



County of
Waldo

Annual Report
2015



TABLE OF CONTENTS

TITLE	PAGE
Dedication	1
County Directory and County Officers	2
Maine Revised Statutes	4
2015 County Tax Breakdown	6
Estimated Revenues for Fiscal Year 2015	7
2015 Budgeted Expenditures	8
County Commissioner's Report	9
Waldo County Garden Project	10
Sheriff's Report	11
Waldo County Communication Center Report	13
Emergency Management Agency Report	15
District Attorney's Report	16
Waldo County Registry of Deeds	18
Waldo County Probate Court Report	20
University of Maine Cooperative Extension Report	21
Waldo County Action Partners Report	25
Waldo County S&W Conservation District Report	26
Independent Auditor's Report (County as of 12/31/15)	28
Independent Auditor's Report (Jail as of 06/30/15)	74
Thank You - Waldo County Employees	88

~ Dedicated to ~



Scott L. Story

For 24 years of loyal service
to the citizens of Waldo County
in the Office of the Waldo County Sheriff
1991 to 2015
as Patrolman, Sergeant, Chief Deputy Sheriff and
Sheriff

COUNTY OF WALDO

COUNTY DIRECTORY AND COUNTY OFFICERS

FOR 2015

COUNTY COMMISSIONERS' COURT

Betty I. Johnson	Lincolntown
William D. Shorey	Searsport
Amy R. Fowler	Palermo
Barbara L. Arseneau, County Clerk	Belfast
Marilyn Saucier, Deputy County Clerk	Hope

Meetings are held the second Thursday of each month.

DISTRICT ATTORNEY

District Attorney	Geoffrey Rushlau
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TREASURER

Treasurer	David A. Parkman
Deputy Treasurer	Karen J. Trussell

REGISTER OF DEEDS

Register of Deeds	Stacy Grant
Deputy Register	Julie Howard

PROBATE COURT

Judge	Susan W. Longley
Register of Probate	Sharon W. Peavey
Deputy Register	Judith Nealley

2014 Court Calendar: In satisfaction of Rule 40(a)(1) of the Rules of Probate Procedure, IT IS ORDERED that Probate and Civil Proceedings for 2014 shall be scheduled for hearing on Tuesday's with Return Day set for the third Tuesday of each month in the Waldo County Probate Court, or as otherwise agreed.

EMERGENCY MANAGEMENT AGENCY

Director	Dale D. Rowley
Deputy Director	Olga Rumney

SHERIFF'S DEPARTMENT

Sheriff	Jeffrey Trafton
Chief Deputy (January 1, 2015 to August 19, 2015)	Scott Story
Chief Deputy (July - December 2015)	Jason Trundy
Corrections Administrator	Raymond Porter

WALDO COUNTY'S REGIONAL COMMUNICATION CENTER

Director

Owen Smith

FACILITIES

Facilities Manager

Keith Nealley

WALDO COUNTY BUDGET COMMITTEE FY 2015

District #1

Thomas Flacke

142 Weymouth Rd, Morrill, ME 04952

Arthur Durity

2457 Atlantic Highway, Lincolnville, ME 04849

Fred Rollins

135 Pendleton Point Rd, Islesboro, ME 04848

District #2

Peter Curly

PO Box 180, Stockton Springs, ME 04981

Richard Desmarais

PO Box 313, Searsport, ME 04974

Bill Sneed

38 Moody Road, Prospect, ME 04981

District #3

James Bennett

63 Berry Road, Thorndike, ME 04986

Harry Dean Potter

1055 Jones Road, Palermo, ME 04354

Clement Blakney

317 Albion Road, Unity, ME 04988

**LAWS OF THE STATE OF MAINE
REVISED STATUTES ANNOTATED – TITLE 30-A**

SECTION 3. EXPENSE ACCOUNTS TO BE UNDER OATH

Whenever required by law to provide a bill of expense, every county officer shall itemize the bill and swear, before presenting it for auditing or payment, that it includes only actual cash spent in performing the officer's official duties.

SECTION 183. ANNUAL STATEMENT OF FINANCIAL STANDING

At the end of each year in cooperation with the commissioners, each treasurer shall make a statement of the financial condition of the county and publish in pamphlet form a reasonable number of copies for distribution among its citizens. This statement must show in detail all money received into and paid out of the county treasury, including a statement of detail of:

1. Unclaimed Inheritances. All sums received under Title 18-A, Section 3-914;
2. Division Among Accounts. The division of money among general, special and capital reserve accounts and the amounts remaining in each account;
3. Federal Funds. All federal funds received; and
4. Facts and Statistics. Other facts and statistics necessary to exhibit the true state of the county's finances, including the number of week's board and expense of clothing furnished prisoners.

SECTION 952. ANNUAL REPORT – Repealed. Laws 2003, c. 178, § 3

SECTION 951. COUNTY AUDIT

1. Annual Audit. Every county shall have an audit made of its accounts annually covering the last complete fiscal year by the Department of Audit or by a certified public accountant selected by the county commissioners. The audit must be performed in accordance with generally accepted auditing standards and procedures pertaining to government accounting. The auditor shall produce an audit report that includes the items required in section 952-A. When an audit is conducted by a certified public accountant, the audit, upon completion, must be forwarded to the Department of Audit. The audit, including the management letter, is a public document.

2. Improper transactions; report to district attorney. If, in the course of the audit, the auditor finds evidence of improper transactions, including the use of contingency funds for nonemergency purposes, the transfer of funds between departments or agencies, incompetence in keeping accounts or handling funds, failure to comply with the subchapter or any other improper practice of financial administration, the auditor shall report the same to the district attorney immediately.

3. Commissioners responsible. The county commissioners are responsible for the proper financial administration of each county department or agency and for approving county expenditures.

SECTION 952-A. AUDIT REPORT

- 1. Report contents.** The report required pursuant to section 951, subsection 1 must contain the following items:
 - A.** A management letter;
 - B.** A letter of transmittal;
 - C.** The independent auditor's report on the financial statements; and
 - D.** All financial statements and all other information required by governmental accounting and financial reporting standards.
- 2. Copies for distribution.** Copies of the report must be deposited in the county commissioners' office or a convenient place of business for distribution to the public and must be distributed to each municipality in the county.
- 3. Copies open for inspection.** Copies of the report and all county records must be kept in the county commissioners' office and must be open to the inspection of the public during usual business hours.

Article 7. Waldo County Budget Committee

SECTION 851. PURPOSE

The purpose of this article is to establish in Waldo County a method of appropriating money for County expenditures, according to a budget, which must first receive approval of a Budget Committee. This article amends the statutory method in sections 2, 701 and 702 by transferring the authority of Waldo County legislative delegation and the Legislature to approve the Waldo County budget to a committee comprised of Waldo County and municipal officials. This article applies only to Waldo County.

YEAR: 2015
WALDO COUNTY TAX & JAIL TAX BREAKDOWN


TAX COMMITMENT (Total Jail Expenditures)	\$ 3,054,667.64	
TAX COMMITMENT (Total County Expenditures)	\$ 4,994,798.00	L.D. 2080 CAP
AMOUNT TO REDUCE TAX LEVY:		\$ 2,832,353.00
Jail Revenue	\$ 222,314.64	
County Revenue	\$ 590,084.92	
Undesignated Funds	\$ -	
OVERLAY	\$ 99,895.96	L.D. 1 CAP
ASSESSMENT TO TOWNS	\$ 7,336,962.04	\$ 4,769,888.00
		\$ (265,278.96) Under

AMOUNT TO BE RAISED	VALUATION	TAX RATE
\$7,336,962.04	\$4,342,100,000.00	0.001689727

MUNICIPALITY	STATE VALUATION	2015 COUNTY TAX	TOTAL % OF TAXES
BELFAST	\$ 814,550,000.00	\$ 1,376,366.83	18.76%
BELMONT	\$ 63,500,000.00	\$ 107,297.64	1.46%
BROOKS	\$ 67,750,000.00	\$ 114,478.98	1.56%
BURNHAM	\$ 94,300,000.00	\$ 159,341.22	2.17%
FRANKFORT	\$ 77,700,000.00	\$ 131,291.76	1.79%
FREEDOM	\$ 57,850,000.00	\$ 97,750.69	1.33%
ISLESBORO	\$ 525,600,000.00	\$ 888,120.32	12.10%
JACKSON	\$ 36,800,000.00	\$ 62,181.94	0.85%
KNOX	\$ 52,800,000.00	\$ 89,217.57	1.22%
LIBERTY	\$ 127,900,000.00	\$ 216,116.04	2.95%
LINCOLNVILLE	\$ 409,500,000.00	\$ 691,943.06	9.43%
MONROE	\$ 69,250,000.00	\$ 117,013.57	1.59%
MONTVILLE	\$ 78,500,000.00	\$ 132,643.54	1.81%
MORRILL	\$ 62,450,000.00	\$ 105,523.43	1.44%
NORTHPORT	\$ 320,850,000.00	\$ 542,148.79	7.39%
PALERMO	\$ 168,350,000.00	\$ 284,465.48	3.88%
PROSPECT	\$ 47,500,000.00	\$ 80,262.02	1.09%
SEARSMONT	\$ 164,950,000.00	\$ 278,720.41	3.80%
SEARSPORT	\$ 238,700,000.00	\$ 403,337.75	5.50%
STOCKTON SPRINGS	\$ 199,700,000.00	\$ 337,438.41	4.60%
SWANVILLE	\$ 115,050,000.00	\$ 194,403.05	2.65%
THORNDIKE	\$ 48,600,000.00	\$ 82,120.71	1.12%
TROY	\$ 61,350,000.00	\$ 103,664.73	1.41%
UNITY	\$ 128,350,000.00	\$ 216,876.41	2.96%
WALDO	\$ 54,200,000.00	\$ 91,583.18	1.25%
WINTERPORT	\$ 254,050,000.00	\$ 429,275.05	5.85%
SUB-TOTAL	\$ 4,340,100,000.00	\$ 7,333,582.59	99.95%

UNORGANIZED			
Lasell and Little Bermuda	\$ 2,000,000.00	\$ 3,379.45	0.05%
GRAND TOTAL	\$ 4,342,100,000.00	\$ 7,336,962.04	100.00%

County Commissioners


 William D. Shorey


 Amy R. Fowler


 Betty L. Johnson

2015 PROJECTED REVENUES

	2015
STATE OF MAINE RENT	\$ 90,634.86
EMERGENCY MANAGEMENT AGENCY	\$ 84,000.00
REGISTRY OF DEEDS:	\$ 315,050.00
FEEES \$	275,000.00
TRANSFER TAX \$	40,000.00
INTEREST \$	50.00
PROBATE COURT	\$ 79,000.00
FEEES \$	75,000.00
RESTITUTION \$	4,000.00
SHERIFF	\$ 5,000.00
INTEREST	\$ 5,000.00
MISCELLANEOUS INCOME	\$ 8,000.00
DA'S COURT ORDERED FEES	\$ 3,000.00
REFUND	\$ 400.00
TOTAL ESTIMATED	\$ 590,084.86

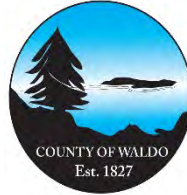
FY2015 Budget Cover Sheet

DEPARTMENT	PERSONNEL SERVICES	CONTRACTUAL	COMMODITIES	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
1010 EMERG. MGT. AGENCY	\$ -	\$ -	\$ -		\$ -	\$ -
1015 DISTRICT ATTORNEY	\$ -	\$ -	\$ -		\$ -	\$ -
1020 COUNTY COMMISSIONERS	\$ -	\$ -	\$ -		\$ -	\$ -
1025 TREASURER	\$ -	\$ -	\$ -		\$ -	\$ -
1030 FACILITIES MANAGEMENT	\$ -	\$ -	\$ -		\$ -	\$ -
1065 REGISTRY OF DEEDS	\$ -	\$ -	\$ -		\$ -	\$ -
1070 PROBATE COURT	\$ -	\$ -	\$ -		\$ -	\$ -
1075 SHERIFF	\$ -	\$ -	\$ -		\$ -	\$ -
1076 REG. COMM./DISPATCH	\$ -	\$ -	\$ -		\$ -	\$ -
1080 ADVERTISING/PROMOTION		\$ -				\$ -
1090 AUDIT		\$ -				\$ -
1095 DEBT SERVICE				\$ -		\$ -
2000 T.A.N. INTEREST		\$ -				\$ -
2005 U. OF M. EXTENSION		\$ -	\$ -		\$ -	\$ -
2025 EMPLOYEE BENEFITS		\$ -	\$ -			\$ -
2035 W. C. SOIL & WATER		\$ -				\$ -
2040 RECORDS PRESERVATION (Law Library)						\$ -
2045 RESERVES		\$ -				\$ -
TOTAL RECOMMENDED						\$ -
TOTAL JAIL (Capped by Legislation)	\$ -			\$ -		\$ -
	\$ 932,244.00	\$ 995,617.07	\$ 128,700.00	\$ -	\$ 998,106.56	\$ 2,832,353.00
BUDGET GRAND TOTAL				Minus Revenues	\$ (222,314.63)	

\$ 2,832,353.00

STATE OF MAINE
COUNTY OF WALDO
COURT OF COUNTY COMMISSIONERS

District
1 Betty I. Johnson 323-3767
2 William D. Shorey 548-6114
3 Amy R. Fowler 993-2292



Phone (207) 338-3282
Fax (207) 338-6788
E-mail: comissioners@waldocountyme.gov

Barbara L. Arseneau
County Clerk

39-B Spring Street
Belfast, ME 04915

David A. Parkman
Treasurer

Dear Citizens of Waldo County,

The Waldo County Commissioners are pleased to submit to you the County of Waldo Annual Report for 2015. We have dedicated this report to Sheriff Scott Story, who retired in August after serving 24 years in the Waldo County Sheriff's Office.

We are committed to keeping taxes as low as possible. In 2015, we set new reserve account target goals. Diligence with these accounts has allowed the Commissioners to plan for and take care of building and equipment upgrades in a well-thought out manner without requesting additional funds from taxpayers.

Highlights for 2015:

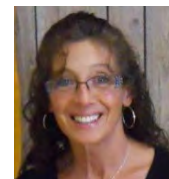
- The Commissioners are especially pleased to announce that the 2015 tax assessment decreased for 17 of the 26 municipalities.
- The County of Waldo continues to remain debt free; a rarity these days.
- The County Garden hit an all-time high in production. Please see a separate report on the garden following this letter.
- The consolidated statewide correctional system changed course and County Jails were returned to the counties in the summer of 2015. While many Maine counties unfortunately suffered crippling financial setbacks, the Waldo County Commissioners foresaw the need to prepare for proper care of Waldo County inmates and Maine Coastal Regional Reentry Center residents before the Jails changed hands back to the Counties. Discussions that summer resulted in a mutually beneficial 12-month contract between the County of Waldo and Two Bridges Regional Jail to house Waldo's inmates for a set amount, including medical expenses. We are pleased to say this contract was renewed and expanded to 18 months in 2016.
- The Commissioners have been meeting to continue planning and discussion regarding remediation and reuse the Old Jail and former Sheriff's House and barn. Look for future public meetings on this project.
- The County was honored to host the 4th Annual Spirit of America award ceremony October at the Searsport Lions Club. The County Commissioners truly appreciate and commend these wonderful volunteers.

Respectfully yours,

Betty I. Johnson, District 1

William D. Shorey, District 2

Amy R. Fowler, District 3



STATE OF MAINE
COUNTY OF WALDO
COURT OF COUNTY COMMISSIONERS



District
1 Betty I. Johnson 323-3767
2 William D. Shorey 548-6114
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E-mail: commissioners@waldocountyme.gov

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County Clerk

39-B Spring Street
Belfast, ME 04915

David A. Parkman
Treasurer



We have finished the final harvest of the Waldo County Garden this year. I am very pleased to report to the citizens in Waldo County that the total production for 2015 was 31.5 tons. Of this production, six tons went to the Waldo County YMCA. We shipped to approximately 20 different locations during the harvest season; food cupboards, soup kitchens, Manna in Bangor and several others. The garden has grown in the last five years beyond our expectations and in 2016 we anticipate a harvest of approximately 80,000 lbs. This will be accomplished with equipment upgrades that will provide efficiencies that we do not have at present.

This project would not enjoy the level of success that it has without the support of the clients of the Maine Coastal Regional Reentry Center. Their dedication to this project was outstanding this year. They worked with enthusiasm and were very pleased to give something back to the County of Waldo. I thank them for their hard work and dedication. Corporal Albert and Officer Wagner were the two individuals who assisted me with supervision this year and I wish to express gratitude for their excellent assistance. We look forward to a very successful year in 2016 and if any citizen wants to stop by on a Monday, Wednesday or Friday to view the garden, you are more than welcome to do so.

As an addition to the garden, last year we purchased 15 adult fruit trees - apple, pear, plum, cherry and peach. Two pear trees produced well this year but one morning I drove by and all the pears were gone. A little checking revealed that the crows had a very good feed, so we will have to use some netting on those next year. The important thing is that we had the opportunity this year to purchase another 30 apple trees at a very good price. They will start producing very well next year, so in the next year or so the County will have plenty of fruit that can be distributed along with the vegetables.

Waldo County Commissioner William D. Shorey – District 2

WALDO COUNTY SHERIFF'S OFFICE

*6 Public Safety Way
Belfast, ME 04915*

SHERIFF

Jeffrey C. Trafton

Administrative Offices

207-338-6786

Fax

207-338-6784

CHIEF DEPUTY

Jason W. Trundy

Honorable Commissioners,
Citizens of Waldo County,

I am honored to provide you with the annual report of the Waldo County Sheriff's Office. 2015 was an exciting year at the Sheriff's Office. Along with me being sworn in as Sheriff, several promotions were made among the ranks. Jason Trundy was promoted to Chief Deputy. Chief Trundy is a twenty-two year veteran of the Sheriff's Office where he has served as a Corrections Officer, Patrol Deputy, Detective, Jail Administrator, and Patrol/Detective Division Lieutenant. Matthew Curtis was promoted to Lieutenant where he will oversee the Patrol and Detective Divisions. Matt is a twenty year veteran of the Sheriff's Office also with a wide range of experience. He has served as a Patrol Deputy, Detective and Patrol Sergeant. Nicholas Oettinger was promoted to Patrol Sergeant. Nick most recently served as the School Resource Officer at the Mt. View School Complex in Thorndike. In 2015, Sergeant Oettinger received the honor of being named Deputy of the Year by the Maine Sheriff's Association. This leadership team will assist me in taking the Sheriff's Office to even greater levels of service and professionalism.

The patrol division had another very busy year in 2015, handling 7,652 calls for service from the public. These calls include all manner of incidents to include domestic violence, burglaries, thefts, child abuse, sexual abuse, motor vehicle crashes and more. The epidemic of drug dependence continues to ravage the citizens of Waldo County generating much of the crime experienced in our county.

The Maine Coastal Regional Re-entry Center served 52 residents in 2015. These residents were men who were nearing the end of their term of incarceration. Our many programs assist them with their integration back into society as productive and contributing citizens. The re-entry residents provided 6,587 hours of free community service all over Waldo County. If this labor was paid at minimum wage, it would translate to \$48,403 in free labor to Waldo County Communities. The re-entry residents also provided 63,000 pounds of fresh produce to local food pantries from the County's Garden Project overseen by Waldo County Commissioner William Shorey. The residents also paid \$23,992 dollars in room and board payments to the County during the year.

The 72 hour holding and booking facility processed 1,023 persons who were arrested in Waldo County by all the law enforcement agencies serving our County. If a

person who has been arrested cannot make bail within 72 hours, he or she has to be transported to the Two Bridges Regional Jail in Wiscasset by our Transport Division. This, along with bringing prisoners to court and medical appointments, generated 390 transports traveling approximately 70,000 miles in 2015.

Our Civil Service Division served 1,536 sets of legal paperwork all over Waldo County.

The members of the Waldo County Sheriff's Office Team are proud to serve the citizens of this great county and we look forward to providing professional law enforcement and corrections services to our County in 2016.

Sincerely,

Sheriff Jeffrey C. Trafton

WALDO COUNTY REGIONAL COMMUNICATIONS CENTER/911

2 Public Safety Way

Belfast ME 04915

207 338 2014

Director: Owen Smith

TO THE WALDO COUNTY COMMISSIONERS AND THE CITIZENS OF WALDO COUNTY

The year 2015 saw the new 911 system continuing to evolve and having upgrades. Improvements have been made to almost all segments of the system and especially to the quality and accuracy of the mapping feature. While cell phone mapping is greatly improved and the accuracy is getting better all the time it still is not as accurate as the addressing of a "land line" phone. I think it is interesting to note that 66% of the 911 calls receive last year were from cell phones.

In Waldo County I offer you the opportunity to test your cell phone from your home if you are thinking of switching over to just a cell phone and getting rid of your landline phone. I ask that you call 338-2040 and tell the dispatcher who you are, your address and that you want to test your cell phone for mapping accuracy. Then call back on 911 using your cell phone and we can compare the accuracy of the 911 addressing. Better to know before than during an active emergency.

I again want to take this opportunity to insure you that when you call 911 for an emergency that we will answer you immediately, ascertain your needs and get you the proper response to solve your problem.

Following are the stats for 2015:

Non emergency telephone calls: 13,755

Radio calls from us or to us: 274,962

Walk ins to our lobby asking for law enforcement aid: 278

Calls for service (CFS) all : 32,638

Fire and/or ambulance requests: 6,090

Total activity: 337,805

Sincerely submitted

Owen Smith

Owen Smith, Director

Waldo County Emergency Management Agency

4 Public Safety Way, Belfast, Maine 04915



The Annual Report for the Waldo County Emergency Management Agency

TO THE HONORABLE COUNTY COMMISSIONERS AND RESIDENTS OF WALDO COUNTY

The Waldo County Emergency Management Agency, otherwise known as EMA, is now coming into its 54th year as a full time County responsibility. In 1962, Lloyd G. Drinkwater became the full time Civil Defense Director and used a room in the old jail as the CD office. Today, we are fortunate to work out of the four-year old Public Safety Building, which we share with the Sheriff's Office.

Our staff consists of two full-time employees, Director and Deputy Director, and two part-time contract planners. However, our impact is much greater due to the 115 volunteers that work with EMA, directly or through volunteer teams that we support. Our volunteers contributed 2,125 hours of their time towards planning meetings and workshops, training courses and exercises. Our volunteer groups include:

- The Town Local Emergency Management Directors (LEMD)
- The Incident Management Assistance Team (IMAT)
- The Radio Amateur Civil Emergency Service (RACES) ham radio operators
- The County Search and Rescue (SAR) Team
- The Hazardous Materials Decontamination Strike Team (DST)
- The County Animal Response Team (CART) – Pet Sheltering
- The Local Emergency Planning Committee (LEPC)
- The Belfast Area Community Warming Center volunteers

The EMA program was involved in seven real world incidents this year. In January, we activated the County Emergency Operations Center (EOC) with partial staffing to manage a power outage response during severe cold weather. In February, the County IMAT was called to assist the Brooks Fire Department with Incident Management support for a structure fire that involved over half the fire departments in the County. In May, the IMAT was called out to assist the Searsmont Fire Department with Incident Management support for a three day, 50-acre wildfire. In October, the County DST was called out to a hazardous materials incident in Winterport. Finally, the County SAR team was activated three times to support the Maine Warden Service for searches.

The EMA staff facilitated 17 exercises, 22 training classes, 1 public outreach session and 30 planning meetings. The Stockton Radio Tower project was completed and is now operational. A Public Awareness program was initiated. The revision of the County Hazard Mitigation Plan was begun. A new Community Warming Center was initiated in Belfast by a new group of affiliated volunteers. Each of the municipal EMA Directors was issued a new iPad computer and they have begun training and exercising with it. We created a new GIS mobile capability for the IMAT. Eleven portable generators were purchased for municipalities – every town in Waldo County now has at least one public facility with emergency backup power. A new tactical radio repeater was brought on line in South Liberty. Mass Casualty response management kits were provided for all the Ambulance services in the County. A new computer service was set up for the County municipal fire departments to track training and qualifications. Finally, the EMA office was able to secure \$242,992.72 in grant funds in 2015.

I would like thank, once more, the many volunteers that assist the County EMA program. Their efforts have built a much stronger and capable County EMA program. Our County is a step forward in being Disaster Ready.

A handwritten signature in blue ink that reads "Dale D. Rowley".

Dale D. Rowley, CEM, PE, Director

REPORT OF THE DISTRICT ATTORNEY

The year 2015 saw significant changes in the court system in Waldo County, and the District Attorney's Office had an essential role in making these changes successful. The court adopted the Unified Criminal Docket, a system already in place elsewhere in Maine, whereby the traditional functions of the District Court are merged with those of the Superior Court. All criminal cases, from the least serious to the most serious, are part of a single court docket with a common set of rules. Each defendant has an opportunity for a conference with a judge after arraignment. The expectation is that most cases are resolved at conferences and that witnesses will generally not have to appear for a trial. These expectations have largely been met. The workload of the prosecutors has not decreased significantly, but many cases are being resolved more quickly.

Because the new system counts cases in a different way, we can't make accurate comparisons to earlier years. Waldo County continues to have many more court matters than other counties of similar size, however. There were 1189 total adult criminal cases in 2015: 262 in the District Court pre-UCD; 44 in the Superior Court pre-UCD, and 881 in the UCD. In addition the office handled 241 civil violations: 47 pre-UCD and 194 in the UCD.

The number of juvenile cases, which are not in the UCD, declined from 66 in 2014 to 45 in 2015. This decline is part of a long-term trend; we are down from a high of 106 cases in 2011. This may reflect our strong juvenile programs, such as participation with Restorative Justice, and we may see benefits later in reduced adult crime.

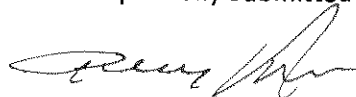
We filled out the attorney staff early in 2015 when William Entwisle of Sedgwick joined the office. Bill had been an Assistant District Attorney in Hancock County for many years, and was in private practice before that. He and Neil McLean of Vassalboro, who joined us in 2014, each bring a wealth of experience, and a mature judgment, to their work. Our other attorney is the long-time juvenile prosecutor, Lindsay Dean of Rockland. Her work in all four counties is vital, and her expertise and experience with juvenile offenders is indispensable in helping divert young people before they become long-term criminals.

The county staff, as in 2014, was stable throughout 2015. Administrative Legal Secretary Felicia Story of Monroe and Legal Secretary Megan Carter of Jackson are energetic and efficient. The office could not manage its mass of printed and digital information without their organizational abilities. Prosecutorial Assistant Dean Jackson of Morrill has been vital in our success, especially with serious cases. His years of experience as a State Police Detective help us everyday. Last, but far from least, are the two Victim Witness Advocates. The VWA for adults, Katie Greeley of Searsmont, and the VWA for children, Eric Harvey of Belfast, bring mature judgment, intelligence and compassion to all their work. They, with the attorneys, are the public face of our office in the courtroom. Waldo County citizens are fortunate to be represented by such outstanding public servants.

Each year I review the challenges we face in the criminal justice system. Increasingly, opiate abuse has become the dominant concern. Drugs like heroin, and the even more potent fentanyl, are killing hundreds of people throughout Maine. Drug abuse can have a role in many longstanding areas of

concern, such as domestic violence, and are linked to many property crimes, such as burglaries, thefts, and financial exploitation of the elderly. We already see increased numbers of drivers impaired by drugs other than alcohol. If marijuana is legalized for recreational use we may mirror the experience of Colorado and Washington: increases in marijuana-related driving offenses. This will bring new challenges for law enforcement and for the courts. We are successful in our work only when we coordinate closely with other public safety entities: law enforcement, courts, corrections, probation, and diversion programs such as Maine Pre-Trial Services and the Restorative Justice Project. The District Attorney's office is proud to be a participant in Waldo County's coordinated criminal justice system.

Respectfully Submitted

A handwritten signature in black ink, appearing to read "Geoffrey Rushlau", written in a cursive style.

Geoffrey Rushlau
District Attorney

Waldo County Register of Deeds

Stacy L. Grant, Register
137 Church St. – P.O. Box D
Belfast, Maine 04915-0601
Phone: 207-338-1710
Fax: 207-338-6360

Email: registerofdeeds@waldocountyme.gov

WALDO COUNTY REGISTRY OF DEEDS ANNUAL REPORT 2015

To the Honorable Waldo County Commissioners & Citizens of Waldo County:

Thank you for giving me the opportunity to report to you the year of 2015 in the Waldo County Registry of Deeds office.

The Registry of Deeds records all documents and plans pertaining to land in Waldo County. In 2015, we recorded 12,426 documents and 44 plans. Once recorded, we index each document and the image is scanned onto our system. This allows anyone from the public to easily search our system by name to find and view a particular document or plan. Our electronic index goes back to 1980 and our books go back to 1789, when Waldo County was part of Hancock County. Waldo County records start in 1827. Our electronic index can be accessed through our website, which is maineregistryofdeeds.com.

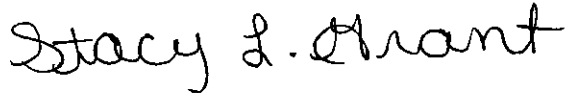
The total County revenue for 2015 was \$440,815.45. The total real estate transfer tax for the year was \$671,698.50, of which the County keeps 10% and the State of Maine Treasurer is sent 90%. The County received \$67,169.85 and the State received \$604,528.65 for 2015. The revenue breakdown for 2015 is:

Document/Plan Recording	\$306,645.00
Transfer Tax	67,169.85
Photocopies/Website/Fax	66,946.45
Bank Interest	<u>54.15</u>
Total to County	\$440,815.45

I have served the County of Waldo for 18+ years, as clerk and Deputy Register. I just completed my first year as Register of Deeds. I am honored and privileged to serve as the Register of Deeds for Waldo County.

In closing, I would like to thank my staff for their hard work and dedication. Please know that we are here to serve you Monday through Friday from 8:00 a.m. to 4:00 p.m.

Respectfully,

A handwritten signature in cursive script that reads "Stacy L. Grant". The signature is written in black ink and is positioned above the printed name.

Stacy L. Grant
Register of Deeds

SUSAN W. LONGLEY, Judge
SHARON W. PEAVEY, Register
JUDITH M. NEALLEY, Deputy



P.O. BOX 323 - 39A SPRING STREET
BELFAST, MAINE 04915-0323

TELEPHONE (207) 338-2780
or (207) 338-2963
FAX (207) 338-2360

STATE OF MAINE
PROBATE COURT-WALDO COUNTY
BELFAST

ANNUAL REPORT 2015

To the Honorable Waldo County Commissioners & Citizens of Waldo County:

Ethically, we in Waldo County Probate Court continue to strive to treat all parties fairly, respectfully and efficiently so as to save parties and taxpayer time and money. Consistent with Maine's code of judicial ethics, we work "to maintain the dignity appropriate and act in manners consistent with the integrity of the judiciary."

Concerning ongoing innovations, we continue to enjoy great success with our incentive-based monthly payment plan system. We try to set parties up to succeed, and far and away most do pay on time and help us keep our county costs down. We are grateful and appreciative of the quality efforts of these citizens.


Similarly, we continue with our state-of-the-art internal case management system. Again, as consistent with Maine's code of judicial ethics, we work hard and take great pride in our efforts "to reduce or eliminate dilatory practices, avoidable delays and unnecessary costs."

Concerning access, we now are one of the first Maine probate courts to provide further cost savings with our new video-conferencing system. Also, for those interested in following our proceedings, we are an open-to-the-public court. We provide the public access online at www.maineprobate.net.

In serving the citizens of Waldo County, we would like to thank our wonderful staff of Deputy Register Judy Nealley and our Probate Clerks, Cari Carver and Elaine Russell. We also would like to thank the very cooperative Waldo County Sheriff's Office.

Beyond the above, we would like to close by stating that the Year 2015 was a year in which parties opened 272 new probate cases, with 25 concerning minor guardianships, 34 concerning adult guardianships and/or conservatorships, 31 name changes, 13 adoptions, 13 concerning decedents' formal estates and 156 concerning decedents' informal estates. We also processed 616 passport applications, including 591 passport photos.

Located at 39A Spring Street in Belfast, we serve you Monday through Friday from 8:00 a.m. to 4:00 p.m., with additional hours as emergencies require.


Susan W. Longley, Judge


Sharon W. Peavey, Register

Making a Difference in Waldo County



Color photos by Ernie Henning

Putting university research to work in homes, businesses, farms, and communities for over 100 years.

The Waldo County office of the University of Maine Cooperative Extension serves the citizens of our county with hands-on educational information and programs.

Our programs are designed with citizen input and tailored to meet specific local needs. Our county office is also part of a statewide organization and the national Extension system. This allows our county office to bring more resources, programs and learning opportunities to the people of our communities.

Our annual report features:

- Highlights of recent accomplishments of our programs
- The difference we make in the lives of Maine citizens and their communities
- Financial information about Extension at the state and county level

University of Maine Cooperative Extension Waldo County Annual Report 2015

The University of Maine is an equal opportunity/affirmative action institution.

Waldo County



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 Agriculture & Natural Resources, x1014

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Deborah Killam, Extension Educator, Homemakers 581-3874

Waldo County Extension Association

The Waldo County Extension Association is the legally constituted official organization for conducting Extension work in the county; its services are available to all residents according to the County Extension Act.

The membership of the Association includes all residents in the county participating in Extension work. This is an opportunity to join others with a broad range of interests and a common desire to help Maine people improve their lives through an ongoing educational process, using the latest in research-based knowledge.

An elected County Extension Executive Committee is selected from the Association membership. Meetings are usually scheduled on the 2nd Tuesday of each month.

President
 David McDaniel, *Jackson*

Vice President
 Ryan Martin, *Belfast*

Secretary
 Katy Green, *Belfast*

Treasurer
 Anne Rothrock, *Knox*

Members
 Mary Ann Hayes, *Thorndike*
 Anna McGalliard, *Belfast*
 Cheryl Richardson, *Searsport*
 Jaco Schraevande-Gardei, *Belfast*
 David Scholfield, *Knox*

Waldo County

UMaine Extension is your doorway to University of Maine expertise. For more than 100 years, we've been putting university research to work in homes, businesses, farms, and communities—in every corner of Maine. Our educational efforts focus on the *Maine Food System, Positive Youth Development, and Community and Economic Development.*

Maine Families

Maine Families is a home visiting program for expecting or new parents with a focus on family strengths. The Maine Families Home Visiting Program is part Maine's strategy to ensure healthy futures for our children.

Home Visiting professionals provide individualized parent education and support throughout Waldo County to expectant parents and parents of babies and toddlers to support safe home environments, promote healthy growth and development, and provide key connections for families to available services in their communities. The program is tailored to meet the needs of each family.

Maine Families believes that parents are their children's first and most important teachers. Parent/child interaction and experiences in the early years determine how the baby's brain develops and sets the stage for the child's future.

In 2015, seventy-five families received 734 home visits.

In 2015, 100% of the children in the program had an established medical provider and were up to date with their well child visits. Of the children enrolled, 96% were up to date in their immunizations (Maine rate 72.3%).

Home safety improved for all families with significant improvements in home heating and fire safety, as well as improvement in poison safety for children in all age groups. Any delays in development are caught early through regular screenings and those children referred on for early intervention services. Nearly 80% of the children

enrolled in Maine Families are read to 3 or more times a week.



Garden Build for Maine Family Participant
 Photo by Wesley Neff

Families receive access to the latest research based information about:

- Healthy prenatal practices
- Feeding and nutrition
- Safety and health
- Connections to community resources
- Child growth and ways to encourage healthy development

www.extension.umaine.edu/parenting/maine-families



Both moms and dads actively participate in playgroups
 Photo by Diane Russell

Food Systems Programming

Maine Families Garden Program

Implemented in 2014, this program delivers garden beds, soil, plants and seeds to families with young children and infants across Waldo County and pairs them with a garden mentor to help them succeed in growing food for themselves. Based on the success of last year's program, a \$300 grant was awarded from Kitchen Gardens Int'l to expand to an additional 8 families all across the county. Participants built the bed themselves and chose the plants they grew. In total, eight gardens were built and over 30 people were involved in learning to grow and enjoy the fruits of their labor. Many of the participants reported that having the garden allowed them or their children to try new vegetables.



Family with their new garden Photo by Viña Lindley

Food Preservation & Food Safety Programming

In 2015 Waldo county staff offered seven workshops in Waldo, Knox and Lincoln counties. Hands-on food preservation workshops were offered through the Waldo County Extension office, the Unity Food Pantry and in partnership with the Camden Adult Education program. There were 29 people who participated and learned the most up-to-date practices for safely putting food by at home. Food safety trainings were also offered for local

food pantries, churches and other community groups who serve food to the public. The workshop is called *Cooking for Crowds* and teaches volunteers how to safely source, store, prepare and serve food to their clients. Three trainings were offered in Waldo and Knox County, 20 people received certificates for completing this course, which was co-sponsored by the Good Shepard Food Bank.



Jams and jellies Photo by Viña Lindley

Healthy Hydration

Waldo county staff teamed up with 5-2-1-0 Let's Go! program staff to offer information to families about staying healthy and hydrated at 2 community events. This program is a nationally recognized childhood obesity prevention program promoting 5 servings of fruits and vegetables a day, 2 hours or less of recreational screen time, 1 hour or more of physical activity and 0 sugary drinks. Through an interactive display and taste-testing station we focused on the 0 sugary drinks goal. Samples of fruit & herb-flavored water were available for people to taste and vote on.



Fruit Water Photo by Viña Lindley

Edward J Reynolds House Gardens

Built on the success of gardens built last year, in partnership with the Belfast Home-School 4-H Club, a grant from Kitchen Gardens International for \$300 was obtained to expand the gardens at the Edward J Reynolds House, a low-income senior housing community in Belfast.

A group of youth from the Belfast Home School Cooperative managed all aspects of this expansion project from managing the grant budget to designing, building and planting the new handicapped accessible raised beds. One of the youth, 11 year old Timmy, said of the project "I think what was neat about the garden project was that it was from start to finish; planning the costs of the lumber, measuring and cutting it, building the beds and filling them with soil"

The youth were incredibly successful and were able to more than double the planting space for residents and also got so much donated that they were able to use the additional funds to host an ice cream social after they built the gardens and invited all of the residents of the housing community.



Volunteers build handicapped accessible raised beds
Photo by Vivia Lindley

The youth had help from parent volunteers and Knox, Lincoln and Waldo County staff as well as residents of the building the day of the garden build. According to a staff person at the Edward

Reynolds House, there were residents who came out to watch the gardens being built that they had never seen leave the building before.



Volunteers build handicapped accessible raised beds
Photo by Vivia Lindley

FoodCorps

A national program, FoodCorps has service members in eighteen states and hundreds of schools across the country who teach kids about the importance of healthy food, engage students with hands-on nutrition and garden education, and increase local food purchasing in school cafeterias while promoting school lunch. In 2015 supervision of Maine's statewide FoodCorps program shifted to the Waldo County Extension office, under the direction of Food Systems & 4H Professional Vivia Lindley.

Of the twelve service members located in the state of Maine, two are based in Waldo County—one member at the schools of RSU3 and one serving at Tanglewood 4-H Camp & Learning Center, reaching schools in Lincolnville and Northport.

In 2015, service members spent a total of 478 hours teaching 240 lessons about plants, food, and nutrition (157 classroom appearances, 64 in the garden, and 19 after school or summer activities), engaging 423 students. From the gardens at their schools, service members harvested 693 pounds of produce—33% was cooked, tasted, or eaten with students, 33% was donated; 20% was served in

school cafeterias, and the rest was given away to school staff or families. These service members achieve their success with support from the community and, in 2015, engaged 35 farmers and producers and 41 volunteers.



FoodCorps service members at state orientation
Photo by Vivia Lindley

When surveyed, students who received programming from the 2015 FoodCorps service member in RSU3 showed a 33% improvement in their preference for vegetables they had previously tried."

Not only is their preference for vegetables reflected in these numbers, but students participated in class more intently. "This week we were continuing our unit on food waste. I had a couple of activities planned, but instead we spent the entire time having a (very respectful) discussion about food waste and food distribution.

Local Partnership

Our County Extension Association is the vital link between the county, our communities and UMaine. The Association's Executive Committee is comprised of local volunteers who represent community interests by advising UMaine Extension staff on educational programs, advocate for and secure funding from county government to support the county office, oversee the office budget and facilities, and guide UMaine Extension staff in identifying their programming goals.

In a class of 23, every single student offered an idea, question, or comment at some point—without my prompting at all. They were so engaged, and it was such a pleasure to see them really focused, and demonstrating how thoughtful and creative they really are." - Carolyn (Nov. 2015)

*This data is not yet available for Tanglewood, a new site as of 9/2015.

4-H

Maine Science Festival

Waldo County was represented very well at the inaugural Maine Science Festival, a three-day festival of Science, Technology, Engineering and Mathematics, at the Cross Center in Bangor Maine. 25 youth led Youth Voice Youth Choice (YVYC) hands-on-science activities through the day on Saturday. The youth were from the Kindred Spirits 4-H Club, RSU # 20 afterschool program, Girl Scouts and Cadets.

Youth engaged festival participants making predictions of how much sugar is in their favorite drinks and then measured sugar amounts by graphing how much sugar is actually being consumed when you drink a bottle of water, Gatorade, soda, iced tea etc. Through this activity, many parents and children also got to taste test fruit infused water for making easy and much healthier drinks, thus helping to reduce the consumption of high sugary drinks.



Youth Voice Youth Choice (YVYC) is a grant program empowering youth to make changes for healthier living by eating more vegetables and fruits, drinking more water, increasing physical activity and educating and encouraging friends and families how to make better choices for healthier living. Funding for the YVYC program was provided by National 4-H Council and the Walmart Foundation



Re-think Your Drink activity
Photo credit: RSU 20Afterschool Program

Rural Living Day

In March 2015, the Waldo County Extension Association held its 21st annual scholarship fundraising event at Mount View High School in Thorndike.



Build Your Own Nest Box
Photo by Liz Stanley

For the second year there was a great turn out that included youth from ages 2-12. The event was well attended with over 200 participants from all over

Maine. More than 20 workshops were offered on topics like Making Insulating Window Inserts, Farming with Horses, Preserving the Harvest, Alternative Energy, Vegetable Garden Planning and Starting a Home-based Food Business.

This year, two kids' tracks were offered for youth with a total of 10 workshops on a variety of topics including seed paper, fairy gardens, bird-box building, butter making, bread making and a 4-H National Science Experiment Rockets to the Rescue led by long-time 4-H volunteer David Schofield and 4-H staff member Joyce Weaver!

National 4-H Youth Science Day

4-H is an informal educational program for youth ages 5-18, fostering youth adult partnerships where youth explore topics of interest to them with caring adults guiding them in engaging 4-H hands-on learning experiences. 4-H is dedicated to providing STEM (Science, Technology, Engineering, Math) to give kids the life skills they need to succeed today



Rockets to the Rescue activity
Photo credit: RSU 20 Afterschool Program

and in career readiness in their future. Pictured is a county 4-H volunteer working with afterschool program students participating in the National 4-H Youth Science (NYSD) Day challenge Rockets to The Rescue. Programs like 4-H NYSD offer youth an opportunity to learn about science in fun hands-on learning, where youth are developing critical thinking skills as they problem solve through science challenges. In 2015, over 250 Waldo County youth participated in 4-H Science opportunities through 4-H clubs and afterschool programs.

National 4-H Conference

4-H youth delegates across the nation gather in April at the National 4-H Conference Center in Chevy Chase, MD. Maine selects four participants annually based on records of their 4-H and community involvement and candidate interviews.

During the 4-H National Conference delegates address the issues of youth and how the 4-H Youth Development program can best meet the needs of youth at the local, state and national levels through educational programming. Maine 4-H delegate Shaynen Schofield, served on the agriculture 4-H round table committee session and was invited to speak during the live congressional.

www.ustram.tv/channel/hcive18

During Shaynen's presentation a Massachusetts Congressman asked "How has 4-H shaped you as the person you are?" Shaynen shared "Without 4-H I don't think I would be as responsible as I am. 4-H has taught me how treat people better, how to be a better person in my community, how to help in my community, treat everyone better. I advocate for agriculture by showing animals, how we treat our animals, help people learning more about animals and where our food comes from."

Waldo County 4-H Delegate Shaynen Schofield
Photo provided by Marissa Schofield

Home Horticulture

National Master Gardener Volunteer Program

The Extension Master Gardener National Committee reports that in 2014, more than 80,000 volunteers contributed time valued at \$122 million in 38 states. It's estimated that Master Gardeners donate 1,382 tons of fresh produce to food banks and pantries annually and are involved in 6,000 community gardens. To find out more about the impacts of the MGV program, operating in 49 states, visit http://articles.extension.org/sites/default/files/EMG%20Infocard%202016_0.pdf.

Maine Master Gardener Volunteers and community members donated 157 tons of food in 2015. That's 11% of the 2014 national total, with just 0.4% of the nation's population.



Fresh produce for a local food pantry
Photo by Liz Stanley

Waldo County Master Gardener Volunteers are trained alongside Knox and Lincoln County participants and work on various projects including Maine Harvest for Hunger, school and community gardens, civic beautification, invasive plant and insect monitoring, phenology data collection, and educational talks, workshops and programs.

Home and Community Client Calls

In 2015 we received over 500 questions from home, school and community gardeners inquiring about pests, diseases, invasive plants, insects, soil testing, growing vegetables, fruits and ornamentals. We provided plant, insect and tick IDs, resources, trainings and expert advice from specialists.



Crab spider eating a fly
Photo by Liz Stanley

Maine Extension Resources for Gardeners

Gardening & Yard:
www.extension.umaine.edu/gardening

Pest Management - Insects, Ticks, Plant Diseases
www.extension.umaine.edu/fpm

Master Gardener Volunteers:
www.umaine.edu/gardening/master-gardeners

MGV Manual:
www.umaine.edu/gardening/master-gardeners/manual

Other resources:

Maine School Garden Network: www.msgn.org

Maine YardScaping:
www.maine.gov/dacf/ph/pesticides/yardscaping



Ripening Tomatoes

Photo by Liz Stanley

Agriculture and Natural Resources

RESEARCH & EDUCATION

Cover crop & no-till corn silage production

Rick Kersbergen continued his research and education efforts working on increasing the acreage of no-till corn and the use of cover crops with dairy farmers throughout the state. Research results (including those from farmers in Waldo County)

indicate that adoption of this growing technique saves substantial time and money, by reducing costs and improving profitability. Cover crop and no-till adoption is a proven way to reduce environmental impacts from farm operations. In 2015, several Waldo county dairy farms participated in trials initiated with help from a Conservation Innovation Grant funded through the Natural Resources Conservation Service.



Cover crop research plots Photo by Rick Kersbergen

Organic Dairy Research

Organic dairy farmers are increasing in number in Maine, and research on ways to improve their practices is part of a research project funded by USDA Organic Research and Extension Initiative. A currently funded project is a regional one, and includes researchers from Maine (Kersbergen), New Hampshire, New York, Vermont and Pennsylvania.

As part of the program, Rick Kersbergen conducts forage trials at UMaine's Rogers Farm in Old Town and also measures pasture productivity and milk response on three organic dairy farms. Starting in 2015, the research included feeding trials in which cows were fed flax seed to see the impact on organic milk quality, quantity and fat composition.

Corn silage Variety Trials

Now in the 12th year, the state corn silage variety trials are managed by Rick Kersbergen and Caragh Fitzgerald. This research represents some of the best corn hybrids available to growers in Maine. The data resulting from this project is critical for producers who now spend significant amounts of operating capital each spring on corn seed. Making informed decisions about hybrids that perform well in Maine conditions is crucial to profitability. Differences found through simple hybrid selection can make a huge difference in the amount of purchased grain dairy farmers need to buy and greatly influences milk production on the farm.



Corn silage at Maine farm days Photo by Rick Kersbergen

Kennebec Valley Community College Sustainable Agriculture Program

Rick worked closely with Kennebec Valley Community College and their new sustainable agriculture program. He has served as both an advisor to the program and as a consultant for farm operators. This past year, he organized a "dual credit" Principles of Sustainable Agriculture Class with KVCC that was offered to students in Islesboro and the Waldo Technical Center who were able to earn college credit for successful completion of the class. Eight high school students in Waldo county and statewide earned college credit.

Tractor Safety Courses

In 2015, tractor safety workshops were held for apprentices in the MOFGA training program as well as farm employees at Johnny's Selected Seeds and students at Kennebec Valley Community College.

In addition to a 20-hour class at Ingraham's Equipment in Knox, Rick has recently assumed the leadership of the farm safety programs for UMaine Cooperative Extension.

Ag Education Programs and Partnerships

Extension in Waldo County partners with agencies such as the Maine Organic Farmers and Gardeners Association (MOFGA) and producer groups such as the Maine Grass Farmers Network (MGFN) to coordinate educational programs such as pasture walks, and the Farmer-to-Farmer conference. Farmer-to-Farmer was held in Waldo County in November of 2015 with over 300 new people coming from throughout the Northeast. Extension also hosts the website for MGFN www.umaine.edu/livestock/mgfn and organizes their Annual Grazing Conference held in Fairfield that draws over 100 participants.

Rick works closely with the Maine Organic Milk Producers (MOMP) and helps provide educational programs and a unique equipment-sharing program. Organic dairy farms now make up over 25% of all dairy farms in Maine.

Small farmers continue to call the office for assistance. Some of these are to explore new opportunities in agriculture and others are to try and solve problems. Extension helps to run the Beginning Farmers Resource Network (BFRN) www.umaine.edu/beginning-farmer-resource-network that helps new and developing farm operations to find educational resources throughout the state. In addition, Extension collaborates with the Farmer Veteran Coalition (FVC), headquartered in Waldo County. www.farmvetoc.org

New livestock as well as vegetable operations are starting up in Waldo County as a result of a renewed interest in local foods and healthy lifestyles.

UMaine Extension in Waldo County hosts the Maine Hay Directory, which serves as a resource for farmers marketing hay as well as those animal owners in need of feed www.extension.umaine.edu/Waldo/hay. Extension also hosts the website for the Maine Grass Farmers Network www.umaine.edu/livestock/mgfn

State and National Representation

Rick Kersbergen serves on several state organizations and holds leadership roles. He has served on the State Nutrient Management Review Board since 2000. Rick is a cooperating member in the Department of Animal & Veterinary Science at UMaine. In addition, he is on the agriculture and forestry technical committee for Maine Technology Institute.

State Specialists working with Waldo County Agriculture

Agricultural programming in Waldo County is assisted by state specialists who provide valuable assistance to farms and natural resource based. Some examples of this include Gary Anderson, State Dairy Specialist who has worked with numerous dairy farms solving milk quality issues and helping to do financial planning and farm transitions.

Food Safety specialists Beth Calder and Jason Bolton have been working with Heiwa Tolu in Belfast for over four years and Maine Farmland Trust Unity Food hub for over two years. They assisted both organizations with facilities design, sanitation plans and shelf-life extension. In addition they have worked with Ducktrap River of Maine for over five years, assisting them with HACCP and sanitation training as well as with new product development, thermal-processing calculations for the production of safe food products and facility design. Ducktrap also hired one of Jason's students who had just graduated with a BS in food science as the assistant director of quality control and assurance.

Sabbatical

In late 2014 and early 2015, Rick was granted a sabbatical for 6 months and traveled to Europe to learn about dairy systems in the Netherlands. He also traveled to Germany to investigate new opportunities for dairy equipment to be used in the United States. Robotic milking is very popular in Europe and has been very successfully adopted by medium and small farms. Rick is currently working with dairy farmers in Waldo County who are investigating the possible adoption of this technology.

In addition, Rick helped to initiate an organic research and training program at Wolfe's Neck Farm in Freeport with financial assistance from Stonyfield Yogurt Co.

To read more about Rick's sabbatical, you can read his blogs at www.umaine.edu/livestock/blog/category/cows-and-crops



Cover crop applied by airplane in standing corn Photo by Rick Kersbergen

University of Maine Cooperative Extension Support for Waldo County

2014	
Salaries and Benefits	\$514,210
Prorated Support from UMaine*	\$457,772
Computer Equipment & Networking	\$3,317
Publications	\$3,039
Postage	\$816
Telephone	\$601
Travel	\$29,698
Total	\$1,022,962

Prorated support from UMaine* reflects salaries & benefits for administrative and statewide support.

Without statewide support, UMaine Extension would not be present in this county. Funds for projects are provided through the University of Maine, Federal Formula Funds, grants, contracts, and fees. Dollars from other sources support salaries and benefits for Extension Specialists, County Educators, Extension administration, computer equipment and networking, publications, postage, telephone, and travel.

This table illustrates the financial resources for programs offered, supported and managed out of the Waldo county office.

Waldo County Extension Association 2015 Budget	
Salaries	\$34,985
Utilities	\$1,200
Repairs/Maintenance	\$1,200
Dues and Training	\$100
Supplies	\$4,500
Postage	\$100
Total	\$42,085

Each year, Waldo county tax dollars support the umaine extension with physical office space, support staff salaries, office supplies, equipment and some programming expenses.

Newsletters and Collaborative Websites

4-H on the Move

www.umaine.edu/waldo/programs/4h/newsletter
 Monthly electronic newsletter covering county, state & national 4-H activities, news and resources

Cows and Crops

www.umaine.edu/livestock/cows-and-crops-newsletter
 Online newsletter providing production and research information to Maine's dairy and forage producers.

Maine Climate News

www.extension.umaine.edu/maineclimatenews
 Latest interesting update from our State Climatologist

Maine Home Garden News

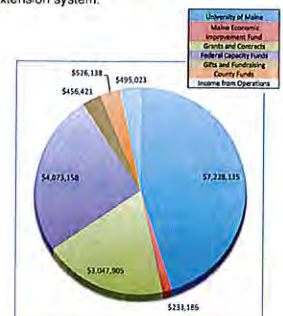
www.umaine.edu/gardening/maine-home-garden-news
 A local resource designed to equip home gardeners with practical information with monthly updates.

Publications Catalog

www.extensionpubs.umext.umaine.edu
 Listing of available University of Maine Cooperative Extension publications

Statewide Extension Funding

As a unique partnership among federal, state and county governments, UMaine Extension uses funding from Maine counties and the University to match and leverage support from the United States Department of Agriculture, other federal grantors, state agencies and private foundations. Each county UMaine Extension office is also part of a statewide organization and the national Extension system.



Statewide Highlights

Protecting Maine's Poultry and Egg Industry

Maine's poultry and egg industries are worth over \$75 million yearly. Because the University of Maine Animal Health Lab (UMAHL) provides the FDA-required salmonella testing for medium- to large-sized egg producers in Maine, New Hampshire, and Vermont, these farms can operate within FDA's Egg Rule. This work aids in prevention of human salmonellosis (SE) that might be acquired through eggs. The estimated cost to the egg industry of an SE outbreak could be higher than 10% of production. The impact of salmonella prevention is estimated to be more than \$7 million per year. UMAHL handled over 6,000 avian samples during reporting year 2015. During 2015, highly pathogenic avian influenza (HPAI) caused the death of more than 49 million poultry in the United States. If this disease comes to our region, substantial losses to the commercial egg industry would result. UMAHL is working with small and large producers to increase biosecurity and preparedness for emergencies such as HPAI.

Protecting Maine's Dairies

Many of Maine's more than 8,000 small farms have dairy animals. Increasingly, organic and small ruminant dairies are producing a diverse collection of artisanal cheeses and alternative milk products. For public safety and quality control, dairies must keep pathogenic bacteria out of their dairy animals and dairy products. Culling milk samples is key to protecting all of Maine's dairies. In 2014-2015, the UMAHL Animal Health Lab cultured approximately 2,000 milk samples for mastitis; 4.5 percent were positive for *Staphylococcus aureus*, which can cause serious human illness. Because *S. aureus* cannot usually be cleared from the udder, culling chronically infected cows is advised to protect the public and avoid the spread of this disease on dairies. Maine's dairy owners and dairy product consumers benefit from our local, responsive mastitis diagnostic service. We screen samples from both large and small dairies for mycoplasma, *S. aureus*, and other pathogens. Allowing farmers to administer antibiotics appropriately, and to avoid excessive antibiotic use by culling animals with incurable infections, saves money and protects public health.



IPM Strategies for Sweet Corn

Sweet corn comprises nearly half of the commercial vegetable acreage in Maine but may bring only marginal profits due partly to high pest management costs. Sweet corn is an ideal candidate for integrated pest management (IPM) strategies. UMaine Extension set up insect traps and trained student field scouts to monitor sweet corn pest populations. Information gathered was summarized and shared with growers, ag consultants, and extension educators around Maine through a weekly newsletter and blog. Corn IPM techniques were demonstrated at two grower field days. Growers adopting these techniques noticed significant reductions in pest management costs and reduced risk of pesticide exposure to themselves and the environment. Of the participants responding to a post-season survey, 61% used the information to reduce the number of pesticide sprays they applied, 69% found the program significantly reduced pest management costs, and more than 75% found that IPM techniques improved their crop yield and quality. Applying sample results to numbers from recent state agricultural statistics suggests that Maine growers conservatively reduced insecticide applications by over 100,000 gallons this season and saved over \$100 per acre on insecticide costs.

Expanding and Diversifying Maine's Local Wheat Economy

UMaine Extension secured over \$1 million of funding in 2015 for a diverse program that generates region-specific, research-based information and provides educational and networking opportunities for participants in the grain economy. Key collaborators include MOFGA, the Maine Grain Alliance, the University of Vermont, and the US Organic Grain Collaboration. Maine and New England farmers have access to ground-truthed information on local grain production, markets, quality standards, and economics. Research trials started in 2013 on field peas as a rotation crop for cereal grains inspired and informed at least 5 farmers to grow about 800 acres of field peas in 2015 for local markets. Three winter grain farmers adjusted seeding and fertility methods based on on-farm research results, affecting another 800 acres. Aroostook

County farmers grew approximately 1,000 acres of organic grains. Two farmers planted a specialty heirloom rye for a new Nordic restaurant in New York City as a result of our connections and 3 years of trialing. With our guidance, a cooperating farmer produced Maine's first crop of blue tag certified organic grain seed, and one of the region's first certified seed of an heirloom variety. Farmers are successfully supplying new and expanding grain markets with high quality grain.

Food Safety Education for Families and Commercial Food Producers

Each year 48 million people in the U.S. contract foodborne illnesses. Food safety risks exist in home food preparation and preservation, in people serving crowds, and in retail and commercial manufacturing and sales. These groups prepare or process food for others, often without proper food safety training, leading to increased occurrences of foodborne illness. UMaine Extension provides food safety training programs including food preservation; home food safety; Cooking for Crowds; industrial food sanitation; Good Agricultural Practices; Hazard Analysis Critical Control Points (HACCP) certification; and soon, Food Safety Modernization Act trainings. Extension provides private food safety consulting and process authority food product reviews to companies statewide. These programs directly reached and trained over 10,000 people in Maine in the past year and we estimate that over 500,000 consumers of food produced by New England-based food businesses have a reduced potential to contract foodborne illness because of our trainings.

In addition, the food process authority lab reviewed over 500 products, leading to added income and jobs across Maine and New Hampshire. In almost all cases one-on-one food safety consulting led to increased revenue, retention of jobs, and/or increased hiring. One new startup company hired 171 employees and said, "Extension's work with our company has contributed to the safe production of 7.2 million pounds of lobster per year with a value of over \$36 million." These results are decreasing the occurrences of foodborne illness and increasing overall health in Maine and wherever Maine foods are sold and consumed.

The "Whole Schools Whole Communities" Initiative

The Environmental Living and Learning for Maine Students (ELMS) Project secured a \$275,000 grant to implement the Whole Schools Whole Communities Initiative. The project partners—UMaine's 4-H centers, Chewonki, the Schoodic Institute, and the Ecology School—joined with 10 Maine school districts. The ten Maine public school districts, representing nearly 8,000 students, are deeply engaged in the



The County Extension Act

The County Extension Act explains the role of county government in funding local Extension offices.

Cooperative Extension work shall consist of the giving of practical demonstrations in agriculture and natural resources, youth development, and home economics and community life and imparting information on those subjects through field demonstrations, publications and otherwise. For the purpose of carrying out this chapter, there may be created in each county or combination of two counties within the State an organization known as a "county extension association," and its services available to all residents of a county. The county extension is viewed as a unique and important educational program of county government. The executive committee of each county extension association shall prepare an annual budget as requested, showing in detail its estimate of the amount of money to be expended under this chapter within the county of counties for the fiscal year. The executive committee shall submit to the board of county commissioners on a date requested by the county commissioners, and the county commissioners may, if they deem it justifiable, adopt an appropriate budget for the county extension program and levy a tax therefor. The amount thus raised by direct taxation within any county or combination of counties for the purposes of this chapter shall be used for the salaries of clerks, provision of office space, supplies, equipment, postage, telephone, a contribution toward the salaries of county educators and such other expenses as necessary to maintain an effective county extension program.

*Excerpted from Title 7, Chapter 7 of the Maine Revised Statutes, §191-§195.

process of envisioning and which implementing significant change in teaching and learning. The process includes facilitated planning sessions during school leaders, teachers, community stakeholders, and ELLMS Project representatives are collectively shaping the future of education to include meaningful connection to community through service learning opportunities, leadership development, place-based curricula, outdoor field science, and STEM. The ELLMS partners are also conducting an integrated research project using "Most Significant Change" methodology. The research is designed to ascertain the longitudinal impact of quality environmental education opportunities for students and teachers.

Maine Harvest for Hunger

Maine has the highest rate of food insecurity in New England, and ranks twelfth in the United States. Forty-three percent of food-insecure people do not qualify for food stamps or other government programs. It is challenging for food-insecure people to afford fresh, nutritious food, and donations of fresh produce to Maine's emergency food system have declined recently. Since 2000, UMaine Cooperative Extension's statewide Maine Harvest for Hunger (MHH) program has mobilized gardeners, farmers, businesses, schools, and civic groups to grow, glean, and donate high quality produce to distribution sites and directly to neighbors in need. The objective is to mitigate hunger, improve nutrition and health, and help recipients develop lifelong positive nutritional habits. Through a dialogue between recipients, donors, and staff, the team has made significant progress in expanding the variety of offerings readily accepted and used by recipients, minimizing donation waste and extending the donation

season. In 2015, record-breaking donations of over 318,000 pounds (value of \$537,000, based on an average \$1.69 per pound) went to 188 distribution sites and to individuals. Nearly 500 volunteers in 14 counties collectively logged more than 5,000 hours.

Eat Well: Responding to Food Insecurity

Maine Cooperative Extension's EFNEP paraprofessionals educate Maine's limited-income families and youth to help them make better lifestyle choices and improve their nutritional well-being. EFNEP participants learn how to eat well on a budget and apply what they learn to their daily lives. These positive changes will eventually help reduce the incidence of obesity and chronic disease of limited income families in Maine. As a result of completing the Eat Well program (320 adult participants surveyed): 74% showed improvement in one or more food resource management practice, 81% showed improvement in one or more nutrition practice, and 68% showed improvement in one or more food safety practice. Eat Well graduates reported increasing fruit and vegetable intake by one-half cup per day and self-reported increases in fiber, calcium, and vitamin D intake. 15% of Eat Well graduates also reported increasing physical activity to at least 30 minutes per day.

EatWell...Supporting Children's Learning and Health

In Maine, more than a quarter of school-aged youth are overweight or obese, and nearly a quarter of the state's children are food insecure. UMaine Extension's Eat Well Program (funded by federal EFNEP dollars) provides limited-income youth in grades K-12 free education on healthy habits. Eighty percent of participants improved their ability to choose foods according to USDA MyPlate recommendations; 45 percent used safe food handling practices more often; and 32 percent improved their physical activity. Developing a solid foundation of healthy habits in childhood will help improve the health of Maine's population long term.

Parent Education: Laying the Foundation for Future Success and Well-Being

Research demonstrates that the experiences a child has during the first three years of its life affect the developing brain and lay the foundation for future well-being. Adverse experiences can have lasting negative outcomes and affect physical and emotional health, school achievement, relationships, self-sufficiency, and overall functioning and success. With federal, state, and local funding, Parenting Education Professionals (PEPs), part of the Maine Families Program, supported families in 3 counties. Seven certified PEPs made 1,984 home visits to 248 families. Using the Parents as Teachers model, PEPs met with families in their homes to share activity ideas to support:

child development, build parenting skills, and provide links to community resources. Results from the annual parent survey showed that 99% of families used the child development information they received during home visits, 92% of families reported the program to be helpful, and 97% reported increased confidence as parents. In addition, breastfeeding rates for participating children were above the statewide average, 98% of children enrolled prenatally were up to date with well child visits, 94% of eligible children completed developmental screening, and all enrolled families were assessed for basic needs and referred to services as appropriate.

4-H Camps Connecting Youth to Positive Community Experiences and Mentorship

In 2015 UMaine 4-H summer camps served 1,732 youth from all sixteen counties in Maine, thirty states, and three countries. Through living and working together, campers and staff became part of an interconnected community committed to a sustainable future. In living and working alongside positive adult mentors and peers, youth become members of a community to which they make positive contributions. The opportunities to develop mastery of skills happens in the context of the residential camp and learning center setting where the "implicit curriculum" includes healthy nutrition and activities, inclusive and safe learning environments, and intentional leadership development. Youth and program alumni report that the 4-H Camp and Learning Center experience has helped them develop greater self-confidence, civic engagement, and personal and academic success.

Protecting Wildlife Health

Maine has joined a group of laboratories that can "link" regional agencies with local diagnostic assistance for wild animals, the Northeast Wildlife Disease Cooperative (NWDC). Collaboration with the Department of Inland Fish and Wildlife has yielded information about the health of Maine and New Hampshire moose. We have documented health status at capture of over 200 radio-collared moose over a 3-year period, performed surveillance of hunter-killed moose lung parasites, and provided diagnostic services for radio-collared moose

dying of natural causes. The University of Maine Animal Health Lab (UMAHL) has hosted wildlife biologist trainings, provided diagnostic information for wildlife cases, and assisted in investigations of lead toxicosis in waterfowl. Participation in the NWDC is bringing more expertise to the region and to the UMAHL. UMaine Students benefit from opportunities to work with wildlife disease researchers and biologists benefit from improved safety in the field due to the information conveyed at the workshops. Regionally acquired information provides better disease surveillance, which is useful to wildlife managers. A 2014 report to the Maine Office of Tourism and the Maine Department of Inland Fisheries and Wildlife found that moose and waterfowl hunting brought more than \$33 million to Maine annually, and supported more than 450 full- and part-time jobs. The work of the UMAHL helps ensure continued hunting opportunities in Maine.

Protecting Maine Citizens Against Lyme Disease

There were approximately 1,400 reported cases of Lyme disease in Maine last year (estimated to be a fraction of the actual number of cases). Providing outreach and services related to this increasingly common public health threat is an important issue in Maine. In 2014 UMaine Extension created and implemented an in-state tick identification program. This program has been expanded by creating and consistently updating an informational website, providing public presentations on ticks and vector-borne disease, and developing informational tick cards for distribution. Program activities also aid in the passage of an \$8 million bond for construction of a new bioscience laboratory that will be able to test ticks for pathogens. Clients now have access to a wide range of tick information targeted specifically at issues relating to Maine. Tick specimens can be identified more quickly within the state, and upon completion of the new lab, ticks will be tested for pathogens, a service that is not currently offered in Maine.



UMaine Extension's Eat Well Program brings nutrition education to limited-income families and youth in Maine





Waldo Community Action Partners
Summary, value of services
October 1, 2014 - September 30, 2015

WALDO COUNTY

Program Services Provided	Number Served	Dollar Value of Service	Service area
Transportation	926,191 Waldo Vehicle Miles 1,138 Individuals 1,173,933 Total Miles in & out of County	\$ 1,254,069.00	\$ 37,619.00
Home Energy Assistance (HEAP)	1,932 Households 3,668 Individuals	\$ 1,254,933.00	\$ 25,097.00
Energy Crisis Intervention (ECIP)	278 Households 385 Individuals	\$ 84,717.00	\$ 2,003.00
Head Start and Child Nutrition	133 Households 143 Individuals	\$ 1,616,589.00	\$ 32,333.00
Weatherization	35 Households 61 Individuals	\$ 339,452.00	\$ 6,789.00
Donated Commodities (Food)	608 Households* 1,496 Individuals* * Monthly Average	\$ 174,605.00	\$ 3,512.00
Central Heating Improvement (CHIP)	131 Households 264 Individuals	\$ 202,134.00	\$ 4,178.00
Early Head Start	69 Individuals 88 Visits	\$ 848,007.00	\$ 16,959.00
Community Projects:		\$ 878,588.00	\$ 17,568.00
Electric Lifeline Program (ELP)-784 Households			
Child Care Food Program-23 Homes/104,014 Meals Served			
Above Ground Storage Tank Program-7 Households			
Safety Seat Program-Seats-100 Car Seats			
Holiday Projects: Thanksgiving Baskets - 905 & Christmas Baskets - 1123			
Neighbor for Neighbor - 1226 Families-3208 Individuals			
Cinderella Project -211 Individuals			
TOTAL THIS PAGE		\$ 6,653,094.00	\$ 146,058.00

Waldo County SWCD 2015 Major Accomplishments

The Waldo County Soil & Water Conservation District Board of Supervisors would like to take this opportunity to thank the Waldo County Commissioners for their continued support and are proud to report the following accomplishments the district completed due partly to Waldo County funding.

- Honored outstanding conservationist of the year at the 2015 Annual Meeting/Banquet
- Provided technical assistance and guidance for many Waldo County individuals and municipalities, as well as soils map data, aerial photos of Waldo County.
- 37 individuals and units of government installed one or more conservation practices
- Assisted the Waldo County Natural Resources Conservation Service with 9 Environmental Quality Incentive Program (EQIP) with \$600,000 allocated for county farmers and producers to assist with manure storage construction, heavy use areas, fencing, seeding and grazing projects on over 450 acres in Waldo County.
- Conducted fundraising projects with the annual Tree, Shrub and Trout sales utilizing local growers and producers for items offered.
- Continued supporting partner organizations including Maine Organic Farmers and Gardeners Association, Maine Farm Land Trust, Maine Farm Bureau, Sebec Regional Land Trust, Future Farmers of America, Maine Audubon
- Hosted a local working group meeting for the Natural Resources Conservation Service to assist in determining and prioritizing the natural resource concerns for Waldo County.
- Hosted & assisted workshops for, forestry, proper culvert installation for contractors, code enforcement officers and licensed plumbing inspectors, and invasive plant and insects species identification workshops, forestry, non-point source pollution and erosion control.
- Partnered with NRCS, University Extension, Kennebec County SWCD and Somerset County SWCD for a grant that focused on no-till seeding and utilizing cover crops to reduce fuel and fertilizer costs and improving soil health for Waldo, Somerset & Kennebec county dairy producers.
- Continued support for the Lead for Loons MOHF grant project promoting the usage of non-lead fishing tackle partnering with Somerset County Soil & Water Conservation District.

- Partnered with Knox-Lincoln, Kennebec and Somerset County SWCD to sponsor and conduct the Mid-Coast Regional Envirothon competition for state-wide high school teams where they competed against each other in the areas of soils, forestry, aquatics, wildlife and a pertinent conservation related current issue. Regional winners went on to compete at the state level then to the national competition.
- Partnered with the Maine Department of Environmental Protection and conducted 3 Contractor Certification Site Evaluations.
- Assisted Knox-Lincoln Conservation District with Conservation Fair Day.
- Partnered with Maine Audubon Society for the Stream Smart Program, meeting with several Waldo County towns to conduct interactive outreach with state departments, town officials and conservation commissions to share the location of stream barriers (culverts, etc.) on town roads and identify which have the highest habitat values and draw attention to the golden rule of “letting streams act like streams, making the road invisible to the stream.”
- Hosted an information table at Maine Farm Days, Common Ground Fair, Waldo County U/M Extension Annual Banquet to promote cover cropping and no-till seeding practices in Waldo, Somerset and Kennebec counties.
- Purchased and distributed to local schools materials to promote 2015 National Soil & Water Stewardship Week; April 26 – May 3, 2015.

County of Waldo, Maine

ANNUAL FINANCIAL STATEMENTS
(with required and other supplementary information)

For the Year Ended December 31, 2015

CONTENTS

	Statement	Page
Independent Auditor's Report		3-4
Required Supplementary Information		
Management's Discussion and Analysis		5-11
Basic Financial Statements		
Government-wide Financial Statements		
Statement of net position	1	12
Statement of activities	2	13
Fund Financial Statements		
Balance sheet – governmental funds	3	14
Reconciliation of the governmental funds balance sheet to the statement of net position	3A	15
Statement of revenues, expenditures and changes in fund balances – governmental funds	4	16
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	4A	17
Statement of fiduciary net position – agency funds	5	18
Notes to basic financial statements		19-37
	Exhibit	
Required Supplementary Information		
Budget and actual (with budget to GAAP differences) – general fund	1	38
Budget and actual (with variances) – general fund	2	39
Schedule of the County's proportionate share of net pension liability – Participating Local Districts Plan	3	40
Schedule of County contributions – Participating Local Districts Plan	4	41
	Schedule	
Other Supplementary Information		
Balance sheet – Jail Department governmental funds	1	42
Statement of revenues, expenditures and changes in fund balances – Jail Department governmental funds	2	43
Budget and actual (with variances) – Jail Department general fund	3	44
Additional Report		
Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>		45-46

Independent Auditor's Report

County Commissioners
County of Waldo, Maine
Belfast, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Waldo, Maine as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the Schedules of Pension Amounts by Employer reported by the State of Maine Public Employees Retirement System, which provides information used to calculate the amounts recognized in the financial statements of the County of Waldo, Maine as deferred outflows and deferred inflows related to pensions, net pension liability, pension expense, and pension revenue of governmental activities. Those schedules were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the County of Waldo, Maine, is based solely on the report of the other auditors and certain other procedures related to the allocation percentage and the amounts allocated to the County of Waldo, Maine based on the allocation percentage. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, 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 County of Waldo, Maine, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the year ended December 31, 2015, the County adopted new accounting guidance, Statement of Governmental Accounting Standards (GASB Statement) No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information on pages 5 through 11 and pages 38 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Waldo, Maine's basic financial statements. The Jail Department financial statements for the six month period ending December 31, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Jail Department financial statements for the six month period ending December 31, 2015 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Jail Department financial statements for the six month period ending December 31, 2015 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Barbara Thibodeau & Associates

September 5, 2016

County of Waldo, Maine
Management's Discussion and Analysis (MD&A) (UNAUDITED)
December 31, 2015

The following section, titled the Management Discussion & Analysis, presents a narrative overview and comparative analysis of the financial activities of the County of Waldo, Maine (the County) for the fiscal years ending December 31, 2015 and 2014. This data is reported in a manner designed to fairly present the County's financial position and the results of operations of the various funds and account groups of the County. All disclosures necessary to enable the reader to gain an accurate understanding of the County's financial activities have been included.

FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities at December 31, 2015 and 2014 by \$5,796,686 and \$6,887,959, respectively. Of these amounts, \$1,859,983 and \$3,228,857, respectively, is available to be used for the County's ongoing obligations.
- The County's total net position increased by \$529,953 and \$237,539 during fiscal years 2015 and 2014, respectively.
- The combined fund balance of the County's governmental funds as reported on the fund financial statements increased by \$581,570 to \$4,080,893.
- On a budget basis, the County had budgeted a deficiency of \$372,500 for contributions to reserves. There was a positive budget variance of \$1,039,607, which increased the budget basis fund balance further. These amounts can be used to fund future expenditures of the County.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include emergency management, district court, register of deeds and probate, and protection. These statements would also separately report the activities of any business-type activities, which rely upon user fees and other charges. The County has none of these business-type activities.

The government-wide financial statements include the County, as well as the operations of Congress Hill Street Property, LLC, a legally separate entity created by the County to manage the condominium units acquired by the County. Both the County and CHSP, LLC are considered part of the primary government.

The government-wide financial statements can be found on pages 12 - 13 of this report.

Fund financial statements - A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds, although the County has only governmental fund type funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The basic governmental fund financial statements can be found on pages 14 - 17 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the County cannot use these funds to finance its operations. The County uses agency funds to account for resources held for inmates in its Jail department. The basic fiduciary fund financial statements can be found on page 18 of this report.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide

Notes to the basic financial statements - The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 19 - 37 of this report.

Required supplementary information – In addition to the basic financial statements and related notes, this report also presents required supplementary information, which provides additional information on the County's budget and comparison to actual results.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position as reported on the government-wide financial statements may serve over time as a useful indicator of a government's financial position. The change in net position serves to report how the County as a whole performed financially throughout the year.

Net Position for the Periods Ending December 31, 2015 and 2014

The following table is a condensed summary of the County's net position compared with last year:

	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 4,283,361	\$ 3,700,110
Capital assets, net	<u>3,965,453</u>	<u>3,671,422</u>
Total Assets	<u>8,248,814</u>	<u>7,371,532</u>
Deferred outflows of resources	<u>917,221</u>	<u>-</u>
Current liabilities	164,118	162,437
Noncurrent liabilities	<u>2,302,140</u>	<u>321,136</u>
Total Liabilities	<u>2,466,258</u>	<u>483,573</u>
Deferred inflows of resources	<u>903,091</u>	<u>-</u>
Net Position		
Net investment in capital assets	3,936,703	3,636,481
Restricted	168,316	22,621
Unrestricted	<u>1,691,667</u>	<u>3,228,857</u>
Total Net Position	<u>\$ 5,796,686</u>	<u>\$ 6,887,959</u>

The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, and furniture and equipment, net of accumulated depreciation, less any related debt used to acquire those assets that is still outstanding). The County uses these capital assets to provide services to its population; consequently, these assets are not available for future spending. Although the County'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.

The County's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Changes in Net Position for the Periods Ending December 31, 2015 and 2014

The following table presents a summary of governmental activities compared to last year:

	<u>2015</u>	<u>2014</u>
REVENUES		
Charges for services	\$ 702,573	\$ 677,975
Operating grants and contributions	1,032,937	592,354
Capital grants and contributions	2,838	60,221
General revenues		
County taxes	4,504,609	4,676,661
Jail department taxes	2,832,353	-
Deeds transfer taxes	67,170	64,588
Courthouse rental income	90,635	90,635
Interest income	3,874	3,680
Miscellaneous	<u>51,781</u>	<u>20,126</u>
Total Revenues	<u>9,288,770</u>	<u>6,186,240</u>

(continued)

	2015	2014
EXPENSES		
Emergency management agency	140,308	133,477
District attorney	248,528	221,634
County commissioners	345,113	456,169
County treasurer	78,697	70,792
County facilities	294,824	266,700
Jail department	1,642,352	-
Register of deeds	214,427	200,668
Register of probate	262,153	243,290
Sheriff	1,681,299	1,570,230
Telecommunications and dispatch	1,050,901	974,937
Advertising and promotion	3,000	10,500
Audit	8,400	8,600
University of ME extension	42,060	41,775
Employee benefits	784,199	506,741
Soil and water	25,000	25,000
Employee severance	23,892	5,709
Grant matching	23,298	4,353
Planning reserve	30	-
Employee security	7,360	4,135
Drug forfeitures	5,794	7,813
Records preservation	358	339
Self-funded health insurance	922,571	847,270
Homeland security grants	108,513	102,363
Other grants	34,060	5,226
Interest on long-term debt	7,276	7,438
Capital outlay	<u>269,824</u>	<u>238,572</u>
Total Expenses	<u>8,224,237</u>	<u>5,953,801</u>
Excess (deficiency) of revenues over expenditures before transfers and special items	1,064,533	232,439
Special Item – gain on disposal of assets	4,226	5,100
Special Item – reacquisition of Jail department	<u>(538,806)</u>	<u>-</u>
CHANGE IN NET POSITION	<u>529,953</u>	<u>237,539</u>
NET POSITION, BEGINNING OF YEAR	6,887,959	6,650,420
Restatement for pension reporting	<u>(1,621,226)</u>	<u>-</u>
NET POSITION, BEGINNING OF YEAR, RESTATED	<u>5,266,733</u>	<u>6,650,420</u>
NET POSITION, END OF YEAR	<u>\$5,796,686</u>	<u>\$6,887,959</u>

The narrative that follows discusses the operations of governmental activities.

- Expenses of governmental activities include depreciation expense of \$305,263. Depreciation expense has been allocated and is included in the various function/program expenses of the County.
- General revenues consist of all revenues that are not considered to be program revenues or charges for services. General revenues for the year ended December 31, 2015 totaled \$7,550,422. Of this amount \$7,336,962 was from tax assessments paid by member towns. An additional \$213,460 came from interest and other miscellaneous sources.

FUND FINANCIAL ANALYSIS

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds are created and separately accounted for and reported for the purpose of carrying on specific activities in accordance with various regulations and restrictions. Activity not required to be reported in a separate fund is reported in the general fund.

Governmental funds – The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use in the future. As the County completed the year, its governmental funds reported a combined fund balance of \$4,080,893, \$975,808 of which was unrestricted and available for discretionary spending on future needs. The County's combined fund balance increased \$581,570 over the previous year balance of \$3,499,323.

- Revenues include federal and state sources totaling \$711,516 and taxes assessed to member towns totaling \$7,336,962.
- Charges for services and fees and fines contributed \$792,745 in total revenue during the year.

Total governmental fund expenditures for December 31, 2015 and 2014 are broken down as follows:

	<u>2015</u>	<u>2014</u>
Emergency management agency	\$ 112,461	\$ 106,436
District attorney	248,456	218,636
County commissioners	323,203	434,259
County treasurer	74,754	68,391
County facilities	266,733	250,163
Jail department	1,578,179	-
Register of deeds	201,471	205,362
Register of probate	255,095	241,933
Sheriff	1,325,637	1,300,906
Telecommunications and dispatch	936,352	868,700
Advertising and promotion	3,000	10,500
Audit	8,400	8,600
University of ME extension	41,110	40,825
Employee benefits	543,428	506,741
Soil and water	25,000	25,000
Employee severance reserve	23,892	5,709
Grant matching reserve	23,298	4,353
Planning reserve	30	-
Employee security reserve	7,360	4,135
Community corrections reserve	82,325	-
Drug forfeitures reserve	5,794	7,813
Records preservation reserve	358	339
Probate surcharge reserve	6,345	455
Deeds surcharge reserve	26,635	1,025
Sheriff detail reserve	221,681	228,638
Self-funded health insurance claims	922,571	847,270
Homeland security grants	108,513	109,058
Other grants	34,060	28,510
Debt service – principal	34,678	28,256
Debt service – interest	7,276	7,438
Capital outlay	<u>624,549</u>	<u>496,128</u>
Total Expenditures	<u>\$8,072,644</u>	<u>\$6,055,579</u>

Capital Asset and Debt Administration - In addition to the information provided below, more information on the County's capital assets and debt can be found in the notes to the basic financial statements.

Capital Assets – The summary of the capital assets, as of December 31, 2015, is as follows:

	Beginning Balance	Additions	Retirements/ Reclass	Ending Balance
<i>Governmental Activities</i>				
Land	\$ 474,506	\$ -	\$ -	\$ 474,506
Construction in Progress	226,394	69,556	-	226,394
Buildings	2,444,536	470,000	-	2,444,536
Improvements	337,731	70,687	-	337,731
Equipment	1,168,479	91,143	-	1,168,479
Vehicles	<u>690,754</u>	<u>312,342</u>	<u>(206,324)</u>	<u>690,754</u>
Total capital assets	5,342,400	1,013,728	(206,324)	6,149,804
Accumulated depreciation	<u>(1,670,978)</u>	<u>(716,114)</u>	<u>202,741</u>	<u>(2,184,351)</u>
Capital assets, net	<u>\$ 3,671,422</u>	<u>\$ 297,613</u>	<u>\$ (3,583)</u>	<u>\$ 3,965,453</u>

Debt Administration - A summary of the County's long-term debt activity for the year ended December 31, 2015 is as follows:

	Beginning Balance, Restated	Additions	Principal Payments/ Reductions	Ending Balance	Total Interest Paid
Capital lease obligations	\$ 34,941	\$ 28,488	\$ (34,679)	\$ 28,750	\$ 796
Net pension liability	942,771	1,044,656	(111,300)	1,876,127	-
Compensated absences	<u>286,195</u>	<u>61,583</u>	<u>(275)</u>	<u>397,263</u>	<u>-</u>
Total	<u>\$1,263,907</u>	<u>\$ 1,134,727</u>	<u>\$ (146,274)</u>	<u>\$2,302,140</u>	<u>\$ 796</u>

In addition, the County executed short-term borrowing, in the form of a tax anticipation note to meet operating cash flow needs. The County paid a total of \$5,480 in interest for the year ended December 31, 2015.

General Fund Budgetary Analysis

The County recognized revenues and expenditures on a budget basis that differs from how revenues and expenditures should be recognized under generally accepted accounting principles (GAAP). The principle differences between the two methods are as follows:

The County budgets using the following fund types: general fund, capital reserve, active reserve, restricted reserve, and State EMA fund. The County budgets its contributions to these reserves as expenditures of its general fund or as use of carryover fund balances and transfers out. These fund types do not correspond with the definitions of GASBS #34 and #54. On the GAAP basis, the capital reserve is included in the capital projects fund, a portion of the active reserve is reported in capital projects fund, with the remainder reported in the general fund, and the entire restricted reserve is included in the general fund. The State EMA fund is a special revenue fund. Due to this difference in fund definitions, additional activity is shown in the general fund than what is budgeted. In addition, reserves contributions budgeted as expenditures on the budget basis must be eliminated for the portions of the reserves included in the general fund, and reclassified to interfund transfers for the portions included in the other funds, to reflect the GAAP basis.

In regards to its self-funded health insurance plan, the County budgets its yearly contribution to the plan's assets as expenditures of the general fund, but GAAP basis considers the expenditure to be incurred when claims are incurred. The County's contributions to the plan must be eliminated from expenditures to reflect the GAAP basis, while the claims expenditures must be recognized. In addition, the County's plan utilizes stop-loss coverage to limit its losses for individual claims and aggregate claims for the year. Payments received from these policies must be recognized to reflect the GAAP basis.

In general, the Jail operations are not included in this report, to meet requirements of the State of Maine, however, a certain portion of the self-funded health insurance plan assets are contributed by, and are held for, the benefit of Jail employees. Contributions revenue is recognized for the portion of the health insurance premiums funded by the Jail Department and its employees.

The County budgets its debt service payments for capital lease obligations as a part of its program expenditures, while GAAP requires separate reporting of these expenditures.

The County originally budgeted a deficiency for \$372,500 for funding of reserves. The County was able to realize a positive budget variance of \$1,039,607, primarily due to the following factors:

- County commissioners function realized savings due to reductions in professional services (\$20,378) and liability insurance(\$8,676)
- County facilities function realized savings in the areas of fuel and repairs and maintenance (\$19,857)
- Jail department function under budget due to only being a part of the County for six months of the year (\$1,352,621)
- Deeds function realized savings in personnel costs (\$2,921) and fewer microfilming projects (\$9,968)

The County of Waldo, Maine is not aware of any major changes for the 2016 fiscal year that would significantly impact the budget, future net position, or future results of operations. Member towns have experienced decreases in funding from the State, and the County may experience similar cuts in the future.

REQUEST FOR INFORMATION

The financial report is designed to provide information to the readers of the report with a general overview of the County's finances. If you have questions about this report or need any additional information, contact the County Treasurer's Office at 39-B Spring Street, Belfast, ME 04915 or call 207-338-3282.

County of Waldo, Maine
Statement of Net Position
December 31, 2015

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 2,052,068
Investments	2,164,690
Receivable from other governments	66,603
Capital assets not being depreciated	770,456
Capital assets being depreciated, net of accumulated depreciation	3,194,997
Total assets	8,248,814
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	917,221
 LIABILITIES	
Accounts payable	21,182
Payroll withholdings payable	12,117
Payable to other governments	63,305
Health insurance claims payable	63,033
DA restitution payable	4,481
Long-term liabilities	
Due within one year	
Accrued compensated absences	38,350
Capital leases payable	8,736
Due in more than one year	
Accrued compensated absences	358,913
Capital leases payable	20,014
Net pension liability	1,876,127
Total liabilities	2,466,258
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	903,091
Total deferred inflows of resources	903,091
 NET POSITION	
Net investment in capital assets	3,936,703
Restricted for	
Emergency management	43,020
EPA grants	39,631
Community corrections	85,665
Unrestricted	1,691,667
Total net position	\$ 5,796,686

County of Waldo, Maine
Statement of Activities
For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Other	Operating Grants and Contributions	Capital Grants and Contributions	
					Governmental Activities
Governmental activities					
Emergency management agency	\$ 140,308	\$ -	\$ 83,462	\$ -	\$ (56,846)
District attorney	248,528	-	-	-	(248,528)
County commissioners	345,113	-	-	-	(345,113)
County treasurer	78,697	-	-	-	(78,697)
County facilities	294,824	-	-	-	(294,824)
Jail department	1,642,352	23,014	497,654	-	(1,121,684)
Register of deeds	214,427	339,244	-	-	124,817
Register of probate	262,153	122,251	-	-	(139,902)
Sheriff	1,681,299	218,047	-	-	(1,463,252)
Telecommunications and dispatch	1,050,901	-	-	-	(1,050,901)
Advertising and promotion	3,000	-	-	-	(3,000)
Audit	8,400	-	-	-	(8,400)
University of Maine extension	42,060	-	-	-	(42,060)
Employee benefits	784,199	-	-	-	(784,199)
Soil and water	25,000	-	-	-	(25,000)
Employee severance reserve	23,892	-	-	-	(23,892)
Grant matching reserve	23,298	-	1,554	-	(21,744)
County planning reserve	30	-	464	-	434
Employee security reserve	7,360	-	-	-	(7,360)
Drug forfeitures reserve	5,794	17	-	-	(5,777)
Records preservation reserve	358	-	-	-	(358)
Self-funded health insurance claims	922,571	-	287,200	-	(635,371)
Homeland security grants	108,513	-	108,513	-	-
Other grants	34,060	-	54,090	-	20,030
Interest and other charges	7,276	-	-	-	(7,276)
Capital outlay	269,824	-	-	2,838	(266,986)
Total governmental activities	<u>\$ 8,224,237</u>	<u>\$ 702,573</u>	<u>\$ 1,032,937</u>	<u>\$ 2,838</u>	<u>(6,485,889)</u>
General revenues					
County taxes					4,504,609
Taxes levied for support of corrections department					2,832,353
Deeds transfer taxes					67,170
Courthouse rental income					90,635
Interest					3,874
Miscellaneous					51,781
<i>Special item</i> - gain on disposal of asset					4,226
<i>Special item</i> - reacquisition of Jail Department					(538,806)
Total general revenues and special items					<u>7,015,842</u>
Change in net position					<u>529,953</u>
NET POSITION - BEGINNING					6,887,959
Restatement for pension reporting					<u>(1,621,226)</u>
NET POSITION - BEGINNING, RESTATED					<u>5,266,733</u>
NET POSITION - ENDING					<u>\$ 5,796,686</u>

County of Waldo, Maine
Balance Sheet
Governmental Funds
December 31, 2015

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Totals</u>
ASSETS				
Cash and cash equivalents	\$ 1,462,128	\$ 536,854	\$ 53,086	\$ 2,052,068
Investments	2,164,690	-	-	2,164,690
Due from other funds	58,685	-	-	58,685
Receivable from other governments	26,190	-	40,413	66,603
Total assets	<u>\$ 3,711,693</u>	<u>\$ 536,854</u>	<u>\$ 93,499</u>	<u>\$ 4,342,046</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 10,334	\$ 10,848	\$ 21,182
Payroll withholdings payable	12,117	-	-	12,117
Due to other funds	-	58,685	-	58,685
Payable to other governments	63,305	-	-	63,305
Health insurance claims payable	63,033	-	-	63,033
DA restitution payable	4,481	-	-	4,481
Compensated absences	38,350	-	-	38,350
Total liabilities	<u>181,286</u>	<u>69,019</u>	<u>10,848</u>	<u>261,153</u>
Fund balances				
Restricted for				
Emergency management	-	-	43,020	43,020
EPA grant	-	-	39,631	39,631
Jail department community corrections	85,665	-	-	85,665
Committed for				
Capital projects	-	467,835	-	467,835
Self-funded health insurance	1,380,857	-	-	1,380,857
Jail department	737,275	-	-	737,275
Other purposes	350,802	-	-	350,802
Unassigned	975,808	-	-	975,808
Total fund balances	<u>3,530,407</u>	<u>467,835</u>	<u>82,651</u>	<u>4,080,893</u>
Total liabilities and fund balances	<u>\$ 3,711,693</u>	<u>\$ 536,854</u>	<u>\$ 93,499</u>	<u>\$ 4,342,046</u>

County of Waldo, Maine
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2015

Total fund balance, governmental funds	\$ 4,080,893
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	3,965,453
Certain deferred outflows of resources, deferred inflows of resources, and internal balances related to pensions are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	
Deferred outflows related to pensions	917,221
Deferred inflows related to pensions	(903,091)
Some liabilities, (such as capital leases payable, net pension liability, and accrued compensated absences), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	<u>(2,263,790)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u><u>\$ 5,796,686</u></u>

County of Waldo, Maine
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended December 31, 2015

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Totals</u>
REVENUES				
Property taxes	\$ 7,336,962	\$ -	\$ -	\$ 7,336,962
Deeds transfer taxes	67,170	-	-	67,170
Intergovernmental revenue	588,448	-	123,068	711,516
Charges for services	464,732	-	-	464,732
Fees and fines	328,013	-	-	328,013
Self-funded health insurance contributions	259,659	-	-	259,659
Self-funded health insurance claims revenue	23,786	-	-	23,786
Investment earnings	7,628	-	-	7,628
Miscellaneous revenues	46,932	2,837	39,535	89,304
Total revenues	<u>9,123,330</u>	<u>2,837</u>	<u>162,603</u>	<u>9,288,770</u>
EXPENDITURES				
Current				
Emergency management agency	112,461	-	-	112,461
District attorney	248,456	-	-	248,456
County commissioners	323,203	-	-	323,203
County treasurer	74,754	-	-	74,754
County facilities	266,733	-	-	266,733
Jail department	1,578,179	-	-	1,578,179
Register of deeds	201,471	-	-	201,471
Register of probate	255,095	-	-	255,095
Sheriff	1,325,637	-	-	1,325,637
Telecommunications and dispatch	936,352	-	-	936,352
Advertising and promotion	3,000	-	-	3,000
Audit	8,400	-	-	8,400
University of Maine extension	41,110	-	-	41,110
Employee benefits	543,428	-	-	543,428
Soil and water	25,000	-	-	25,000
Employee severance reserve	23,892	-	-	23,892
Grant matching reserve	23,298	-	-	23,298
County planning reserve	30	-	-	30
Employee security reserve	7,360	-	-	7,360
Community corrections reserve	82,325	-	-	82,325
Drug forfeitures reserve	5,794	-	-	5,794
Records preservation reserve	358	-	-	358
Probate surcharge reserve	6,345	-	-	6,345
Deeds surcharge reserve	26,635	-	-	26,635
Sheriff detail reserve	221,681	-	-	221,681
Self-funded health insurance claims	922,571	-	-	922,571
Homeland security grants	-	-	108,513	108,513
Other grants	-	-	34,060	34,060
Debt service				
Principal	9,678	25,000	-	34,678
Interest and other charges	6,276	1,000	-	7,276
Capital outlay	28,488	596,061	-	624,549
Total expenditures	<u>7,308,010</u>	<u>622,061</u>	<u>142,573</u>	<u>8,072,644</u>
Excess (deficiency) of revenues over expenditures	<u>1,815,320</u>	<u>(619,224)</u>	<u>20,030</u>	<u>1,216,126</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	28,488	-	-	28,488
Transfers in	-	377,600	40,000	417,600
Transfers out	(417,600)	-	-	(417,600)
Total other financing sources (uses)	<u>(389,112)</u>	<u>377,600</u>	<u>40,000</u>	<u>28,488</u>
SPECIAL ITEM				
Reacquisition of Jail Department	(759,101)	96,057	-	(663,044)
Net change in fund balances	667,107	(145,567)	60,030	581,570
FUND BALANCE - BEGINNING	<u>2,863,300</u>	<u>613,402</u>	<u>22,621</u>	<u>3,499,323</u>
FUND BALANCE - ENDING	<u>\$ 3,530,407</u>	<u>\$ 467,835</u>	<u>\$ 82,651</u>	<u>\$ 4,080,893</u>

County of Waldo, Maine
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015

Net change in fund balances - total governmental funds: \$ 581,570

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

Capital outlays	\$ 421,050	
Depreciation expense	<u>(305,263)</u>	115,787

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain or loss on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold.

4,226

Some deferred outflows of resources, deferred inflows of resources, and internal balances related to pensions reported in the statement of activities do not require the use of current financial resources and these are not reported in governmental funds:

Deferred outflows related to pensions		(29,415)
---------------------------------------	--	----------

Governmental funds report capital lease proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

Capital lease proceeds	\$ (28,488)	
Capital lease repayments	<u>34,679</u>	6,191

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Change in long-term accrued compensated absences		(61,287)
Net pension expense		(211,357)

Governmental funds reported a special item for amounts transferred from the State of Maine related to the re-acquisition of the County's corrections department. On the government-wide basis, this amount differs because some of the amounts relate to capital assets, debt, and other long-term assets and liabilities. This amount represents the difference in the special item recorded related to the governmental funds' fund balance and the government-wide net position held at June 30, 2015 by the State.

124,238

Change in net position of governmental activities

\$ 529,953

**County of Waldo, Maine
Jail Department
Statement of Fiduciary Net Position
December 31, 2015**

	<u>Agency Funds - Inmate Funds</u>
ASSETS	
Cash	\$ 43,289
	<u><u> </u></u>
LIABILITIES	
Deposits held for others	\$ 43,289
	<u><u> </u></u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Waldo, Maine was organized in 1827 under the laws of the State of Maine. The County operates under a county commissioner form of government and provides the following services: administration, protection, register of deeds and probate, correctional facility, and emergency management.

As of July 1, 2015, the County reacquired control of the Jail Department from the State of Maine. The results of operations for the six month period ended December 31, 2015 are included in these financial statements.

The accounting and reporting policies of the County relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and the Financial Accounting Standards Board, when applicable. The more significant accounting policies of the County are described below.

A. FINANCIAL REPORTING ENTITY

In evaluating the County as a reporting entity, management has addressed all potential component units for which the County may be financially accountable and, as such, should be included within the County's financial statements. In accordance with GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the County is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits or to impose specific financial burdens on the County. Additionally, the County is required to consider other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading. Based on the application of these criteria, there are no entities that should be included as part of these financial statements as a component unit.

The County's basic financial statements include the accounts of all County operations, as well as the accounts of Congress Hill Street Property, LLC. (CHSP), a separate entity created by the County to manage a condominium property owned by the County. CHSP is considered part of the primary government for financial reporting purposes, rather than a component unit.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements report information of all activities of the County, except for fiduciary funds. 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 County has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program; and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The County segregates transactions related to certain functions or activities in order to aid financial management and to demonstrate legal compliance. The governmental statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column, when applicable. The fiduciary statements aggregate and present each fund type as a separate column on the fund financial statements.

1. Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The County has presented the following major funds:

General Fund

The general fund is the primary operating fund of the County and is always classified as a major fund. This fund is used to account for all financial resources not accounted for in other funds.

Capital Projects Fund

The capital projects fund is used to account for all resources for the acquisition, betterment or construction of capital facilities and the capital reserve activity of the County.

Special Revenue Fund

The special revenue fund is used to account for the proceeds of specific revenue sources that are legally or contractually restricted to expenditures for specified purposes. This fund includes federal and state grants for emergency management and other purposes.

2. Fiduciary Funds (not included in government-wide statements)

The County has presented the following fiduciary funds:

Agency Funds

Agency funds account for assets held by the County in a purely custodial capacity and include inmate funds for the Jail Department. Since agency funds are custodial in nature, they do not involve the measurement of results of operations.

MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

The government-wide statements and the fund financial statements for fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities, whether current or non-current, are included on the statement of net position and the operating statements present increases, revenues, and decreases, expenses, in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one year availability period is used for recognition of all governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are taxes, intergovernmental revenues, and charges for services. All other governmental fund revenues are recognized when received.

E. BUDGETS AND BUDGETARY ACCOUNTING

The County utilizes a formal budgetary accounting system to control revenues accounted for in the general fund. The budget is established in accordance with the various laws which govern the County's operations. A budget committee is established to appropriate monies for county expenditures.

Generally, appropriations for the general fund lapse at year end, except for balances approved to be carried forward by the Commissioners.

Formal budgets are not adopted for the other funds. Grant procedures for many of the revenues included in the special revenue fund require submission of a budget. However, such budgets are not subject to formal adoption procedures and are normally prepared based upon the grant period which does not necessarily correspond with the County's fiscal year.

F. FINANCIAL STATEMENT AMOUNTS

1. Deposits and Investments

For purposes of the statement of net position, demand deposits include all checking and savings accounts of the County. Additional information is presented in Note 2.

Investments are carried at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. Additional information, including the composition of investments, is presented in Note 2.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

2. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Interfund receivables and payables between funds within governmental activities are eliminated in the government-wide financial statement of net position. Any residual balances between the governmental activities and fiduciary funds are reported in the statement of net position as “due to/from fiduciary funds”.

3. Interfund Transfers

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds on the fund financial statements. For the purposes of the government-wide statement of activities, all interfund transfers between individual funds within governmental activities have been eliminated.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	5-50 years
Building Improvements	5-50 years
Equipment	5-50 years
Vehicles	6-10 years

The County elected to utilize the infrastructure transition option in the implementation of GASB Statement #34 which does not require the County to retroactively capitalize certain infrastructure assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

5. Long-term Liabilities

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

All long-term debt to be repaid from governmental resources is reported as liabilities in government-wide statements. The long-term debt consists of capital leases, net pension liability, and compensated absences liability.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

5. Long-term Liabilities (Continued)

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

Vacation time, compensatory time, and sick leave can accrue and carry year to year for certain employees to specified maximums. The liability for these compensated absences is recorded as a long-term liability in the government-wide financial statements, while governmental funds financial statements report only an estimate of the current portion of the liability.

6. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Participating Local Districts (PLD) Plan and additions to/deductions from the PLD Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

7. Use of Estimates

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

8. Government-wide Net Position

Net position represents the difference between assets and liabilities in the government-wide financial statements.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds.

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The remaining net position is reported as unrestricted. For expenditures that qualify for either classification, amounts will be first spent from restricted net position then from unrestricted net position.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

9. Governmental Fund Balances

Fund balance represents the difference between assets and liabilities in the fund financial statements. Fund balance must be properly recorded within one of five fund balance categories listed below:

Nonspendable, such as fund balances associated with inventories or prepaid expenses. The nonspendable fund balance may also include amounts that are required to be maintained intact, such as the corpus of an endowment fund.

Restricted fund balance category includes amounts that can be used only for the specific purposes stipulated by constitution, grantors or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision making authority, which is a vote of the Board of Commissioners or a vote of the County's Budget Committee.

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board of Commissioners is authorized to assign funds, particularly fund balance carry-overs under authority granted by County budget procedures.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The County has not formally adopted a fund balance policy, but has implemented GASB 54 based on the definitions above. For expenditures that qualify for multiple categories, amounts will be first spent from restricted fund balance, followed by committed fund balance, then assigned fund balance, and finally unassigned fund balance, except that the County maintains committed funds in reserves for various purposes which may be spent after unassigned fund balance if approved by vote of the Board of Commissioners.

10. Revenue Recognition - Property Taxes

The County's property tax assessment is levied and recognized annually on the assessment values for each municipality located in the County. Assessment values are established for each municipality by the State of Maine.

11. New Governmental Accounting Standards

During the year ended December 31, 2015, the County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL STATEMENT AMOUNTS (CONTINUED)

11. New Governmental Accounting Standards (Continued)

During the year ended December 31, 2015, the County implemented GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This statement provides guidance on the reporting of pension contributions made between the time of the measurement of the government's net pension obligation, and the end of the government's fiscal reporting year.

12. Recent Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 72, *Fair Value Measurement and Application*. This statement improves accounting and financial reporting by state and local governments by enhancing comparability of financial statements among governments and providing information to financial statement users about the impact of fair value measurements on a government's financial position. The statement is effective for periods beginning after June 15, 2015. The effect of this Statement on the County's financial statements is not known at this time.

In January 2016, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*. This statement improves financial reporting by clarifying the financial statement presentation requirements for certain component units and enhancing the comparability of financial statements among governments, by requiring blending of a component unit incorporated as a not-for profit corporation in which the primary government is the sole corporate member. The statement is effective for periods beginning after June 15, 2016. The effect of this Statement on the County's financial statements is not known at this time.

NOTE 2. DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2015, the County reported deposits of \$2,095,357 with bank balances of \$2,406,403. Of the County's total bank balance of \$2,406,403, \$1,445,548 was exposed to custodial credit risk. Of the exposed amount, \$708,978 was collateralized by underlying securities held by the related bank's trust department but not in the County's name, and \$736,570 was not collateralized.

Deposits have been reported as follows:

Reported in governmental funds	\$ 2,052,068
Reported in fiduciary funds	<u>43,289</u>
Total deposits	<u>\$ 2,095,357</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

Statutes authorize the County to invest in certificates of deposit, repurchase agreements, and other available bank investments. In addition, the County can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law.

The County's investments at December 31, 2015 are as follows:

Repurchase agreements	\$ 929,440
Certificates of deposit	<u>1,235,250</u>
Total investments	<u>\$ 2,164,690</u>

Custodial Credit Risk: Custodial credit risk is the risk that in the event of failure of the counterparty, the County will not be able to recover the value of its investments. The County does not have an investment policy for custodial credit risk. The County's \$929,440 invested in repurchase agreements was collateralized by underlying securities held by the related bank's trust department but not in the County's name.

Concentration of Credit Risk: The County has no investments that meet the criteria to be classified as a concentration of credit risk. The County does not have a policy related to concentration of credit risk.

Interest Rate Risk: The County does not have a policy related to interest rate risk. The County is required to disclose the interest rate risk of its debt investments as follows:

	Due in less than one year	Due in 1-5 years	Due in more than five years
Repurchase agreements	\$ 929,440	\$ -	\$ -
Certificates of deposit	<u>1,235,250</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,164,690</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance 12/31/14	Additions	Disposals	Balance 12/31/15
Governmental Activities				
<i>Capital assets not being depreciated</i>				
Land	\$ 474,506	\$ -	\$ -	\$ 474,506
Construction in progress	<u>226,394</u>	<u>69,556</u>	<u>-</u>	<u>295,950</u>
Total capital assets not being depreciated	<u>700,900</u>	<u>69,556</u>	<u>-</u>	<u>770,456</u>
<i>Capital assets being depreciated</i>				
Buildings	2,444,536	470,000	-	2,914,536
Improvements	337,731	70,687	-	408,418
Equipment	1,168,479	91,143	-	1,259,622
Vehicles	<u>690,754</u>	<u>312,342</u>	<u>(206,324)</u>	<u>796,772</u>
Total capital assets being depreciated	<u>4,641,500</u>	<u>944,172</u>	<u>(206,324)</u>	<u>5,379,348</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 3. CAPITAL ASSETS (CONTINUED)

	Balance 12/31/14	Additions	Disposals	Balance 12/31/15
Governmental Activities (Continued)				
Less accumulated depreciation				
Buildings	(427,285)	(412,007)	-	(839,292)
Improvements	(97,667)	(38,607)	-	(136,274)
Equipment	(704,572)	(134,202)	-	(838,774)
Vehicles	<u>(441,454)</u>	<u>(131,298)</u>	<u>202,741</u>	<u>(370,011)</u>
Total accumulated depreciation	<u>(1,670,978)</u>	<u>(716,114)</u>	<u>202,741</u>	<u>(2,184,351)</u>
 Total capital assets, being depreciated, net	 <u>2,970,522</u>	 <u>228,057</u>	 <u>(3,583)</u>	 <u>3,194,997</u>
Governmental activities capital assets, net	 <u>\$ 3,671,422</u>	 <u>\$ 297,613</u>	 <u>\$ (3,583)</u>	 <u>\$ 3,965,453</u>

Depreciation expense was charged to governmental activities as follows:

Emergency management	\$ 27,843
District attorney	367
County commissioners	21,910
County facilities	28,091
Register of deeds	520
Sheriff	107,380
Telecommunications	101,781
Jail	427,272
University of Maine extension	<u>950</u>
 Total depreciation expense	 <u>\$ 716,114</u>

NOTE 4. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the year ended December 31, 2015:

	Balance 12/31/14, restated	Increase	Decrease	Balance 12/31/15	Due Within One Year
Capital leases	\$ 34,941	\$ 28,488	\$ (34,679)	\$ 28,750	\$ 8,736
Net pension liability	942,771	1,044,656	(111,300)	1,876,127	N/A
Accrued compensated absences	<u>286,195</u>	<u>61,583</u>	<u>(295)</u>	<u>397,263</u>	<u>38,350</u>
Total	<u>\$ 1,263,907</u>	<u>\$ 1,134,727</u>	<u>\$ (146,274)</u>	<u>\$ 2,302,140</u>	<u>\$ 47,086</u>

Obligations under capital leases

The County is the lessee of equipment under capital leases expiring in 2017, 2018, and 2019. The liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair market value of the asset acquired.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 4. LONG-TERM LIABILITIES (CONTINUED)

Obligations under capital leases (Continued)

As of December 31, 2015, the County had recorded \$39,913 in equipment related to capital leases. Amortization of these assets is included with depreciation expense. Accumulated depreciation for these assets at December 31, 2015 is \$11,155.

Minimum future lease payments under capital leases as of December 31, 2015 are:

2016	\$ 10,477
2017	8,922
2018	8,073
2019	5,322
2020	<u>69</u>
	32,863
Less amount representing interest	<u>4,113</u>
Present value of minimum lease payments	<u>\$ 28,750</u>

Obligations under operating leases

The County is currently committed to operating lease payments of \$43,835 over the next three years for copiers and other equipment leases. Future lease payment requirements are as follows:

2016	\$ 18,350
2017	13,536
2018	4,359
2019	4,436
2020	<u>3,154</u>
	<u>\$ 43,835</u>

Operating lease payments were \$16,484 for fiscal year 2015.

NOTE 5. SHORT-TERM DEBT

The County had a tax anticipation note to provide for working capital purposes. The note provided for a rate of interest of 0.69% per annum. The agreement provided for maximum credit availability of \$4,500,000, which was accessible by both the County and the County Jail Department.

Short-term financing activity for the County during the year ended December 31, 2015, is summarized as follows:

Source of Financing	Purpose of Financing	Balance 1/1/15	Draws	Paid	Balance 12/31/15
Key Bank	Working capital	\$ -	\$ 4,200,000	\$ (4,200,000)	\$ -

The County paid interest of \$6,276, including amounts paid for short-term financing during the year ended December 31, 2015.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 6. INTERFUND TRANSACTIONS

During the course of normal operations, the County has numerous transactions between funds including expenditures and transfers.

Individual fund interfund receivable and payables balances at December 31, 2015 arising from these transactions were as follows:

	<u>Receivable</u>	<u>Payable</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ 58,685	\$ -	\$ -	\$ (417,600)
Capital projects fund	-	58,685	377,600	-
Special revenue fund	-	-	40,000	-
	<u>\$ 58,685</u>	<u>\$ 58,685</u>	<u>\$ 417,600</u>	<u>\$ (417,600)</u>

The outstanding balances between funds result from grant funds reclassifications and amounts held in the active reserve attributed to capital projects fund accounts. The general fund transfer of \$377,600 was used to move funds to various capital reserves in accordance with budgetary authorizations, and the \$40,000 transfer was used to move funds to CSHP, LLC for purposes of grant matching.

NOTE 7. NET INVESTMENT IN CAPITAL ASSETS

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable adding back any unspent proceeds. The County's net investment in capital assets was calculated as follows at December 31, 2015:

Capital assets	\$ 6,149,804
Accumulated depreciation	(2,184,351)
Related capital leases payable	<u>(28,750)</u>
Total balance	<u>\$ 3,936,703</u>

NOTE 8. FUND BALANCE - COMMITTED FOR CAPITAL PROJECTS

At December 31, 2015, the County's fund balance committed for capital projects was comprised of the following:

Vehicles	\$ 17,873
Sheriff facility	21,588
Courthouse	20,851
Communications equipment	879
Technology	238,670
All other facilities	66,469
EMA equipment	17,001
Probate, deeds, and district attorney	18,741
Emergency shelters	18,892
Future County land and buildings	17,170
Equipment service	9,810
Jail improvements	9,930
Jail technology	<u>29,823</u>
	<u>\$ 467,835</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 9. FUND BALANCE - COMMITTED FOR OTHER PURPOSES

At December 31, 2015, the County's general fund balance committed for other purposes was comprised of the following:

Planning	\$ 12,482
Employment security	69,636
Employee severance	60,161
EMA/disaster recovery	28,250
Grant matching	7,655
Economic Development Equity	35,000
Drug forfeiture	6,659
Sheriff's detail	36,462
Deeds surcharge	65,090
Electronic monitors	2,150
Records preservation	4,423
Probate surcharge	<u>22,834</u>
	<u>\$ 350,802</u>

NOTE 10. PARTICIPATION IN PUBLIC ENTITY RISK POOL

The County is exposed to various risks of losses related to torts, theft, damage, and destruction of assets, injuries to employees, and natural disasters. The County is a member of the Maine County Commissioners Association - Property and Casualty Pool ("Pool"). The Pool was created to obtain lower rates for its members. The County pays an annual premium for its property and liability coverage. Under the property coverage portion of the Pool, coverage is provided after the deductible is met, to \$1,500,000. Under the liability portion of the Pool, coverage is provided after the deductible is met, to \$1,500,000.

NOTE 11. SELF-FUNDED HEALTH INSURANCE PLAN

The County of Waldo, Maine is exposed to risks of losses related to employee health insurance claims. County employees as well as County Jail Department employees are covered by the County's self-funded health insurance plan. The County maintains a reserve for future unpaid claims, funded by contributions from the County, County employees, the County Jail Department, and its employees. The amount of this reserve at December 31, 2015 was \$1,380,857. Contributions by the County and the County Jail Department to this reserve are calculated annually during the budget process. In addition, the County maintains a commercial policy for individual stop-loss coverage in the amount of \$100,000 and aggregate stop-loss coverage in the amount of \$1,000,000 to further limit its exposure to losses.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The self-funded health insurance claims liability recorded is based on reported pending claims as of December 31, 2015.

Claims payable activity for the years ended December 31, was as follows:

	2015	2014
Claims payable, January 1	\$ 18,110	\$ 74,593
Current year claims incurred	904,461	772,677
Current year claim payments	<u>(859,538)</u>	<u>(829,160)</u>
Claims payable, December 31	<u>\$ 63,033</u>	<u>\$ 18,110</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 12. DEFINED BENEFIT PENSION PLAN

Maine Public Employees Retirement System

Eligible employees participate in the Maine Public Employees Retirement System's Participating Local District (PLD) Plan. The PLD plan is a multiple-employer cost sharing defined benefit plan. Eligible employers (districts) are defined in Maine statute.

Pension Benefits

Benefit terms are established in Maine statute; in the case of the PLD Consolidated Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. 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. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below his/her normal retirement age at retirement. The System also provides disability and death benefits which are established by statute for State employee and teacher members and by contract with other participating employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 5.0%.

Contributions

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.

Contributions - PLD Plan

PLD plan members are required to contribute 7.5% as of December 31, 2015 of their annual salary to the plan. The County is required to pay 8.9% of members' compensation. The County had covered payroll of \$3,012,033 for the year ended December 31, 2015. County contributions were as follows:

	Year ended 12/31/15		Year ended 12/31/14		Year ended 12/31/13	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Employer	\$255,127	8.47%	\$206,740	7.49%	\$177,576	6.61%
Employee	218,749	7.26%	185,720	6.73%	174,658	6.50%

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 12. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

The collective net pension liability measured as of June 30, 2015 was as follows:

	PLD Plan
Plan collective total pension liability	\$ 2,720,936,009
Less plan net position	<u>(2,401,889,308)</u>
Plan collective net pension liability	<u>\$ 319,046,701</u>

At December 31, 2015, the County reported a liability for its proportionate share of the net pension liability. The amount recognized by the County as its proportionate share of the net pension liability was \$1,876,127.

The net pension liability for the County was measured as of June 30, 2015, and the total collective pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date. The County's proportionate share percentage of the collective net pension liability for the PLD Plan was 0.552181%, allocated based on adjusted contributions to the plan for the year ended June 30, 2015. This percentage was 0.550640% at the prior measurement date of June 30, 2014.

Pension Expense and Revenue

For the year ended December 31, 2015, the County recognized pension expense of \$476,928 related to the PLD Plan, made up of the County's proportionate share of plan pension expense \$475,941, and net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions \$987.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 12. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Deferred Outflows and Inflows of Resources

For the year ended December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PLD Plan	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 71,131	\$ 226,263
Changes of assumptions	155,689	-
Net difference between projected and actual investment earnings on pension plan investments	543,730	676,828
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,956	-
Employer's contributions to plan subsequent to measurement date of collective net pension liability	140,715	-
Total	<u>\$ 917,221</u>	<u>\$ 903,091</u>

\$140,715 reported as deferred outflows related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred inflows and outflows will be recognized as pension expense as follows:

Year ended December 31,	PLD Plan Amount
2017	\$ (75,232)
2018	(75,232)
2019	(112,054)
2020	135,933
	<u>\$ (126,585)</u>

Actuarial Assumptions

Actuarial Cost Method

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

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 12. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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

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

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

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

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2015 and June 30, 2014 are as follows:

Investment Rate of Return – For the PLD Plan, 7.125% per annum for the year ended June 30, 2015, and 7.25% for the year ended June 30, 2014, compounded annually.

Salary Increases, Merit and Inflation – Members of the consolidated plan for PLDs, 3.5% to 9.5% per year.

Mortality Rates – For active members and non-disabled retirees of the PLD plan, the RP2000 Tables projected forward to 2015 using Scale AA are used; for all recipients of disability benefits, the Revenue Ruling 96-7 Disabled Mortality Table for Males and Females is used.

Cost of Living Benefit Increases – 2.55% for the year ended June 30, 2015, and 3.12% for the year ended June 30, 2014 for participating local districts.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 12. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Expected Rate of Return on Plan Assets

The long-term expected rate of return on pension plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S Equities	20%	5.2%
Non-U.S. Equities	20%	5.5%
Private Equity	10%	7.6%
Real Assets:		
Real Estate	10%	3.7%
Infrastructure	10%	4.0%
Hard Assets	5%	4.8%
Fixed Income	25%	0.7%

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. For the PLD Plan, the discount rate changed from 7.25% to 7.125% and the cost of living benefit increase assumption was changed from 3.12% to 2.55%.

Discount Rate

The discount rate used to measure the collective total pension liability was 7.125% for 2015 and 7.25% for 2014 for the PLD Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 12. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate (Continued)

Discount Rate Sensitivity

The following table shows how the collective net pension liability/(asset) as of June 30, 2015 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 7.125% for the PLD Consolidated Plan.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
PLD Plan	635,635,545	319,046,701	18,900,921

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued MainePERS financial report that includes financial statements and required supplementary information for the PLD plan. That report may be obtained by calling 1-800-451-9800.

NOTE 13. DEFERRED COMPENSATION PLAN

The County also provides a 457 Deferred Compensation Plan. The deferred compensation is not available to employees until termination, retirement death or unforeseeable emergency. The County's payroll for the year ended December 31, 2015 for employees covered by this plan was \$921,537.

The County matches employees' contributions up to a maximum \$600 as determined by the Board of Commissioners. The County made matching contributions of \$2,325 and employees elected to defer \$21,730 for a contribution of \$24,055 for the year ended December 31, 2015.

NOTE 14. CONTINGENCIES

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

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

NOTE 15. JAIL DEPARTMENT OPERATIONS

During the six month period ended December 31, 2015, the County of Waldo, Maine reacquired control over the Jail Department from the State of Maine. The Jail Department is reported as part of the County of Waldo, Maine, as of December 31, 2015.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2015

NOTE 16. RESTATEMENT OF BEGINNING NET POSITION

During the year ended December 31, 2015, the County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. As a result of implementing these new principles, the County restated its beginning net position on the government-wide statements by (\$1,621,226), to record net pension liability of (\$942,771), deferred outflows of \$221,465, and deferred inflows of (\$899,920).

County of Waldo, Maine
Budget and Actual (with Budget to GAAP Differences)
General Fund
For the year ended December 31, 2015

	Budgeted Amounts			Actual Amounts, Budgetary Basis	Budget to GAAP Differences**	Actual Amounts, GAAP Basis
	Original	Changes*	Final			
REVENUES						
Property taxes	\$ 7,336,962	\$ -	\$ 7,336,962	\$ 7,336,962	\$ -	\$ 7,336,962
Deeds transfer taxes	40,000	-	40,000	65,885	1,285	67,170
Intergovernmental revenue	292,923	-	292,923	435,375	153,073	588,448
Charges for services	170,635	-	170,635	195,303	269,429	464,732
Fees and fines	282,000	-	282,000	329,004	(991)	328,013
Self-funded health insurance contributions	-	-	-	-	259,659	259,659
Self-funded health insurance claims revenue	-	-	-	-	23,786	23,786
Investment earnings	5,050	-	5,050	3,873	3,755	7,628
Miscellaneous revenues	8,400	-	8,400	44,914	2,018	46,932
Total revenues	<u>8,135,970</u>	<u>-</u>	<u>8,135,970</u>	<u>8,411,316</u>	<u>712,014</u>	<u>9,123,330</u>
EXPENDITURES						
Current						
Emergency management agency	113,244	-	113,244	113,241	(780)	112,461
District attorney	256,405	-	256,405	248,456	-	248,456
County commissioners	318,029	-	318,029	284,983	38,220	323,203
County treasurer	75,909	-	75,909	74,754	-	74,754
County facilities	286,590	-	286,590	266,733	-	266,733
Jail department	3,041,276	-	3,041,276	1,688,655	(110,476)	1,578,179
Register of deeds	220,761	-	220,761	201,471	-	201,471
Register of probate	223,920	-	223,920	222,654	32,441	255,095
Sheriff	1,328,116	-	1,328,116	1,327,921	(2,284)	1,325,637
Telecommunications and dispatch	944,214	-	944,214	941,606	(5,254)	936,352
Advertising and promotion	11,500	-	11,500	3,000	-	3,000
Audit	9,000	-	9,000	8,400	-	8,400
University of ME extension	41,110	-	41,110	41,110	-	41,110
Employee benefits	1,126,000	-	1,126,000	1,124,392	(580,964)	543,428
Soil and water	25,000	-	25,000	25,000	-	25,000
Employee severance reserve	-	-	-	-	23,892	23,892
Grant matching reserve	-	-	-	-	23,298	23,298
County planning reserve	-	-	-	-	30	30
Employee security reserve	-	-	-	-	7,360	7,360
Community corrections reserve	-	-	-	-	82,325	82,325
Drug forfeitures reserve	-	-	-	-	5,794	5,794
Records preservation reserve	-	-	-	-	358	358
Probate surcharge reserve	-	-	-	-	6,345	6,345
Deeds surcharge reserve	-	-	-	-	26,635	26,635
Sheriff detail reserve	-	-	-	-	221,681	221,681
Self-funded health insurance claims	-	-	-	-	922,571	922,571
Debt Service						
Principal	-	-	-	-	9,678	9,678
Interest and other charges	15,000	-	15,000	5,480	796	6,276
Capital Outlay						
Total Expenditures	<u>8,036,074</u>	<u>-</u>	<u>8,036,074</u>	<u>6,577,856</u>	<u>730,154</u>	<u>7,308,010</u>
Excess (deficiency) of revenues over expenditures	<u>99,896</u>	<u>-</u>	<u>99,896</u>	<u>1,833,460</u>	<u>(18,140)</u>	<u>1,815,320</u>
OTHER FINANCING SOURCES (USES)						
Use of carryover fund balances	-	372,500	372,500	-	-	-
Overlay	(99,896)	-	(99,896)	-	-	-
Proceeds from capital leases	-	-	-	-	28,488	28,488
Transfers out	-	(372,500)	(372,500)	(372,500)	(45,100)	(417,600)
Total other financing sources and uses	<u>(99,896)</u>	<u>-</u>	<u>(99,896)</u>	<u>(372,500)</u>	<u>(16,612)</u>	<u>(389,112)</u>
SPECIAL ITEM						
Reacquisition of Jail Department	-	-	-	-	(759,101)	(759,101)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,460,960</u>	<u>(793,853)</u>	<u>667,107</u>
FUND BALANCES - BEGINNING				<u>1,917,018</u>	<u>946,282</u>	<u>2,863,300</u>
FUND BALANCES - ENDING				<u>\$ 3,377,978</u>	<u>\$ 152,429</u>	<u>\$ 3,530,407</u>

* Additional funding of reserves as authorized by the Board of Commissioners and use of fund balance
** Adjustments necessary to convert the general fund's net change in fund balances on the budget basis to GAAP basis are provided below:

Net change in fund balances - budget basis	\$ 1,460,960
Adjustments to convert from cash basis to accrual basis	(49,370)
Unbudgeted reserves revenues and expenses	(48,887)
Reclassification of County funding of self-funded health insurance	698,876
Self-funded health insurance contributions revenue	259,659
Self-funded health insurance claims and interest revenue	27,541
Self-funded health insurance claims expenses	(922,571)
Reacquisition of Jail Department	(759,101)
	<u>\$ 667,107</u>

County of Waldo, Maine
Budget and Actual (with Variances)
General Fund
For the year ended December 31, 2015

	Budgeted Amounts			Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Changes*	Final		
REVENUES					
Property taxes	\$ 7,336,962	\$ -	\$ 7,336,962	\$ 7,336,962	\$ -
Deeds transfer taxes	40,000	-	40,000	65,885	25,885
Intergovernmental revenue	292,923	-	292,923	435,375	142,452
Charges for services	170,635	-	170,635	195,303	24,668
Fees and fines	282,000	-	282,000	329,004	47,004
Investment earnings	5,050	-	5,050	3,873	(1,177)
Miscellaneous revenues	8,400	-	8,400	44,914	36,514
Total revenues	<u>8,135,970</u>	<u>-</u>	<u>8,135,970</u>	<u>8,411,316</u>	<u>275,346</u>
EXPENDITURES					
Current					
Emergency management agency	113,244	-	113,244	113,241	3
District attorney	256,405	-	256,405	248,456	7,949
County commissioners	318,029	-	318,029	284,983	33,046
County treasurer	75,909	-	75,909	74,754	1,155
County facilities	286,590	-	286,590	266,733	19,857
Jail department	3,041,276	-	3,041,276	1,688,655	1,352,621
Register of deeds	220,761	-	220,761	201,471	19,290
Register of probate	223,920	-	223,920	222,654	1,266
Sheriff	1,328,116	-	1,328,116	1,327,921	195
Telecommunications and dispatch	944,214	-	944,214	941,606	2,608
Advertising and promotion	11,500	-	11,500	3,000	8,500
Audit	9,000	-	9,000	8,400	600
University of ME extension	41,110	-	41,110	41,110	-
Employee benefits	1,126,000	-	1,126,000	1,124,392	1,608
Soil and water	25,000	-	25,000	25,000	-
Debt Service	-	-	-	-	-
Interest and other charges	15,000	-	15,000	5,480	9,520
Total Expenditures	<u>8,036,074</u>	<u>-</u>	<u>8,036,074</u>	<u>6,577,856</u>	<u>1,458,218</u>
Excess (deficiency) of revenues over expenditures	<u>99,896</u>	<u>-</u>	<u>99,896</u>	<u>1,833,460</u>	<u>1,733,564</u>
OTHER FINANCING SOURCES (USES)					
Use of carryover fund balances	-	372,500	372,500	-	(372,500)
Overlay	(99,896)	-	(99,896)	-	99,896
Transfers out	-	(372,500)	(372,500)	(372,500)	-
Total other financing sources and uses	<u>(99,896)</u>	<u>-</u>	<u>(99,896)</u>	<u>(372,500)</u>	<u>(272,604)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,460,960</u>	<u>\$ 1,460,960</u>
FUND BALANCES - BEGINNING				<u>1,917,018</u>	
FUND BALANCE - ENDING				<u>\$ 3,377,978</u>	

* Additional funding of reserves as authorized by the Board of Commissioners and use of fund balance

County of Waldo, Maine
 Schedule of the County's Proportionate Share of the Net Pension Liability
 Participating Local Districts Plan
 Last 10 Fiscal Years*
 For the years ended December 31,

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
County's proportion of the net pension liability *	0.552181%	0.550640%	0.549011%							
County's proportionate share of the net pension liability *	\$ 1,876,127	\$ 942,771	\$ 1,692,377							
County's covered-employee payroll **	\$ 3,012,033	\$ 2,761,120	\$ 2,687,044							
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	62.29%	34.14%	62.98%							
Plan fiduciary net position as a percentage of the total pension liability	88.27%	94.10%	87.50%							

* The pension proportion and share amounts presented for each fiscal year available were determined as of June 30 of that year

** The covered-employee payroll amounts presented for each year are for the County's fiscal year

County of Waldo, Maine
 Schedule of County Contributions
 Participating Local Districts Plan
 Last 10 Fiscal Years*
 For the years ended December 31,

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution *	\$ 255,127	\$ 206,740	\$ 177,576							
Contributions in relation to the contractually required contribution	(255,127)	(206,740)	(177,576)							
Contribution deficiency (excess)	\$ -	\$ -	\$ -							
County's covered-employee payroll *	\$ 3,012,033	\$ 2,761,120	\$ 2,687,044							
Contributions as a percentage of covered-employee payroll	8.47%	7.49%	6.61%							

* The covered-employee payroll and required contribution amounts presented for each year are for the County's fiscal year

Jail Department of the County of Waldo, Maine
Balance Sheet
Governmental Funds
December 31, 2015

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 513,736	\$ 115,891	\$ 629,627
Investments	226,478	-	226,478
Due from other funds	85,665	-	85,665
Total assets	<u>\$ 825,879</u>	<u>\$ 115,891</u>	<u>\$ 941,770</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 10,334	\$ 10,334
Payroll withholdings payable	2,939	-	2,939
Due to other funds	-	85,665	85,665
Total liabilities	<u>2,939</u>	<u>95,999</u>	<u>98,938</u>
Fund balances			
Committed for capital projects	-	19,892	19,892
Committed for community corrections	85,665	-	85,665
Unassigned	737,275	-	737,275
Total fund balances	<u>822,940</u>	<u>19,892</u>	<u>842,832</u>
Total liabilities and fund balances	<u>\$ 825,879</u>	<u>\$ 115,891</u>	<u>\$ 941,770</u>

Jail Department of the County of Waldo, Maine
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Six Month Period Ended December 31, 2015

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Assessments	\$ 2,832,353	\$ -	\$ 2,832,353
Intergovernmental revenue	504,986	-	504,986
Charges for services	15,682	-	15,682
Interest income	-	-	-
Miscellaneous revenues	-	26	26
	<u>3,353,021</u>	<u>26</u>	<u>3,353,047</u>
EXPENDITURES			
Current			
Wages	420,142	-	420,142
Fringe benefits	74,959	-	74,959
Administration	600,000	-	600,000
Professional fees	326,209	-	326,209
Vehicle operation	8,422	-	8,422
Fuel	9,741	-	9,741
Utilities	18,382	-	18,382
Rentals	-	-	-
Repairs and maintenance	53,051	-	53,051
Insurance	-	-	-
Inmate medical	13,140	-	13,140
Food	26,243	-	26,243
Supplies	2,968	-	2,968
Clothing and materials	1,590	-	1,590
Miscellaneous	60	-	60
Unclassified	-	-	-
Community corrections reserve	82,325	-	82,325
Debt service			
Principal	1,264	-	1,264
Interest expense	5,716	-	5,716
Capital outlay	17,792	81,291	99,083
	<u>1,662,004</u>	<u>81,291</u>	<u>1,743,295</u>
Excess (deficiency) of revenues over expenditures	<u>1,691,017</u>	<u>(81,265)</u>	<u>1,609,752</u>
OTHER FINANCING SOURCES (USES)			
Reclass of health insurance funding amounts	(103,876)	-	(103,876)
Transfers in	-	5,100	5,100
Transfers out	(5,100)	-	(5,100)
	<u>(108,976)</u>	<u>5,100</u>	<u>(103,876)</u>
SPECIAL ITEM			
Reclass of compensated absences liability	49,780	-	49,780
Net change in fund balances	1,631,821	(76,165)	1,555,656
FUND BALANCE - BEGINNING (DEFICIT)	<u>(808,881)</u>	<u>96,057</u>	<u>(712,824)</u>
FUND BALANCE - ENDING	<u>\$ 822,940</u>	<u>\$ 19,892</u>	<u>\$ 842,832</u>

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

Jail Department of the County of Waldo, Maine
Budgetary Comparison Schedule - Budgetary Basis
Budget and Actual - General Fund
For the Six Month Period ended December 31, 2015

	Budgeted Amounts			Actual	Variance Favorable (Unfavorable)
	Original	Changes*	Final		
REVENUES					
Assessments	\$ 2,832,353	\$ -	\$ 2,832,353	\$ 2,832,353	\$ -
Intergovernmental	208,923	-	208,923	504,986	296,063
Charges for services	-	-	-	15,682	15,682
Total revenues	<u>3,041,276</u>	<u>-</u>	<u>3,041,276</u>	<u>3,353,021</u>	<u>311,745</u>
EXPENDITURES					
Current					
Wages	753,303	-	753,303	420,142	333,161
Fringe benefits	373,266	(103,876)	269,390	74,959	194,431
Administration	869,252	-	869,252	600,000	269,252
Professional fees	640,500	-	640,500	326,209	314,291
Vehicle operation	28,000	-	28,000	8,422	19,578
Fuel	25,000	-	25,000	9,741	15,259
Utilities	38,020	-	38,020	18,382	19,638
Repairs and maintenance	62,200	-	62,200	53,051	9,149
Insurance	50,000	-	50,000	-	50,000
Inmate medical	30,000	-	30,000	13,140	16,860
Food	55,750	-	55,750	26,243	29,507
Supplies	6,800	(1,500)	5,300	2,968	2,332
Clothing and materials	5,600	-	5,600	1,590	4,010
Miscellaneous	1,600	-	1,600	60	1,540
Unclassified	41,785	(41,785)	-	-	-
Community corrections reserve	-	149,296	149,296	82,325	66,971
Debt service					
Principal	-	1,264	1,264	1,264	-
Interest expense	20,000	236	20,236	5,716	14,520
Capital outlay	40,200	(5,100)	35,100	17,792	-
Total expenditures	<u>3,041,276</u>	<u>(1,465)</u>	<u>3,039,811</u>	<u>1,662,004</u>	<u>1,360,499</u>
Excess of revenues over expenditures	<u>-</u>	<u>1,465</u>	<u>1,465</u>	<u>1,691,017</u>	<u>1,689,552</u>
OTHER FINANCING SOURCES (USES)					
Reclass of health insurance funding amounts	-	(103,876)	(103,876)	(103,876)	-
Use of carryover fund balances	-	107,511	107,511	-	(107,511)
Transfers out	-	(5,100)	(5,100)	(5,100)	-
Total other financing sources and uses	<u>-</u>	<u>(1,465)</u>	<u>(1,465)</u>	<u>(108,976)</u>	<u>(107,511)</u>
SPECIAL ITEM					
Reclass of compensated absences liability	-	-	-	49,780	49,780
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,631,821</u>	<u>\$ 1,631,821</u>
FUND BALANCE, BEGINNING (DEFICIT)				<u>(808,881)</u>	
FUND BALANCE, ENDING				<u>\$ 822,940</u>	

*Budget changes were the result of use of carryover funds and reclassification of budget amounts

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

To the County Commissioners
County of Waldo, Maine

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Waldo, Maine, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County of Waldo, Maine's basic financial statements and have issued our report thereon dated September 5, 2016. Our report includes a reference to other auditors who audited the Schedules of Pension Amounts by Employer reported by the State of Maine Public Employees Retirement System, as described in our report on the County of Waldo financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified a certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. The County of Waldo, Maine did not have adequate systems of internal control over financial reporting and required material audit adjustments, including to grants activity, capital assets, and beginning balance adjustments. We consider this deficiency to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The County of Waldo, Maine did not have adequate systems of internal control over grants activity in the EMA department and in the Congress Street Hill Properties, LLC, which are handled outside of the Treasurer's office. We consider this deficiency to be a significant deficiency.

Compliance and Other Matters

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

We noted certain other matters that we have reported to management of the County of Waldo, Maine, in a separate letter dated September 5, 2016.

County of Waldo, Maine's Response to Findings

Management of County of Waldo, Maine's response to the findings was as follows:

- Post all audit adjustments to the trial balance to reflect the appropriate beginning balances
- Maintain capital assets listings and update throughout year for additions and disposals
- Maintain compensated absences listings and update throughout year for amounts earned and paid
- Improve knowledge of and oversight over grants activities to ensure authorization, accuracy and completeness of activity recorded and ensure compliance with applicable requirements.

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

Purpose of this Report

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

Roseann Thibodeau, F. Associate

September 5, 2016

Jail Department of the County of Waldo, Maine

ANNUAL FINANCIAL STATEMENTS

For the Year Ended June 30, 2015

CONTENTS

	Statement	Page
Independent Auditor's Report		3-4
Basic Financial Statements		
Balance sheet -- governmental funds	1	5
Statement of revenues, expenditures and changes in fund balances -- governmental funds	2	6
Statement of fiduciary net position -- agency funds	3	7
Notes to basic financial statements		8-13
Required Supplementary Information	Exhibit	
Budget and actual (with variances) -- general fund	1	14

Independent Auditor's Report

County Commissioners
County of Waldo, Maine
Belfast, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Jail Department of the County of Waldo, Maine as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinions

As discussed in Note 1, the financial statements of the Jail Department of the County of Waldo, Maine are intended to present the financial position, and the changes in financial position, of only that portion of the governmental activities of each major fund and the aggregate remaining fund information of the County of Waldo, Maine that is attributable to the transactions of the Jail Department.

Accounting principles generally accepted in the United States of America require that the County of Waldo, Maine's financial statements present the governmental activities, each major fund, and the aggregate remaining fund information of the County of Waldo, Maine.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion" paragraph, the financial statements referred to above do not present fairly the financial position of the County of Waldo, Maine as of June 30, 2015, or the changes in financial position thereof for the year then ended.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund and the aggregate remaining fund information of the Jail Department of the County of Waldo, Maine as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Management has omitted a management's discussion and analysis, capital assets, depreciation on capital assets, debt, and other disclosures that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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. These financial statements have been prepared for the purposes of the State of Maine. Our opinion on the basic financial statements is not affected by this missing information.

Brantner Hibbard & Associates

February 23, 2016

Jail Department of the County of Waldo, Maine
Balance Sheet
Governmental Funds
June 30, 2015

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 975,163	\$ 114,750	\$ 1,089,913
Due from other funds	18,693	-	18,693
Total assets	<u>\$ 993,856</u>	<u>\$ 114,750</u>	<u>\$ 1,108,606</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 125	\$ -	\$ 125
Payroll withholdings payable	2,832	-	2,832
Tax anticipation note payable	1,750,000	-	1,750,000
Due to other funds	-	18,693	18,693
Accrued compensated absences	49,780	-	49,780
Total liabilities	<u>1,802,737</u>	<u>18,693</u>	<u>1,821,430</u>
Fund balances			
Committed for capital projects	-	96,057	96,057
Committed for community corrections	18,693	-	18,693
Unassigned (deficit)	<u>(827,574)</u>	<u>-</u>	<u>(827,574)</u>
Total fund balances (deficit)	<u>(808,881)</u>	<u>96,057</u>	<u>(712,824)</u>
Total liabilities and fund balances	<u>\$ 993,856</u>	<u>\$ 114,750</u>	<u>\$ 1,108,606</u>

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

Jail Department of the County of Waldo, Maine
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Assessments	\$ 2,832,353	\$ -	\$ 2,832,353
Intergovernmental revenue	208,923	-	208,923
Charges for services	32,069	-	32,069
Total revenues	<u>3,073,345</u>	<u>-</u>	<u>3,073,345</u>
EXPENDITURES			
Current			
Wages	714,607	-	714,607
Fringe benefits	342,215	-	342,215
Administration	890,128	-	890,128
Professional fees	562,584	-	562,584
Vehicle operation	16,746	-	16,746
Fuel	28,851	-	28,851
Utilities	29,908	-	29,908
Rentals	2,000	-	2,000
Repairs and maintenance	73,454	-	73,454
Insurance	40,939	-	40,939
Inmate medical	22,021	-	22,021
Food	47,170	-	47,170
Supplies	11,678	-	11,678
Clothing and materials	5,043	-	5,043
Miscellaneous	1,425	-	1,425
Interest expense	12,689	-	12,689
Unclassified	22,400	-	22,400
Community corrections reserve	9,936	-	9,936
Capital outlay	29,227	7,568	36,795
Total expenditures	<u>2,863,021</u>	<u>7,568</u>	<u>2,870,589</u>
Excess (deficiency) of revenues over expenditures	<u>210,324</u>	<u>(7,568)</u>	<u>202,756</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	72,200	72,200
Transfers out	(72,200)	-	(72,200)
Total other financing sources and uses	<u>(72,200)</u>	<u>72,200</u>	<u>-</u>
Net change in fund balances	<u>138,124</u>	<u>64,632</u>	<u>202,756</u>
FUND BALANCE - BEGINNING (DEFICIT)	(955,812)	40,232	(915,580)
Reclassification of reserves activity	<u>8,807</u>	<u>(8,807)</u>	<u>-</u>
FUND BALANCE - BEGINNING, RESTATED (DEFICIT)	<u>(947,005)</u>	<u>31,425</u>	<u>(915,580)</u>
FUND BALANCE - ENDING (DEFICIT)	<u>\$ (808,881)</u>	<u>\$ 96,057</u>	<u>\$ (712,824)</u>

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

Jail Department of the County of Waldo, Maine
Statement of Fiduciary Net Position
June 30, 2015

	<u>Agency Funds - Inmate Funds</u>
ASSETS	
Cash	<u>\$ 40,065</u>
LIABILITIES	
Deposits held for others	<u>\$ 40,065</u>

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

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jail is a department of the County of Waldo, Maine and operates under the State of Maine law, LD 2080, *An Act to Better Coordinate and Reduce the Cost of the Delivery of State and County Correctional Services*. This act unifies the State and County Jail corrections systems. The State of Maine Board of Corrections is the oversight body for the Jail Department of the County of Waldo, Maine.

The Department reporting entity applies all relevant Governmental Accounting Standards board (GASB) pronouncements, except as noted in the Independent Auditor's Report. These financial statements are intended to represent only the basic fund financial statements for a special purpose report and do not include the government-wide financial statements. The following is a summary of such significant policies.

A. FINANCIAL REPORTING ENTITY

In evaluating the Department as a reporting entity, management has addressed all potential component units for which the Department may be financially accountable and, as such, should be included in the Department's financial statements. In accordance with GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Department is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is potential for the organization to provide specific financial benefits or to impose specific financial burdens on the Department. Additionally, the Department is required to consider other organizations for which the nature and significance of their relationship with the Department are such that exclusion would cause the reporting entity's financial statements to be misleading. Based on the application of these criteria, there are no entities that should be included as part of these financial statements.

B. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

Basis of Presentation

The accounts of the Department are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories as follows:

1. Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The major governmental funds of the Department are described below:

General Fund

The general fund is the primary operating fund of the Department and is always classified as a major fund. This fund is used to account for all financial resources not accounted for in other funds.

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS (CONTINUED)

1. Governmental Funds (Continued)

Capital Projects Fund

The capital projects fund is used to account for all resources for the acquisition or construction of capital facilities or items by the Department.

2. Fiduciary Funds

Agency Funds

Agency funds account for assets held by the Department in a purely custodial capacity and include amounts held for the benefit of inmates. Since agency funds are custodial in nature, they do not involve the measurement of results of operations.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are intergovernmental revenues and charges for services. All other governmental fund revenues are recognized when received.

The fund financial statements for fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities, whether current or non-current, are included on the statement of net position and the operating statements present increases, revenues, and decreases, expenses, in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred

D. BUDGETS AND BUDGETARY ACCOUNTING

The Department's policy is to adopt an annual budget for general fund operations. The budget for the general fund is prepared on the modified accrual basis of accounting which is consistent with generally accepted accounting principles. The State Board of Corrections approves the budget and serves as the final decision maker.

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FINANCIAL STATEMENT AMOUNTS

1. Deposits

For purposes of the financial statements, the Department considers all highly liquid investments, including repurchase accounts, to be cash equivalents. Additional information is presented in Note 2.

2. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds.

3. Interfund Transfers

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds on the fund financial statements.

4. Compensated Absences

Vacation time and sick leave can accrue and carry year to year for all employees to specified maximums. The liability for these governmental compensated absences is recorded in the general fund.

5. Use of Estimates

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

6. Governmental Fund Balances

Fund balance represents the difference between assets and liabilities in the fund financial statements. Fund balance must be properly reported within one of the five fund balance categories listed below:

Nonspendable – such as fund balances associated with inventories or prepaid expenses. The Nonspendable fund balance may also include amounts that are required to be maintained intact, such as the corpus of an endowment fund.

Restricted fund balance category includes amounts that can be used only for the specific purposes stipulated by constitution, grantors or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal vote of the Jail Department's Board of Commissioners.

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

**Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

6. Governmental Fund Balances (Continued)

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The County of Waldo – Jail Department has not formally adopted a fund balance policy, but has implemented GASB 54 based on the definitions above. For expenditures that qualify for multiple categories, amounts will be first spent from restricted fund balance, followed by committed fund balance, then assigned fund balance, and finally unassigned fund balance.

7. Recent Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 72, *Fair Value Measurement and Application*. This statement improves accounting and financial reporting by state and local governments by enhancing comparability of financial statements among governments and providing information to financial statement users about the impact of fair value measurements on a government's financial position. The statement is effective for periods beginning after June 15, 2015. The effect of this Statement on the Department's financial statements is not known at this time.

NOTE 2. DEPOSITS

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Department's deposits may not be returned to it. The Department does not have a deposit policy for custodial credit risk. As of June 30, 2014, the Department reported deposits of \$1,129,978 with bank balances of \$1,184,608. Of the Department's total bank balance of \$1,184,608, \$669,709 was exposed to custodial credit risk. The entire exposed amount was uncollateralized.

Deposits have been reported as follows:

Reported in governmental funds	\$1,089,913
Reported in agency funds	<u>40,065</u>
Total deposits	<u>\$1,129,978</u>

NOTE 3. TAX ANTICIPATION NOTE

The Department entered into a temporary financing agreement as follows for the year ended June 30, 2015:

	<u>Purpose of Financing</u>	<u>Balance 6/30/14</u>	<u>Draws</u>	<u>Paid</u>	<u>Balance 6/30/15</u>
Bangor Savings Bank	Cash flow	<u>\$1,850,000</u>	<u>\$1,750,000</u>	<u>\$1,850,000</u>	<u>\$1,750,000</u>

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2015

NOTE 4. INTERFUND TRANSACTIONS

During the course of normal operations, the Department has numerous transactions between funds including expenditures and transfers.

Individual fund interfund receivable and payables balances at June 30, 2015 arising from these transactions were as follows:

	<u>Receivables</u>	<u>Payables</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$18,693	\$ -	\$ -	\$72,200
Capital projects fund	<u>-</u>	<u>18,693</u>	<u>72,200</u>	<u>-</u>
	<u>\$18,693</u>	<u>\$18,693</u>	<u>\$72,200</u>	<u>\$72,200</u>

The outstanding balances between funds result mainly from cash held in one fund that is attributable to another fund for reporting purposes. Transfers are used to move revenues that are collected in accordance with the budget to the appropriate fund to expend and to use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorization.

NOTE 5. FUND BALANCE – COMMITTED FOR CAPITAL PROJECTS

Fund balance – committed for capital projects consisted of the following as of June 30, 2015:

Jail improvements	\$ 65,138
Related bonds payable	<u>30,919</u>
Total balance	<u>\$ 96,057</u>

NOTE 6. DEFINED BENEFIT PENSION PLAN

Plan Description

The Department has contributed to the Maine Public Employees Retirement System's (MainePERS) Participating Local District Consolidated Retirement Plan, a cost-sharing multiple employer defined benefit plan.

All full-time Department employees are eligible to participate in the MainePERS. Participating employees' benefits vest after five years of service. Beyond the five year period, the employee would receive a certain benefit upon attaining the age of sixty; this benefit would be computed at that time. The MainePERS also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. A copy of the most recent financial report for the plan may be obtained from the Maine Public Employees Retirement System by calling 1-800-451-9800.

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2015

NOTE 6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Funding Status and Progress

Participating Department employees are required to contribute 7.0% of their annual salary to the Plan by state statute. The Department is required to pay contributions as determined on an annual basis by the Plan's actuaries. The Department's payroll for the year ended June 30, 2015 for employees covered by this plan was approximately \$502,710.

	Year ended June 30, 2015		Year ended June 30, 2014		Year ended June 30, 2013	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Employer	\$38,211	7.80%	\$32,238	6.50%	\$25,833	5.30%
Employee	35,213	7.00%	32,238	6.50%	31,805	6.50%

NOTE 7. JAIL OPERATIONS

During its 2007 Fiscal Year, the State of Maine enacted legislation known as LD 2080 "An Act to Better Coordinate and Reduce the Cost of the Delivery of State and County Correctional Services", located in Public Laws 2007, Chapter 653. This Act has in essence capped what Counties can assess their municipalities for taxes to fund their corrections budgets, and will also establish the annual growth limitations for future corrections expenditures. A Board of Overseers at the State of Maine has been appointed to supervise county correction operations.

NOTE 8. EXPENDITURES OVER APPROPRIATIONS

The following appropriations were overspent for the year ended June 30, 2015:

Fuel	\$ (6,851)
Repairs and maintenance	(10,054)
Miscellaneous	(525)

NOTE 9. COMMITMENTS

At June 30, 2015, the Department was committed to \$1,200,000 for an inmate housing contract through 2016.

NOTE 10. RECLASSIFICATION OF FUND BALANCES

The Department reclassified beginning fund balances from the capital projects fund to the general fund in the amount of \$8,807. This reclassification better aligns the fund classifications with the requirements of GASB 54, by reclassifying the Community Corrections reserve to the general fund, as it is not limited to use on future capital expenditures.

NOTE 11. SUBSEQUENT EVENTS

During the six month period ended December 31, 2015, the County of Waldo, Maine reacquired control over the Jail Department from the State of Maine. The Jail Department will be reported as part of the County of Waldo, Maine, as of December 31, 2015.

Jail Department of the County of Waldo, Maine
Budgetary Comparison Schedule - Budgetary Basis
Budget and Actual - General Fund
For the Year ended June 30, 2015

	Budgeted Amounts			Actual	Variance Favorable (Unfavorable)
	Original	Changes*	Final		
REVENUES					
Assessments	\$ 2,832,353	\$ -	\$ 2,832,353	\$ 2,832,353	\$ -
Intergovernmental	208,923	-	208,923	208,923	-
Charges for services	-	-	-	32,069	32,069
Total revenues	3,041,276	-	3,041,276	3,073,345	32,069
EXPENDITURES					
Current					
Wages	728,248	-	728,248	714,607	13,641
Fringe benefits	358,290	-	358,290	342,215	16,075
Administration	890,128	-	890,128	890,128	-
Professional fees	640,455	(33,000)	607,455	582,584	44,871
Vehicle operation	28,000	-	28,000	16,746	11,254
Fuel	22,000	-	22,000	28,851	(6,851)
Utilities	38,020	-	38,020	29,908	8,112
Rentals	2,000	-	2,000	2,000	-
Repairs and maintenance	63,400	-	63,400	73,454	(10,054)
Insurance	50,000	-	50,000	40,939	9,061
Inmate medical	35,000	-	35,000	22,021	12,979
Food	60,750	-	60,750	47,170	13,580
Supplies	16,500	-	16,500	11,678	4,822
Clothing and materials	5,600	-	5,600	5,043	557
Miscellaneous	900	-	900	1,425	(525)
Interest expense	20,000	-	20,000	12,689	7,311
Unclassified	41,785	(9,936)	31,849	22,400	9,449
Community corrections reserve	-	9,936	9,936	9,936	-
Capital outlay	30,000	-	30,000	29,227	773
Total expenditures	3,031,076	(33,000)	2,998,076	2,863,021	135,055
Excess of revenues over expenditures	10,200	33,000	43,200	210,324	167,124
OTHER FINANCING SOURCES (USES)					
Use of carryover fund balances	-	29,000	29,000	-	(29,000)
Transfers out	(10,200)	(62,000)	(72,200)	(72,200)	-
Total other financing sources and uses	(10,200)	(33,000)	(43,200)	(72,200)	(29,000)
Net change in fund balances	\$ -	\$ -	\$ -	138,124	\$ 138,124
FUND BALANCE, BEGINNING (DEFICIT)				(955,812)	
Reclassification of reserves activity				8,807	
FUND BALANCE, BEGINNING, RESTATED (DEFICIT)				(947,005)	
FUND BALANCE, ENDING (DEFICIT)				\$ (808,881)	

*Budget changes were the result of use of carryover funds and reclassification of budget amounts

**We, the Board of Waldo County Commissioners, wish to acknowledge and thank
the following employees who served the County of Waldo during 2015:**

DEPARTMENTS

COUNTY OF WALDO EMPLOYEES - 2015

1010 EMA

Dale Rowley, EMA Director
Olga Rumney, Deputy EMA Director

1015 District Attorney's Office

Felicia Story, Legal Secretary/Admin Legal Secretary
Kathleen Butler, Victim/Witness Advocate
Dean Jackson, PA/Supervisor
Eric Harvey, P/T Victim Witness Advocate
Megan Carter, Legal Secretary

1020 Commissioner's Office

Barbara A. Arseneau, County Clerk
Marilyn Saucier, Deputy County Clerk
Michelle Wadsworth, HR/Payroll Director

1025 Treasurer's Office

David A. Parkman, Treasurer
Karen J. Trussell, Deputy Treasurer

1030 Facilities

Keith Nealley, Facilities Manager
Gary Daigle, Facilities Technician

1050 Jail

Raymond Porter, Correctional Administrator	David Lindahl, P/T Corrections Officer
Robert Walker, Detention Manager	Timothy Parker, P/T Corrections Officer
Christopher Albert, Corporal	Elmer Sweetland, P/T Corrections Officer
Joshua Bowles, Transport Supervisor/Corporal	Amy Bither, P/T Corrections Officer
Stephen Cole, Corporal	Scott Harvey, P/T Corrections Officer
Chad Corbin, Corrections Officer	
Seth Curra, Corrections Officer	
Matthew Hall, Corrections Officer	
Randy Fox, Corrections Officer	
Matthew Hopkins, Corrections Officer	
Michael Hopkins, Corporal	
Laurel Kragh, Corrections Officer	
Richard Roberts, Corrections Officer	
Carlene Thornton, Kitchen Program Mgr/CO	
Walter Wagner, Corrections Officer	

DEPARTMENTS

COUNTY OF WALDO EMPLOYEES - 2015

1065 Registry of Deeds

Stacy Grant, Register
Julie Howard, Deputy Clerk
Amy Keller, Clerk
Ann Marie Sears, P/T Clerk

1070 Probate Court

Sharon W. Peavey, Register of Probate
Susan W. Longley, Judge of Probate
Judith Nealley, Deputy Register
Cari Carver, Clerk
Elaine Russell, Clerk

1075 Sheriff's Office

Jeff Trafton, Sheriff
Scott Story, Chief Deputy
Jason Trundy, Lieutenant/Chief Deputy
Jason Bosco, Detective/MSPCCU
Dale C. Brown, Detective
Matthew C. Curtis, Patrol SergeantLieutenant
James Greeley, Patrol Sergeant
Gerald Lincoln, Jr., Detective
James I. Porter, Patrol Deputy
Merl L. Reed, Detective
Daniel P. Thompson, Patrol Deputy
Nicholas Oettinger, Patrol Deputy/SRO/Sergeant
Kevin Littlefield, Patrol Deputy
Darin Moody, Patrol Deputy
Jordan Tozier, Patrol Deputy/SRO
Kyle Wasiela, Patrol Deputy
Jonathan Shaw, Patrol Deputy
Cody Laite, Patrol Deputy
Wiley McVety, Patrol Deputy

Katherine Cunningham, Administrative Secretary
Brenda G. Dakin, Administrative Assistant to the Sheriff

Darian Nadeau, P/T Patrol Deputy
Christopher Dyer, P/T Patrol Deputy
David Wintle, P/T Patrol Deputy

Wendall Story, Civil Process
John A. Ford, Sr., Civil Process
Robert B. Keating, Civil Process

1076 Communic Owen Smith, Director

Michael R. Larrivee, Dispatch Shift Supervisor
Elizabeth Daggett, Dispatcher Shift Supervisor
Melissa S. Bisson, Dispatch Shift Supervisor
Paul E. Haskell, Dispatcher
Misty Lewis, Dispatcher
Stephanie Lunt, Dispatcher
Jennifer White, Dispatcher (Jan-Mar)
Katie R. Dakin, Dispatcher
Elena V. Donovan, Dispatcher
Lori Mazzeo, Dispatcher
Jennifer Lavway, Dispatcher

Linda Wry-Remillard, Dispatcher
Sulian Shay, Dispatcher
Matt Varney, Dispatcher
Kathy Foley, Dispatcher
Gabby Rosignal, Dispatcher
Amanda Hayes, Dispatcher
Brooke Casey, Dispatcher