal Building - Equipment	\$2,000	\$0	\$2,404	(\$404)
	<u>\$365,304</u>	<u>\$28,094</u>	<u>\$372,090</u>	<u>\$21,308</u>

TOWN OF TRENTON, MAINE
SCHEDULE OF FIDUCIARY FUND TRANSACTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 8)

	<i>Principle</i>	<i>Income</i>	<i>Income</i>		<i>Income</i>	<i>Principal</i>
	<i>Balance</i>	<i>Balance</i>	<i>Earned</i>	<i>Expended</i>	<i>Balance</i>	<i>Balance</i>
	<i>7/1/2021</i>	<i>7/1/2021</i>			<i>6/30/2022</i>	<i>6/30/2022</i>
<u>Cemetery Trust Funds:</u>						
Haynes, Melvin and Ralph	\$3,401.72	\$133.14	\$114.03	\$114.03	\$133.13	\$3,515.75
Grindle Lot	\$1,001.87	\$41.12	\$33.58	\$33.58	\$41.12	\$1,035.45
E. Young Lot	\$500.00	\$60.49	\$16.76	\$15.72	\$61.53	\$500.00
Bird, Walter	\$300.00	\$178.81	\$10.06	\$9.43	\$179.43	\$300.00
Bunker, John	\$360.02	\$24.15	\$12.07	\$11.32	\$24.90	\$360.02
Copp, Frederick	\$400.00	\$134.47	\$13.41	\$12.58	\$135.30	\$400.00
Hopkins, Lester and Dora	\$500.00	\$978.41	\$16.76	\$15.72	\$979.45	\$500.00
Marshall, Arno	\$217.60	\$89.29	\$7.29	\$6.84	\$89.74	\$217.60
McCarthy Lot	\$300.00	\$249.02	\$10.06	\$9.43	\$249.64	\$300.00
Smith, G. Maynard	\$500.00	\$110.46	\$16.76	\$15.72	\$111.50	\$500.00
Tower Lot	\$300.00	\$69.21	\$10.06	\$9.43	\$69.83	\$300.00
Tucker Lot	\$400.00	\$79.97	\$13.41	\$12.58	\$80.80	\$400.00
Leland, Arthur	\$500.00	\$189.64	\$16.76	\$15.72	\$190.68	\$500.00
Cousins, Eugena Lucy	\$600.00	\$269.72	\$20.11	\$18.86	\$270.97	\$600.00
Stanley, Lional and James	\$500.00	\$139.84	\$16.76	\$15.72	\$140.88	\$500.00
Carter Lot	\$500.00	\$136.72	\$16.76	\$15.72	\$137.76	\$500.00
Davis Lot	\$500.00	\$89.01	\$16.76	\$15.72	\$90.05	\$500.00
H. Young Lot	\$500.00	\$73.38	\$16.76	\$15.72	\$74.42	\$500.00
Copp, Irving and Margaret	\$700.00	\$177.42	\$23.46	\$22.01	\$178.87	\$700.00
Douglas, Carroll and Kathleen	\$500.00	\$543.93	\$16.76	\$0.00	\$560.69	\$500.00
Steinhilber Lot	\$500.00	\$418.00	\$16.76	\$0.00	\$434.76	\$500.00
Heiniger Lot	\$750.00	\$711.02	\$25.14	\$0.00	\$736.16	\$750.00
Trufry/Dunbar Lot	\$750.00	\$69.46	\$25.14	\$23.58	\$71.02	\$750.00
Grant, Walter	\$1,000.00	\$197.03	\$33.52	\$31.44	\$199.11	\$1,000.00
Royal-Hopkins Lot	\$1,000.00	\$129.27	\$36.29	\$28.14	\$137.42	\$1,000.00
Hodgkins-Grindle Lot	\$1,000.00	\$94.98	\$11.76	\$0.00	\$106.74	\$1,000.00
<u>Total Cemetery Funds</u>	<u>\$17,481.21</u>	<u>\$5,387.98</u>	<u>\$566.98</u>	<u>\$469.01</u>	<u>\$5,485.95</u>	<u>\$17,628.82</u>
Ministerial School Lot	\$700.00	\$4.87	\$0.15		\$5.02	\$700.00
<u>Total Trust Funds</u>	<u>\$18,181.21</u>	<u>\$5,392.85</u>	<u>\$567.13</u>	<u>\$469.01</u>	<u>\$5,490.97</u>	<u>\$18,328.82</u>

TOWN OF TRENTON, MAINE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Schedule 9)

Federal Grantor/Pass-Through

<u>Grantor/Program Title</u>	<u>CFDA #</u>	<u>Grantor Pass-Through Number</u>	<u>Expenditures</u>
<u>U.S. Department of Education:</u>			
Rural School Achievement Program	84.358	013-05A-6336-13	\$13,755
<u>Passed through State of Maine</u>			
<u>Department of Education</u>			
<u>Special Education Cluster (IDEA)</u>			
Title VI, Part B - Local Entitlement	84.027	013-05A-3046-12-6306-3046-SLG	\$57,364
Title VI, Part B - Preschool Grants	84.173	013-05A-6247-23-6306-6247SPG	\$1,189
<u>Total Special Education Cluster</u>			<u>\$58,553</u>
Title I Grants to Local Education Agencies	84.010	013-05A-3106-13-6306-3106CIG	\$41,983
Title I Tier III Program Improvement Grants	84.010	013-05A-3106-13-6306-3106PIG	\$16,993
Title I Reallocated Funds	84.010	013-05A-3106-13-6306-3106CIG	\$11,682
ESSRF2 Grant	84.425	-	\$2,299
<u>Total State of Maine Department of Education</u>			<u>\$145,265</u>
<u>Total U.S. Department of Education</u>			<u>\$159,020</u>
<u>U.S. Department of Treasury</u>			
<u>Passed through State of Maine</u>			
<u>Department of Education</u>			
Coronavirus State and Local Fiscal Recovery	21.027	-	\$115,381
<u>Total U.S. Department of Treasury</u>			<u>\$115,381</u>
<u>U.S. Department of Agriculture:</u>			
<u>Passed through State of Maine</u>			
<u>Department of Education</u>			
State Pandemic Benefit Transfer	10.649	-	\$614
<u>Child Nutrition Cluster</u>			
National School Lunch Program	10.555	-	\$103,883
Summer Food Service Program	10.559	-	\$810
School Breakfast Program	10.553	-	\$35,525
<u>Total Child Nutrition Cluster</u>			<u>\$140,218</u>
<u>Food Distribution Cluster</u>			
Commodity Supplemental Food Program	10.560	-	\$4,502
<u>Total U.S. Department of Agriculture</u>			<u>\$145,334</u>
<u>Totals</u>			<u>\$419,735</u>