

FRANKLIN COUNTY COMMISSIONERS MEETING AGENDA

LOCATION: Franklin County EOC, 120 County Way, Farmington

DATE AND TIME: June 2, 2026 @ 10:00 A.M.

The Franklin County Commissioners' meetings are open to the public. This meeting is also available virtually via [Video Conferencing, Cloud Phone, Webinars, Chat, Virtual Events | Zoom](#). Here is the meeting ID# 492 510 0482 passcode 030621.

RECOGNITION: Console Project - Communications, Facilities and IT

APPOINTMENTS:

NEW BUSINESS:

1. Administrator's Report
2. Minutes
3. Treasurer's Report
4. RHR Smith – Audit Review
5. Topher Hunt - Salem Township 4-Wheeler Club – Fish Hatchery Road Access
6. Communication Center – Console disposal
7. On-Call Stipend
8. 4th of July Parade
9. Policy Review
 - A. Cash Handling Policy
 - B. Personal Workspace Cleaning Policy
10. Personnel Policy Handbook
11. Facilities – Open Position
12. County Administrator – Job Description

OLD BUSINESS:

MISCELLANEOUS:

WARRANTS: County AP, UT & Payroll

ADJOURNMENT:

Meeting Packets are available to view by clicking on the link below:

[Agendas & Minutes - Franklin County, Maine \(franklincountymaine.gov\)](http://franklincountymaine.gov)

**County Commissioner's Meeting
Agenda Discussion and Analysis
June 2, 2026**

RECOGNITION: Console Project - Communications, Facilities and IT

APPOINTMENTS:

NEW BUSINESS:

Administrator's Report

- We received notification that will receive the 6th payment from the National Opioid Settlement in the amount of \$32,199.16.
- I spoke with Charlie Woodworth, we are extending the deadline for TIF Applications due to only receiving one complete application. That one application will come before the Board in June for review and approval.
- Corrections Officer Mackenzie McInnis put in his resignation effective May 28, 2026.
- Major David Rackliff put in his resignation from the Franklin County Sheriff's Office effective July 31, 2026.
- The County Attorney was contacted with respect to the Caribou Dam Project and instructed to contact Sugarloaf's Attorney. Once we hear back from the Attorney, I will schedule a meeting to discuss the County's options.

Recommendation: Motion to accept the Administrator's Report.

Minutes: Provided to you prior to the Commissioner's Meeting

Recommendation: Motion to approve May 19, 2026, Minutes.

Treasurer's Report: Included in the Packet

Recommendation: Motion to accept the Treasurer's Report.

RHE Smith – Audit Review

Comments: Heather Hunter, the Director of Audit from RHR Smith & Company, will be attending the Commissioners' meeting via zoom for a brief review of the FY25 County Audit. This is an opportunity for the Commissioners to ask any questions to the Auditor. The Audit was emailed to the Commissioners prior to this meeting for review.

Recommendation: None at this time.

Topher Hunt - Salem Township 4-Wheeler Club – Fish Hatchery Road Access

Comments: Topher Hunt from the Salem Township 4-Wheeler Club has requested to speak with the Commissioners to request ATV access to the Fish Hatchery Road due to a previous trail being closed. AI states that the Commissioner should consider the following:

Key requirements include:

- The governing body must determine that ATV travel can be conducted **safely** and will not interfere with regular vehicle traffic before opening the route.
- ATVs generally must travel on the **extreme right side** of the public way (or as otherwise directed by the governmental unit).
- ATV traffic must move in the **same direction as motor vehicle traffic**.
- The route must be **posted with highly visible ATV-access route signs** at regular intervals.

Recommendation: None at this time.

Communication Center – Console Disposal

Comments: Due to the completion of the Console Project at the Communication Center, the existing consoles are no longer needed for county operations following installation of the new equipment and workspace upgrades associated with the project. We are requesting permission from the Commissioners to dispose of the former communications center consoles either through donation to an interested organization or by disposal at the dump if no suitable use is identified.

Recommendation: Motion to authorize the disposal of the former Communication Center consoles, either through donation to an interested organization or by disposal at the dump if no suitable recipient is identified.

On-Call Stipend

Comments: Jake has requested to speak on this matter on behalf of both IT and EMA. The preferred proposal is to adopt a policy similar to the on-call pay policy for Facilities. I've copied below the compensation language from their on-call policy approved on January 7, 2025.

"On-Call Pay: Employees assigned to on-call duty will receive a flat-rate on-call pay for the hours they are on call, regardless of whether they are called into work. The on-call pay rate will be \$25.00 per shift Monday-Friday, and one (1) hour at 1.5x the employees' regular hourly rate for Saturday, Sunday, and holidays."

This is considered to be the best option, as it would maintain a consistent compensation structure among employees rather than having individual policies across multiple departments, which can inevitably lead to discord among staff. Given these are salaried positions, it is understood the hourly rate portion would not be a real 1 to 1 option for those employees. It is proposed that they only receive \$25.00 per day that the exempt employee is on call. No additional compensation for hours worked.

Recommendation: None at this time.

4th of July Parade

Comments: Staff request authorization to participate in the upcoming 4th of July Parade representing Franklin County. Participation in the parade provides an opportunity for

county staff to engage positively with the community, promote county services, and demonstrate county pride during an important community celebration. Staff participation would help strengthen public relationships and showcase Franklin County's commitment to community involvement. Participation would be voluntary.

Recommendations: Motion to authorize Franklin County staff members to participate in the upcoming 4th of July Parade as representatives of Franklin County, including the use of approved county banners, signage, and vehicles as coordinated by county administration, provided that participation remains voluntary and does not interfere with regular county operations or essential services.

Policy Review

A. Cash Policy

Comments: During preparation for the 2026 Audit, it was questioned whether the County had a cash handling policy. Enclosed in your packet, please find a formal written policy governing the receipt and handling of cash. The proposed policy establishes procedures and internal controls for receiving, securing, documenting, and depositing cash receipts in order to strengthen accountability and ensure compliance with audit recommendations and accepted financial practices.

Recommendation: Motion to move Cash handling Policy be approved at the next meeting.

B. Personal Workspace Cleaning Policy

Comments: Commissioners have expressed interest in having employees responsible for cleaning their own workspace. This policy is a first draft explaining the responsibilities of employees moving forward.

Recommendation: Motion to move Personal Workspace Cleaning Policy be approved at the next meeting.

Personnel Policy

Comments: Request that the Franklin County Commissioners review each policy contained within the Franklin County Policy Handbook and make any revisions, updates, or changes they deem necessary or appropriate. The purpose of this review is to ensure that county policies remain current, effective, and consistent with county operations, legal requirements, and best practices.

Recommendation: Schedule a workshop

Facilities – Open Position

Comments: Due to the discussions held at the Public Hearing regarding the FY2027 Budget on May 27, 2026, please find in your packet several options for filling the open Facilities position.

Recommendation: Have HR draft a Supervisor Job Description for the approval of the Commissioners and post the position.

County Administrator – Job Description

Comments: The Commissioners request a review of the County Administrator Job Description and make any revisions or updates deemed necessary. Following the review and any recommended modifications, the Commissioners will need to formally approve the finalized Job Description and authorize the Human Resources Director. The commissioner should consider where they want to place recruitment advertising to facilitate the hiring process.

Recommendation: none at this time

OLD BUSINESS:

PAM PRODAN, TREASURER – Report June 2, 2026, Franklin County Commissioners mtg.

Current cash and investment (CDARS) balances from trio-web.com Ledger Detail Report

General Fund Operating Cash \$4,045,818.25

General Fund Payroll Cash \$751,261.43

General Fund CDARS \$0.00

ARPA Fund Cash \$393,309.57

UT General Fund Cash \$1,030,026.11

UT General Fund CDARS \$0.00

UT TIF Fund Cash \$659,915.27

UT TIF CDARS: \$3,519,683.23

Interest rates

General Fund Operating Cash 3.25% as of 4/30/2026 invested w/Intrafi Cash Service at Androscoggin Savings

ARPA Fund Cash 2.65% as of 3/31/2026 invested w/ Intrafi Cash Service at Frankin Savings

UT General Fund Cash 3.25% as of 4/30/2026 invested w/Intrafi Cash Service at Androscoggin Savings

UT TIF Fund Cash 3.25% as of 4/30/2026 invested w/Intrafi Cash Service at Androscoggin Savings

UT TIF CDARS 3.19845% maturity date of 8/27/2026 invested at Androscoggin Savings

Town Tax Payments

All municipalities made the second payments of County Tax before April 1, 2026.

Warrants

AP Warrants for signatures 6/2/2026 (warrants not finalized at the time of this writing)

AP County Warrant \$165,745.78

AP UT Warrant \$276.00

Payroll Warrant \$237,798.60 ck. date 5/28/2026



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April 17, 2026

Board of Commissioners
County of Franklin
120 County Way, Suite 4
Farmington, Maine 04938

MANAGEMENT LETTER

In planning and performing our audit of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of Franklin, Maine as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the County of Franklin, Maine's internal control. We did so to determine our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for expressing our opinion on the effectiveness of the County of Franklin, Maine's internal control over financial reporting or compliance.

Management is responsible for the selection and use of appropriate accounting policies and procedures. The significant accounting policies and procedures practiced by the County of Franklin, Maine are described in Note 1 of Notes to Financial Statements. In performing our test work and other auditing procedures, we noted no transactions of the County of Franklin, Maine for the above-mentioned year end audited, for which there was a lack of authoritative guidance or consensus or deviation from best practice.

This report is intended solely for the information and use of the Board of Commissioners, management and others within the entity, federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

These matters do not modify our opinion on the financial statements for the year ended June 30, 2025, where we expressed an unmodified opinion on our independent auditor's report dated April 17, 2026.

We would like to thank the staff at the County of Franklin, Maine for their cooperation throughout this audit process.

If there are any questions regarding this letter, please do not hesitate to call.

Very Best,

A handwritten signature in black ink that reads 'RHR Smith & Company'. The signature is written in a cursive, professional style.

RHR Smith & Company, CPAs

3 Old Orchard Road, Buxton, Maine 04093

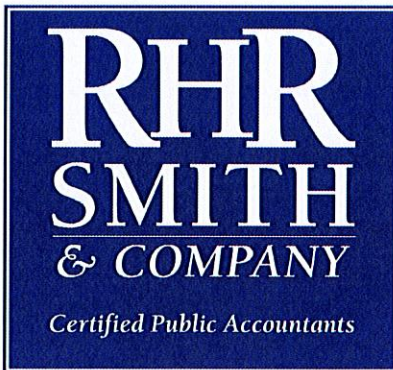
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Federal Compliance Audit

County of Franklin, Maine

June 30, 2025



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COUNTY OF FRANKLIN, MAINE

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JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
County of Franklin
Farmington, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of Franklin, Maine, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Franklin, Maine, as of June 30, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Franklin, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County of Franklin, Maine's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the County of Franklin, Maine's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension and OPEB information on pages 5 through 12 and 53 through 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Franklin, Maine's basic financial statements. The Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements, and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements, capital asset schedules and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2026, on our consideration of the County of Franklin, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County of Franklin, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Franklin, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
April 17, 2026

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025**

(UNAUDITED)

The following management's discussion and analysis of the County of Franklin, Maine's financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the County's financial statements.

Financial Statement Overview

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

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

Both of the above-mentioned financial statements have one column for the County's activity. The type of activity presented for the County of Franklin, Maine are:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the County's basic services are reported in governmental activities, which include Superior Court, Emergency Management Agency, District Attorney, County Commissioners, County Treasurer, County Courthouse, Register of Deeds, Register of Probate, Sheriff, communications, extension service, technical services, civil process service, county-wide, jail (support of prisoners) and program expenses.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Franklin, Maine, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the County of Franklin, Maine are governmental.

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

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

The County of Franklin, Maine presents five columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The County has four major governmental funds: the general fund, jail fund, ARPA fund and safety building. In 2025, safety building was moved from a nonmajor fund to a major fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Jail Fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions - Pension, Schedule of Changes in Net OPEB Liability, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the County's governmental activities. The County's total net position increased by \$3,685,725 from \$4,991,638 to \$8,677,363.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased for governmental activities by \$765,274 to a balance of \$283,286 at the end of this year.

Table 1
County of Franklin, Maine
Net Position
June 30,

	<u>2025</u>	<u>2024</u> <u>(Restated)</u>
Assets		
Current Assets	\$ 5,641,180	\$ 6,286,848
Noncurrent Assets - Capital Assets	7,497,118	3,514,417
Total Assets	<u>13,138,298</u>	<u>9,801,265</u>
Deferred Outflows of Resources		
Deferred Amount on Pension	1,167,918	674,597
Deferred Amount on OPEB	90,178	110,878
Total Deferred Outflows of Resources	<u>1,258,096</u>	<u>785,475</u>
Liabilities		
Current Liabilities	979,678	544,427
Noncurrent Liabilities	2,518,891	1,977,636
Total Liabilities	<u>3,498,569</u>	<u>2,522,063</u>
Deferred Inflows of Resources		
Deferred Revenue	1,859,776	2,658,142
Deferred Amount on Pension	193,474	224,749
Deferred Amount on OPEB	167,212	190,148
Total Deferred Inflows of Resources	<u>2,220,462</u>	<u>3,073,039</u>
Net Position		
Net Investment in Capital Assets	7,369,158	3,319,911
Restricted	1,024,919	623,167
Unrestricted	283,286	1,048,560
Total Net Position	<u>\$ 8,677,363</u>	<u>\$ 4,991,638</u>

Revenues and Expenses

Revenues for the County's governmental activities increased by 14.37%, while total expenses decreased by 7.61%. The increase in revenues was due primarily to taxes and miscellaneous. The decrease in expenses was primarily due to sheriff, jail (support of prisoners) and program expenses.

Table 2
County of Franklin, Maine
Change in Net Position
For The Years Ended June 30,

	<u>2025</u>	<u>2024</u>
Revenues		
<i>Program revenues:</i>		
Charges for services	\$ 458,695	\$ 430,104
Operating grants and contributions	914,730	1,067,680
Capital grants and contributions	-	724,554
<i>General revenues:</i>		
Taxes	9,212,245	8,619,034
Grants and contributions not restricted to specific programs	377,546	300,327
Miscellaneous	2,179,331	349,939
Total Revenues	<u>13,142,547</u>	<u>11,491,638</u>
Expenses		
Superior Court	915	1,448
Emergency Management Agency	365,758	115,824
District Attorney	362,507	344,413
County Commissioners	379,277	366,657
County Treasurer	239,596	200,613
County Courthouse	311,625	194,704
Register of Deeds	225,149	267,932
Register of Probate	266,784	264,772
Sheriff	563,538	2,800,318
Communications	1,268,514	1,208,852
Extension service	233,589	63,239
Technical services	521,884	381,488
Civil process service	39,989	50,876
County-wide	1,417,781	386,307
Jail (support of prisoners)	3,177,145	3,321,090
Interest on long-term debt	5,029	6,326
Program expenses	77,742	260,567
Total Expenses	<u>9,456,822</u>	<u>10,235,426</u>
Change in Net Position	<u>3,685,725</u>	<u>1,256,212</u>
Net Position - July 1, As Previously Reported	5,197,026	3,940,814
Net Position Correction	<u>(205,388)</u>	<u>-</u>
Net Position - July 1, As Restated	<u>4,991,638</u>	<u>3,940,814</u>
Net Position - June 30	<u>\$ 8,677,363</u>	<u>\$ 5,197,026</u>

Financial Analysis of the County's Fund Statements

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

Table 3
County of Franklin, Maine
Fund Balances - Governmental Funds
June 30,

	2025	2024 (Restated)	Increase/ (Decrease)
Major Funds:			
General Fund:			
Assigned	\$ 307,987	\$ 307,987	\$ -
Unassigned	750,451	933,303	(182,852)
Total General Fund	\$ 1,058,438	\$ 1,241,290	\$ (182,852)
Jail Fund			
Restricted	\$ 301,717	\$ 8,476	\$ 293,241
Total Jail Fund	\$ 301,717	\$ 8,476	\$ 293,241
Safety Building Fund			
Unassigned (deficit)	\$ (447,549)	\$ -	\$ (447,549)
Total ARPA Fund	\$ (447,549)	\$ -	\$ (447,549)
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 723,202	\$ 614,691	\$ 108,511
Committed	1,328,892	1,356,677	(27,785)
Assigned	1,610	1,900	(290)
Unassigned (deficit)	(42,490)	(26,058)	(16,432)
Total Nonmajor Funds	\$ 2,011,214	\$ 1,947,210	\$ 64,004

The changes to total fund balance for the general fund, the jail fund, the safety building fund and the nonmajor funds occurred due to the regular activity of operations.

Budgetary Highlights

The difference between the original and final budget for the general fund was due to applied revenue and use of unassigned fund balance.

The general fund actual revenues were below budgeted amounts by \$117,673. All revenue categories were received within or under budgeted amounts with the exception of charges for services and investment income.

The general fund actual expenditures were under budgeted amounts by \$242,808. All expenditures were expended within or under budgeted amounts with the exception of extension service, technical services and civil process service.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2025, the net book value of capital assets recorded by the County increased by \$3,982,701 from the prior year. This increase was comprised of net capital additions of \$4,298,377, less current year depreciation expense of \$315,676. More detailed information on capital asset activity can be found in Note 5 of Notes to Financial Statements.

Table 4
County of Franklin, Maine
Capital Assets (Net of Depreciation)
June 30,

	2025	2024 (Restated)
Land	\$ 67,350	\$ 67,350
Construction in progress	4,435,374	897,148
Buildings	497,583	1,237,419
Building and land improvements	921,510	67,458
Furniture and fixtures	19,412	17,207
Machinery and equipment	810,925	709,779
Vehicles	711,540	479,725
Infrastructure	29,876	31,234
Right of use lease asset	3,548	7,097
Total	\$ 7,497,118	\$ 3,514,417

Debt

At June 30, 2025, the County had \$127,960 in a bond payable and lease liability outstanding versus \$176,234 last year, a decrease of \$48,274. Refer to Note 6 of Notes to Financial Statements for more detailed information.

Economic Factors and Next Year's Budgets and Rates

The County continues to work toward maintaining a sufficient unrestricted net position to sustain operations for a period of approximately three months. The County also maintains significant reserve accounts for future capital and program needs.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Finance Department at 120 County Way, Farmington, Maine 04938.

STATEMENT A

COUNTY OF FRANKLIN, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 4,937,233
Due from other governments	697,944
Due from unorganized territories	<u>6,003</u>
Total current assets	<u>5,641,180</u>
Noncurrent assets:	
Capital assets:	
Land, infrastructure, and other assets not being depreciated	4,502,724
Buildings and equipment, net of accumulated depreciation	<u>2,994,394</u>
Total noncurrent assets	<u>7,497,118</u>
TOTAL ASSETS	<u>13,138,298</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions	1,167,918
Deferred amounts related to OPEB	<u>90,178</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,258,096</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 14,396,394</u>

STATEMENT A (CONTINUED)

COUNTY OF FRANKLIN, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 647,282
Accrued expenses	210,302
Current portion of long-term obligations	122,094
Total current liabilities	979,678
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bond payable	77,897
Lease liability	295
Accrued compensated absences	289,306
Net pension liability	1,860,788
Net OPEB liability	290,605
Total noncurrent liabilities	2,518,891
TOTAL LIABILITIES	3,498,569
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	1,859,776
Deferred amounts related to pensions	193,474
Deferred amounts related to OPEB	167,212
TOTAL DEFERRED INFLOWS OF RESOURCES	2,220,462
NET POSITION	
Net investment in capital assets	7,369,158
Restricted	1,024,919
Unrestricted	283,286
TOTAL NET POSITION	8,677,363
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 14,396,394

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

COUNTY OF FRANKLIN, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental activities:					
Superior Court	\$ 915	\$ -	\$ -	\$ -	\$ (915)
Emergency Management Agency	365,758	-	33,087	-	(332,671)
District Attorney	362,507	-	-	-	(362,507)
County Commissioners	379,277	-	-	-	(379,277)
County Treasurer	239,596	-	-	-	(239,596)
County Courthouse	311,625	-	-	-	(311,625)
Register of Deeds	225,149	25,016	-	-	(200,133)
Register of Probate	266,784	109,265	-	-	(157,519)
Sheriff	563,538	7,193	298,891	-	(257,454)
Communications	1,268,514	-	-	-	(1,268,514)
Extension service	233,589	-	-	-	(233,589)
Technical services	521,884	-	-	-	(521,884)
Civil process service	39,989	-	-	-	(39,989)
County-wide	1,417,781	298,647	-	-	(1,119,134)
Jail (support of prisoners)	3,177,145	18,574	505,010	-	(2,653,561)
Interest on long-term debt	5,029	-	-	-	(5,029)
Program expenses	77,742	-	77,742	-	-
Total government	<u>\$ 9,456,822</u>	<u>\$ 458,695</u>	<u>\$ 914,730</u>	<u>\$ -</u>	<u>(8,083,397)</u>

STATEMENT B (CONTINUED)

COUNTY OF FRANKLIN, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(8,083,397)
General revenues:	
Taxes:	
Property taxes, levied for general purposes	9,212,245
Grants and contributions not restricted to specific programs	377,546
Miscellaneous	2,179,331
Total general revenues	11,769,122
Change in net position	3,685,725
NET POSITION - JULY 1, AS PREVIOUSLY REPORTED	5,197,026
NET POSITION CORRECTION	(205,388)
NET POSITION - JULY 1, AS RESTATED	4,991,638
NET POSITION - JUNE 30	\$ 8,677,363

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

STATEMENT C

COUNTY OF FRANKLIN, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Jail Fund	ARPA Fund	Moved from Nonmajor Fund Safety Building	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 3,371,195	\$ -	\$ 1,338,213	\$ -	\$ 227,825	\$ 4,937,233
Due from other governments	41,516	-	-	489,974	166,454	697,944
Due from unorganized territory	6,003	-	-	-	-	6,003
Due from other funds	649,616	310,479	521,563	-	1,825,879	3,307,537
TOTAL ASSETS	\$ 4,068,330	\$ 310,479	\$ 1,859,776	\$ 489,974	\$ 2,220,158	\$ 8,948,717
LIABILITIES						
Accounts payable	\$ 141,669	\$ 8,762	\$ -	\$ 496,851	\$ -	\$ 647,282
Accrued payroll	210,302	-	-	-	-	210,302
Due to other funds	2,657,921	-	-	440,672	208,944	3,307,537
TOTAL LIABILITIES	3,009,892	8,762	-	937,523	208,944	4,165,121
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	1,859,776	-	-	1,859,776
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	1,859,776	-	-	1,859,776
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	301,717	-	-	723,202	1,024,919
Committed	-	-	-	-	1,328,892	1,328,892
Assigned	307,987	-	-	-	1,610	309,597
Unassigned	750,451	-	-	(447,549)	(42,490)	260,412
TOTAL FUND BALANCES (DEFICITS)	1,058,438	301,717	-	(447,549)	2,011,214	2,923,820
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	\$ 4,068,330	\$ 310,479	\$ 1,859,776	\$ 489,974	\$ 2,220,158	\$ 8,948,717

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

COUNTY OF FRANKLIN, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

	Total Governmental Funds
	Funds
Total Fund Balances	\$ 2,923,820
Amounts reported for governmental activities in the statement are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	7,497,118
Deferred outflows of resources are not financial resources and therefore are not reported in the funds:	
Pension	1,167,918
OPEB	90,178
Long-term obligations shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bond payable	(124,216)
Lease liability	(3,744)
Accrued compensated absences	(361,632)
Net pension liability	(1,860,788)
Net OPEB liability	(290,605)
Deferred inflows of resources are not financial resources and therefore are not reported in the funds:	
Pension	(193,474)
OPEB	(167,212)
	\$ 8,677,363
Net position of governmental activities	

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

STATEMENT E

COUNTY OF FRANKLIN, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Jail Fund	ARPA Fund	Moved from Nonmajor Fund Safety Building	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 6,212,817	\$ 2,866,309	\$ -	\$ -	\$ -	\$ 9,079,126
Other taxes	133,119	-	-	-	-	133,119
Intergovernmental revenues	101,058	505,010	-	-	686,208	1,292,276
Charges for services	411,479	18,574	-	-	28,642	458,695
Miscellaneous revenues	164,637	333	77,742	1,912,623	23,996	2,179,331
TOTAL REVENUES	7,023,110	3,390,226	77,742	1,912,623	738,846	13,142,547
EXPENDITURES						
Current:						
Superior Court	915	-	-	-	-	915
Emergency Management Agency	189,995	-	-	-	157,361	357,356
District Attorney	361,909	-	-	-	-	361,909
County Commissioners	379,277	-	-	-	-	379,277
County Treasurer	238,914	-	-	-	-	238,914
County Courthouse	242,579	-	-	-	69,046	311,625
Register of Deeds	208,297	-	-	-	6,172	214,469
Register of Probate	266,784	-	-	-	-	266,784
Sheriff	2,708,405	-	-	-	576,998	3,285,403
Communications	1,253,379	-	-	-	15,135	1,268,514
Extension service	233,589	-	-	-	-	233,589
Technical services	521,884	-	-	-	-	521,884
Civil Process	39,989	-	-	-	-	39,989
County-wide	355,138	-	-	2,334,114	9,727	2,698,979
Jail (Support of Prisoners)	-	3,096,985	-	-	11,361	3,108,346
Debt Service						
Principal	44,979	-	-	-	-	44,979
Interest	5,029	-	-	-	-	5,029
Program expenditures	-	-	77,742	-	-	77,742
TOTAL EXPENDITURES	7,061,062	3,096,985	77,742	2,334,114	845,800	13,415,703
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(37,952)	293,241	-	(421,491)	(106,954)	(273,156)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	144,900	144,900
Transfers (out)	(144,900)	-	-	-	-	(144,900)
TOTAL OTHER FINANCING SOURCES (USES)	(144,900)	-	-	-	144,900	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(182,852)	293,241	-	(421,491)	37,946	(273,156)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	1,241,290	8,476	223,660	-	1,947,210	3,420,636
FUND BALANCE CORRECTION CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	(223,660)	-	-	(223,660)
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	1,241,290	8,476	-	(26,058)	1,973,268	3,196,976
FUND BALANCES (DEFICITS) - JUNE 30	\$ 1,058,438	\$ 301,717	\$ -	\$ (447,549)	\$ 2,011,214	\$ 2,923,820

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

COUNTY OF FRANKLIN, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (273,156)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	4,298,377
Depreciation expense	<u>(315,676)</u>
	<u>3,982,701</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
Pension	493,321
OPEB	<u>(20,700)</u>
	<u>472,621</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	<u>48,274</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(39,518)
Net pension liability	(536,355)
Net OPEB liability	<u>(23,053)</u>
	<u>(598,926)</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
Pension	31,275
OPEB	<u>22,936</u>
	<u>54,211</u>
Change in net position of governmental activities (Statement B)	<u>\$ 3,685,725</u>

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

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Franklin, Maine was incorporated under the laws of the State of Maine. The County operates under the Board of Commissioners form of government and provides the following services: Superior Court, Emergency Management Agency, District Attorney, County Commissioners, County Treasurer, County Courthouse, jail (support of prisoners), register of deeds, register of probate, the Sheriff's department, communications, extension service, insurance, civil process service, technical services, program grants and program expenses.

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

The County's combined financial statements include all accounts and all operations of the County. We have determined that the County has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2025, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 101 "Compensated Absences". The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 102 "Certain Risk Disclosures". The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. A disclosure should be made in the notes to financial statements if a government determines that those criteria for disclosures have been met for a concentration or constraint. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus - Basic Financial Statements and Fund Financial Statements

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

1. Governmental Funds:

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

Major Funds

- a. The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Jail Fund is used to account for the operations of the Franklin County Jail and is financed through tax, intergovernmental and miscellaneous revenues.
- c. The ARPA Fund is used to account for financial resources that are legally restricted to expenditures of the ARPA grant. The primary revenue source for this fund is intergovernmental.
- d. The Safety Building Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for the Safety Building. Revenues are primarily from intergovernmental revenues.

Nonmajor Funds

- e. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The emphasis in fund financial statements is on the major funds in the governmental activities' category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

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

Budget

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

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

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Early in the second half of the year the County Commissioners prepare a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Budget Committee was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by Budget Committee.

Deposits and Investments

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

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

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements

The County of Franklin, Maine does not have a formal investment policy but follows the State of Maine Statutes.

Receivables

Receivables include amounts due from governmental agencies. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2025. Accounts receivable netted with allowances for uncollectible accounts were \$703,947 for the year ended June 30, 2025.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

activities are reported in the governmental-wide financial statements as "internal balances".

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds.

Capital Assets

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

A right of use lease asset is required to be reported at the present value of payments expected to be made during the lease term including and any/all other required financial lease obligations in accordance with the terms of the lease and excluding interest. A lease asset will be amortized on a straight-line basis over the lease term or the useful life of the underlying asset (whichever is shorter).

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Buildings and improvements	20 - 50 years
Furniture and fixtures	3 - 50 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

Long-term Obligations

The accounting treatment of long-term obligations 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 obligations to be repaid from governmental resources are reported as liabilities in government-wide statements. The long-term obligations consist primarily of a

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

bond payable, lease liability, compensated absences, net pension liability and net OPEB liability.

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.

Pension

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 District (PLD) Consolidated Plan and additions to/deductions from the PLD Consolidated Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Consolidated Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPEB

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the County's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Net Position

Net position represents the difference between all other elements in a statement of financial position. 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 enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

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

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

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

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the County. Please refer to the budgeting process for the authority for committing items within the budget.

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

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

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

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two types of this item, deferred amounts related to pension and deferred amounts related to OPEB, which arise only under an accrual basis of accounting that qualify for reporting in this category.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred revenue qualifies for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. The County also has three types of this item, deferred amount on pension, deferred amount on OPEB and deferred revenues that qualify for reporting in this category. These items are reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The County's property tax for the current period was voted on the assessed value for all real and personal property located in the County. The full amount of the current year assessment has been recognized in the financial statements. Property taxes were to be paid in two installments due on September 1, 2024 and February 1, 2025. All property taxes were collected prior to June 30, 2025.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

Encumbrance Accounting

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

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the County consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all County funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the County will not be able to recover its deposits. The County does not have a policy covering custodial credit risk for deposits. However, the County maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2025, the County's cash balances amounting to \$4,937,233 were comprised of bank deposits of \$5,639,277. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the County's cash balance. Of these bank deposits, \$5,604,312 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk and the remaining \$34,965 was insured or collateralized with securities held by the financial institution in the County's name and consequently was not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 250,000
ICS/IntraFi accounts	5,354,312
Repurchase agreement	34,965
	<u>\$ 5,639,277</u>

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the County does not have a policy for custodial credit risk for investments.

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

At June 30, 2025, the County had no investments.

Credit risk - Statutes for the State of Maine authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The County does not have an investment policy on credit risk.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2025 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 649,616	\$ 2,657,921
Jail Fund	310,479	-
ARPA Fund	521,563	-
Safety Building Fund	-	440,672
Nonmajor Special Revenue Funds	1,825,879	208,944
	<u>\$ 3,307,537</u>	<u>\$ 3,307,537</u>

The result of amounts owed between funds are considered to be in the course of normal operations by the County. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at June 30, 2025 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 144,900
Nonmajor Special Revenue Funds	144,900	-
	\$ 144,900	\$ 144,900

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2025:

	Balance, 7/1/24 (Restated)	Additions	Disposals/ Transfers	Balance, 6/30/25
Non-depreciated assets:				
Land	\$ 67,350	\$ -	\$ -	\$ 67,350
Construction in progress	897,148	3,538,226	-	4,435,374
	964,498	3,538,226	-	4,502,724
Depreciated assets:				
Buildings	2,058,612	-	-	2,058,612
Building and land improvements	1,105,717	206,465	-	1,312,182
Furniture and fixtures	67,909	5,048	-	72,957
Machinery and equipment	1,652,879	201,911	-	1,854,790
Vehicles	892,230	346,727	-	1,238,957
Infrastructure	33,950	-	-	33,950
Right of use lease asset	17,744	-	-	17,744
	5,829,041	760,151	-	6,589,192
Less accumulated depreciation	(3,279,122)	(315,676)	-	(3,594,798)
	2,549,919	444,475	-	2,994,394
Net capital assets	\$ 3,514,417	\$ 3,982,701	\$ -	\$ 7,497,118
Current year depreciation:				
County-wide				\$ 15,424
Emergency Management Agency				8,402
County Treasurer				682
District Attorney				598
Register of Deeds				10,680
Sheriff				279,890
Total depreciation expense				\$ 315,676

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 - LONG-TERM DEBT

The General Fund of the County is used to pay for all long-term debt. A summary of long-term debt for the year ended June 30, 2025 is as follows:

	Balance, 7/1/24	Additions	Deletions	Balance, 6/30/25	Current Portion
Bond payable	\$ 169,195	\$ -	\$ (44,979)	\$ 124,216	\$ 46,319
Lease liability	7,039	-	(3,295)	3,744	3,449
Totals	<u>\$ 176,234</u>	<u>\$ -</u>	<u>\$ (48,274)</u>	<u>\$ 127,960</u>	<u>\$ 49,768</u>

A summary of the outstanding bond payable is as follows:

\$598,300 General Obligation bond dated September 18, 2012. Annual payments are \$50,008. Interest is charged at rate of 2.97% per annum and due in equal annual installments. Maturity in September of 2028. \$ 124,216

A summary of the outstanding lease liability is as follows:

The County leases 4 photocopiers under a non-cancelable lease agreement. The term of the lease is for a five-year period expiring in July of 2026. Monthly payments are \$296. Interest is charged at a fixed rate of 4.579% per annum. \$ 3,744

The right of use lease assets associated with this lease liability (including amortization/depreciation applicable to the same) are presented as a separate category of Capital Assets and grouped accordingly on the Statement of Net Position.

The annual bond principal and interest requirements to amortize the bond and lease liability are as follows:

	Bond payable		Lease Liability		Total
	Principal	Interest	Principal	Interest	
2026	\$ 46,319	\$ 3,689	\$ 3,449	\$ 100	\$ 53,557
2027	47,694	2,313	295	1	50,303
2028	30,203	897	-	-	31,100
	<u>\$ 124,216</u>	<u>\$ 6,899</u>	<u>\$ 3,744</u>	<u>\$ 101</u>	<u>\$ 134,960</u>

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The bond payable and lease liability are direct obligations of the County, for which its full faith and credit are pledged. The County is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the County.

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2025 is as follows:

	Balance, 7/1/24	Additions	Deletions	Balance, 6/30/25	Current Portion
Accrued compensated absences	\$ 322,114	\$ 39,518	\$ -	\$ 361,632	\$ 72,326
Net pension liability	1,324,433	545,762	(9,407)	1,860,788	-
Net OPEB liability	267,552	36,562	(13,509)	290,605	-
Totals	<u>\$ 1,914,099</u>	<u>\$ 621,842</u>	<u>\$ (22,916)</u>	<u>\$ 2,513,025</u>	<u>\$ 72,326</u>

Please see Notes 8, 9 and 11 for detailed information on each of the other long-term obligations.

NOTE 8 - ACCRUED COMPENSATED ABSENCES

The County's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as a long-term obligation in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources. At June 30, 2025, the County's balance was \$361,632, which represents a net increase of \$39,518 from the prior year.

NOTE 9 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description

County employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.maineopers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with other PLD employers under applicable statutory provisions. As of June 30, 2024, there were 336 employers in the plan.

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 3.88%.

Contributions

The contribution requirements of plan members and the County are established and may be amended by the Maine State Legislature. The County's law enforcement are part of special plan "3C" with cost-of-living adjustment and are required to contribute 9.3% of their annual salary and the corrections officer employees are part of special plan "2C" with cost-of-living adjustment and are required to contribute 8.4%. All other employees are part of regular plan "AC" and are required to contribute 7.7% or 6.95% of their annual salary. The County is required to contribute 12.8% of special plan "3C" members' covered payroll 11.6% of special plan "2C" members' covered payroll and 10.2% of regular plan "AC" members' covered payroll annually to the system. The County's contributions to the plan for the fiscal year ended June 30, 2025 was \$502,728.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities

At June 30, 2025, the County reported a liability of \$1,860,788 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2024 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The County's proportion of the net pension liabilities were based on a projection of the County's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2024, the County's proportion was 0.46491%, which was an increase of 0.04985% from its proportion measured as of June 30, 2023.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the County recognized total pension expense of \$11,759. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PLD Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 552,274	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	193,474
Changes in proportion and differences between contributions and proportionate share of contributions	112,916	-
Contributions subsequent to the measurement date	502,728	-
Total	<u>\$ 1,167,918</u>	<u>\$ 193,474</u>

\$502,728 reported as deferred outflows of resources 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 June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

	PLD Plan
Plan year ended June 30:	
2025	\$ 31,562
2026	503,432
2027	(25,788)
2028	(37,491)
2029	-
Thereafter	-

Actuarial Methods and Assumptions

The collective total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2024, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

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

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age, of their expected future salary. The normal cost for each member is the product of the member's pay and 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 differ from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

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

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Amortization

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

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2024 are as follows:

Investment Rate of Return - 6.50% per annum for the year ended June 30, 2024 and 2023, compounded annually.

Salary Increases, Merit and Inflation - 2.75% to 11.48% per year

Mortality Rates - For the plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

Cost of Living Benefit Increases - 1.91%

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

Asset Class	PLD Plan	
	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	5.6%
US Government	7.5%	2.2%
Private equity	15.0%	7.2%
Real assets:		
Real estate	10.0%	5.8%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.1%
Traditional credit	7.5%	2.7%
Alternative credit	5.0%	6.4%
Diversifiers	10.0%	4.8%

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2024. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at 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.

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

	1% Decrease	Discount Rate	1% Increase
<u>PLD Plan:</u>			
Discount rate	5.50%	6.50%	7.50%
County's proportionate share of the net pension liability/(asset)	\$ 4,649,443	\$ 1,860,788	\$ (436,743)

Changes in Net Pension Liability

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2024 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2024 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors is recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For 2023 through 2020, this was three years for the PLD

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Consolidated Plan. For 2019, this was four years for the PLD Consolidated Plan. For 2018 and 2017, this was three years; prior to 2017, this was four years for the PLD Consolidated Plan.

Differences between Projected and Actual Investment Earnings on Pension Plan Investments

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

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2024 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Please refer to the Actuarial Methods and Assumptions section for information relating to the use of assumptions.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

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

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2024 Annual Comprehensive Financial Report available online at www.maineper.org or by contacting the System at (207) 512-3100.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 - DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457. The plan, available to County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES' HEALTH TRUST

Plan Description

The County and County retirees contribute to the County's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the County and/or the County retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the County concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of \$2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Employees Covered by Benefit Terms

At January 1, 2025, the following employees were covered by the benefit terms:

Active members	38
Retirees and spouses	-
Total	<u>38</u>

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
POS 200	\$1,183	\$2,654
POS C	\$1,243	\$2,788
PPO 500	\$1,144	\$2,567
PPO1500	\$1,056	\$2,368
<u>Medicare</u>		
Medicare-Eligible Retirees	\$659	\$1,319

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

At June 30, 2025, the County reported a liability of \$290,605 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2025 and was determined by an actuarial valuation as of that date. The County's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

For the year ended June 30, 2025, the County recognized OPEB expense of \$20,817. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 119,079
Changes of assumptions	86,207	48,133
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	3,971	-
Total	\$ 90,178	\$ 167,212

\$3,971 were reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	MMEHT
Plan year ended December 31:	
2026	\$ (11,768)
2027	(13,044)
2028	(16,233)
2029	(18,837)
2030	(8,231)
Thereafter	(12,892)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2025. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 4.08% per annum for June 30, 2025 was based upon a measurement date of December 26, 2024. The sensitivity of net OPEB liability to changes in discount rate are as follows:

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
	3.08%	4.08%	5.08%
Total OPEB liability	\$ 339,696	\$ 290,605	\$ 250,735
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 339,696</u>	<u>\$ 290,605</u>	<u>\$ 250,735</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 243,437	\$ 290,605	\$ 351,828
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 243,437</u>	<u>\$ 290,605</u>	<u>\$ 351,828</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2025, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

COUNTY OF FRANKLIN, MAINE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2023. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Assumptions

The actuarial assumptions used in the January 1, 2025 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. As of January 1, 2025, they are as follows:

Discount Rate - 4.08% per annum for year end 2025 reporting. 3.26% per annum for year end 2024 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2025_1b was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	2.38%
Rate of Growth in Real Income/GDP per capital 2029+	1.40%
Extra Trend due to Taste/Technology 2029+	1.10%
Expected Health Share of GDP 2034	19.00%
Health Share of GDP Resistance Point	18.00%
Year for Limiting Cost Growth to GDP Growth	2045

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The trends selected from 2025 to 2028 were based on plan design, population weighting, renewal projections, and market analysis. For years 2029 to 2033, these are interpolated from 2028 to 2034 (which is the product of the inflation, GDP and extra trend rate assumptions).

Deductibles, Co-payments and Out of Pocket Maximums are assumed to increase at the above trend rates. The ultimate trend rate reflects an assumed nominal per capital GDP growth.

Administrative and claims expense: 3% per annum

Future plan changes: It is assumed that the current Plan and cost-sharing structure remains in place for all future years.

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2021.

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims. A constant cost sharing in plan design between employer and employees is assumed.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses Determined separately for non-Medicare and Medicare retirees including the estimated impact of rebates.

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Rate of Mortality:

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

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

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected
Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible
Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2025 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2025 was (\$119,079).

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2025 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

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

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the County office at 120 County Way, Farmington, Maine 04938.

NOTE 12 - CONTINGENT LIABILITIES

The County participates in a number of federal and state assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2025, have not been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The expenditure amounts, if any, which may be disallowed by granting agencies cannot be determined.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The County was exposed to a ransom cyber threat through a software infiltration. The County filed a cyber claim with Cowbell Insurance via Maine County Commissioners Association and legal representation was assigned to Cipriani & Werner PC. The County's insurance coverage had a \$50,000 deductible, and all other costs, including the negotiated ransom, were paid by Cowbell Insurance through the County's cyber coverage. Stipulated conditions for settlement of the attack were satisfied by both parties, and no further liability is anticipated.

COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 14 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the County at June 30, 2025:

Invested in capital assets	\$ 11,091,916
Accumulated depreciation	(3,594,798)
Outstanding capital related debt	(127,960)
	<u>\$ 7,369,158</u>

NOTE 15 - RESTRICTED NET POSITION AND FUND BALANCES

The following net position and fund balances have been restricted at June 30, 2025 for the following purposes:

Jail fund	\$ 301,717
Nonmajor special revenue funds:	
Deeds preservation	188,190
MMA safety grant	2,184
EMA in-kind	8,755
Probate equipment	1,187
Fire safety	98
Inmate telephone	41,066
LEPC	1,228
WWI monument	1,061
Probate preservation	43,255
Sandy river	10,802
Mitigation	170
Drug forfeiture	9,313
HRSA opioid grant	9,000
Opioid settle	406,893
	<u>\$ 1,024,919</u>

NOTE 16 - COMMITTED FUND BALANCES

The following fund balances have been committed at June 30, 2025 for the following purposes:

Nonmajor special revenue funds (Schedule D)	<u>\$ 1,328,892</u>
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COUNTY OF FRANKLIN, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 17 - ASSIGNED FUND BALANCES

The following fund balances have been assigned at June 30, 2025 for the following purposes:

General fund:	
FY 2025 Budget reduction	\$ 307,987
Nonmajor special revenue funds (Schedule D)	1,610
	\$ 309,597

NOTE 18 - DEFICIT FUND BALANCES

The following funds had deficit fund balances at June 30, 2025:

Safety building	\$ 447,549
COPS grant	42,490
	\$ 490,039

NOTE 19 - OVERSPENT APPROPRIATIONS

The following appropriations were exceeded by actual expenditures for the year ended June 30, 2025:

General Fund:	
Extension service	\$ 17,349
Technical services	67,306
Civil process service	39,989
Jail Fund:	
Services	28,345
Capital outlay	9,695
	\$ 162,684

NOTE 20 - RELATIONSHIP WITH UNORGANIZED TERRITORIES

The County of Franklin, Maine provides municipal cost component services (as defined by Title 36, Section 1603 of the Maine Revised Statutes) to the County of Franklin Unorganized Territories. The administrator of the Unorganized Territory Education and Services Fund releases reimbursement for these services to the County of Franklin, Maine annually as expenses are submitted, in accordance with Title 30-A, Section 7503 of the Maine Revised Statutes.

COUNTY OF FRANKLIN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 20 - RELATIONSHIP WITH UNORGANIZED TERRITORIES (CONTINUED)

As of June 30, 2025, cash and cash equivalents held by the County included funds due from the County of Franklin Unorganized Territories in the amount of \$88,672. At year end, interest was allocated appropriately between these entities for all applicable balances.

The most recent financial statements for the County of Franklin Unorganized Territories may be obtained from the County of Franklin, Maine Finance Department at 120 County Way, Farmington, Maine 04938.

NOTE 21 - RESTATEMENTS

During fiscal year 2025, the County determined that certain transactions were recorded incorrectly or omitted. Therefore, the County determined that a change within the financial reporting entity was necessary to reclassify safety building from being presented as a nonmajor fund to being presented as a major fund. In addition, a restatement to ARPA beginning fund balance and capital assets were required, this resulted in a decrease to the beginning net position for governmental activities, as follows:

	6/30/24 As Previously Reported	Change from Nonmajor to Major Fund	Net Position/ Fund Balance Corrections	6/30/24 As Restated
Government-Wide				
Governmental Activities	\$ 5,197,026	\$ -	\$ (205,388)	\$ 4,991,638
Total Government-Wide	<u>\$ 5,197,026</u>	<u>\$ -</u>	<u>\$ (205,388)</u>	<u>\$ 4,991,638</u>
Governmental Funds				
Major Funds:				
General Fund	\$ 1,241,290	\$ -	\$ -	\$ 1,241,290
Jail Fund	8,476	-	-	8,476
ARPA Fund	223,660	-	(223,660)	-
Safety Building Fund	-	(26,058)	-	(26,058)
Other Governmental Funds:				
Nonmajor Special Revenue	1,947,210	26,058	-	1,973,268
Total Governmental Funds	<u>\$ 3,420,636</u>	<u>\$ -</u>	<u>\$ (223,660)</u>	<u>\$ 3,196,976</u>

Required Supplementary Information

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

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Jail Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pension
- Schedule of Changes in the Net OPEB Liability
- Schedule of Changes in the Net OPEB Liability and Related Ratios
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

COUNTY OF FRANKLIN, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Budgetary Fund Balance, July 1	\$ 1,241,290	\$ 1,241,290	\$ 1,241,290	\$ -
Resources (Inflows):				
Taxes - municipalities	6,212,817	6,212,817	6,212,817	-
Other taxes	140,000	140,000	133,119	(6,881)
Intergovernmental	217,966	217,966	101,058	(116,908)
Charges for services	380,000	380,000	411,479	31,479
Investment income	100,000	100,000	160,479	60,479
Miscellaneous	90,000	90,000	4,158	(85,842)
Amounts Available for Appropriation	<u>8,382,073</u>	<u>8,382,073</u>	<u>8,264,400</u>	<u>(117,673)</u>
Charges to Appropriations (Outflows):				
Current:				
Superior Court	3,000	3,000	915	2,085
Emergency Management Agency	253,824	253,824	199,995	53,829
District Attorney	378,633	378,633	361,909	16,724
County Commissioners	381,764	381,764	379,277	2,487
County Treasurer	243,084	243,084	238,914	4,170
County Courthouse	267,146	267,146	242,579	24,567
Register of Deeds	269,730	269,730	208,297	61,433
Register of Probate	308,148	308,148	266,784	41,364
Sheriff	2,764,610	2,764,610	2,708,405	56,205
Communications	1,344,355	1,344,355	1,253,379	90,976
Extension service	216,240	216,240	233,589	(17,349)
Program grants	251,800	251,800	248,100	3,700
Insurance	116,950	116,950	107,038	9,912
Technical services	454,578	454,578	521,884	(67,306)
Civil process service	-	-	39,989	(39,989)
Debt service	50,008	50,008	50,008	-
Transfers to other funds	144,900	144,900	144,900	-
Total Charges to Appropriations	<u>7,448,770</u>	<u>7,448,770</u>	<u>7,205,962</u>	<u>242,808</u>
Budgetary Fund Balance, June 30	<u>\$ 933,303</u>	<u>\$ 933,303</u>	<u>\$ 1,058,438</u>	<u>\$ 125,135</u>
Utilization of Unassigned Fund Balance	<u>\$ 307,987</u>	<u>\$ 307,987</u>	<u>\$ -</u>	<u>\$ (307,987)</u>

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

COUNTY OF FRANKLIN, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - JAIL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,476	\$ 8,476	\$ 8,476	\$ -
Resources (Inflows):				
Taxes - municipalities	2,866,309	2,866,309	2,866,309	-
Intergovernmental	150,000	150,000	505,010	355,010
Charges for services	75,000	75,000	18,574	(56,426)
Miscellaneous	-	-	333	333
Amounts Available for Appropriation	<u>3,099,785</u>	<u>3,099,785</u>	<u>3,398,702</u>	<u>298,917</u>
Charges to Appropriations (Outflows):				
Current:				
Personnel	2,271,277	2,271,277	2,223,443	47,834
Services	654,332	654,332	682,677	(28,345)
Commodities	208,700	208,700	149,170	59,530
Capital outlays	32,000	32,000	41,695	(9,695)
Total Charges to Appropriations	<u>3,166,309</u>	<u>3,166,309</u>	<u>3,096,985</u>	<u>69,324</u>
Budgetary Fund Balance, June 30	<u>\$ (66,524)</u>	<u>\$ (66,524)</u>	<u>\$ 301,717</u>	<u>\$ 368,241</u>
Utilization of Unassigned Fund Balance	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>	<u>\$ (75,000)</u>

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

SCHEDULE 2

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>PLD Plan:</u>												
Proportion of the net pension liability(asset)	0.46%	0.42%	0.42%	0.39%	0.40%	0.41%	0.41%	0.42%	0.39%	0.39%	0.21%	0.22%
Proportionate share of the net pension liability(asset)	\$ 1,860,788	\$ 1,324,433	\$ 1,078,433	\$ (126,809)	\$ 1,605,423	\$ 1,251,408	\$ 1,121,379	\$ 1,720,365	\$ 2,083,040	\$ 1,237,716	\$ 515,727	\$ 929,796
Covered payroll	\$ 3,498,073	\$ 3,276,111	\$ 2,720,325	\$ 2,385,505	\$ 2,338,726	\$ 2,271,121	\$ 2,156,792	\$ 2,110,210	\$ 1,908,761	\$ 1,809,109	\$ 1,366,859	\$ 1,026,397
Proportionate share of the net pension liability(asset) as a percentage of its covered payroll	53.19%	40.43%	39.64%	-5.29%	68.65%	55.10%	51.99%	81.53%	109.13%	68.42%	37.73%	90.59%
Plan fiduciary net position as a percentage of the total pension liability	91.06%	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	86.40%	81.61%	88.30%	87.50%

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

SCHEDULE 3

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST 10 FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>PLD Plan:</u>												
Contractually required contribution	\$ 502,728	\$ 401,259	\$ 382,213	\$ 315,281	\$ 269,089	\$ 261,008	\$ 252,232	\$ 227,459	\$ 215,140	\$ 183,969	\$ 158,602	\$ 116,183
Contributions in relation to the contractually required contribution	<u>(502,728)</u>	<u>(401,259)</u>	<u>(382,213)</u>	<u>(315,281)</u>	<u>(269,089)</u>	<u>(261,008)</u>	<u>(252,232)</u>	<u>(227,459)</u>	<u>(215,140)</u>	<u>(183,969)</u>	<u>(158,602)</u>	<u>(116,183)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,384,836	\$ 3,498,073	\$ 3,276,111	\$ 2,720,325	\$ 2,395,505	\$ 2,338,726	\$ 2,271,121	\$ 2,156,792	\$ 2,110,210	\$ 1,908,761	\$ 1,809,109	\$ 1,366,859
Contributions as a percentage of covered payroll	11.47%	11.47%	11.67%	11.59%	11.23%	11.16%	11.11%	10.55%	10.20%	9.64%	8.77%	8.50%

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

COUNTY OF FRANKLIN, MAINE

SCHEDULE 4

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2025

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/24 (Reporting December 31, 2024)	\$ 267,552	\$ -	\$ 267,552
Changes for the year:			
Service cost	27,011	-	27,011
Interest	9,551	-	9,551
Changes of benefits	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(10,317)	-	(10,317)
Contributions - employer	-	3,521	(3,521)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(3,192)	(3,521)	329
Administrative expense	-	-	-
Net changes	<u>23,053</u>	<u>-</u>	<u>23,053</u>
Balances at 1/1/25 (Reporting December 31, 2025)	<u>\$ 290,605</u>	<u>\$ -</u>	<u>\$ 290,605</u>

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

SCHEDULE 5

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
<u>Total OPEB liability</u>								
Service cost (BOY)	\$ 27,011	\$ 20,533	\$ 24,758	\$ 23,713	\$ 20,471	\$ 15,395	\$ 17,250	\$ 14,412
Interest (includes interest on service cost)	9,551	10,708	6,139	7,467	8,242	9,458	8,000	7,464
Changes of benefit terms	-	-	-	-	-	(5,357)	-	-
Differences between expected and actual experience	-	(102,335)	-	(60,594)	-	(19,884)	-	(17,538)
Changes of assumptions	(10,317)	73,107	(34,229)	(24,230)	20,839	66,757	(24,032)	28,965
Benefit payments, including refunds of member contributions	(3,192)	(3,521)	(1,741)	(1,427)	(1,372)	(1,262)	(1,213)	(863)
Net change in total OPEB liability	\$ 23,053	\$ (1,508)	\$ (5,073)	\$ (55,071)	\$ 48,180	\$ 65,107	\$ 5	\$ 32,440
Total OPEB liability - beginning	\$ 267,552	\$ 269,060	\$ 274,133	\$ 329,204	\$ 281,024	\$ 215,917	\$ 215,912	\$ 183,472
Total OPEB liability - ending	\$ 290,605	\$ 267,552	\$ 269,060	\$ 274,133	\$ 329,204	\$ 281,024	\$ 215,917	\$ 215,912
<u>Plan fiduciary net position</u>								
Contributions - employer	3,192	3,521	1,741	1,427	1,372	1,262	1,213	863
Contributions - member	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(3,192)	(3,521)	(1,741)	(1,427)	(1,372)	(1,262)	(1,213)	(863)
Administrative expense	-	-	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending	\$ 290,605	\$ 267,552	\$ 269,060	\$ 274,133	\$ 329,204	\$ 281,024	\$ 215,917	\$ 215,912
Plan fiduciary net position as a percentage of the total OPEB liability	-	-	-	-	-	-	-	-
Covered payroll	\$ 2,272,150	\$ 2,272,150	\$ 1,750,747	\$ 1,750,747	\$ 1,645,500	\$ 1,645,500	\$ 1,619,125	\$ 1,619,125
Net OPEB liability as a percentage of covered payroll	12.8%	11.8%	15.4%	15.7%	20.0%	17.1%	13.3%	13.3%

* The amounts presented for each fiscal year are for those years for which information is available.

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

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
<u>MMEHT:</u>								
Employer contributions	\$ 3,192	\$ 3,521	\$ 1,741	\$ 1,427	\$ 1,372	\$ 1,262	\$ 1,213	\$ 863
Benefit payments	(3,192)	(3,521)	(1,741)	(1,427)	(1,372)	(1,262)	(1,213)	(863)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,272,150	\$ 2,272,150	\$ 1,750,747	\$ 1,750,747	\$ 1,645,500	\$ 1,645,500	\$ 1,619,125	\$ 1,619,125
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

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

COUNTY OF FRANKLIN, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

Changes of Assumptions

MEPERS PLD Plan:

There were no changes to the actuarial assumptions.

MMEHT OPEB Plan:

The discount rate was updated to reflect the December 26, 2024 Bond Buyer 20-Bond GO Index. Short-term trends were adjusted in this valuation to reflect the expected 2025 per capita costs, premium increases, and an increase in expected rebates.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual Expenditures	Variance Positive (Negative)
Superior Court	\$ 3,000	\$ 3,000	\$ 915	\$ 2,085
Emergency Management Agency -				
Personnel services	208,174	208,174	159,915	48,259
Contractual	42,400	42,400	38,684	3,716
Supplies	1,750	1,750	1,396	354
Capital outlay	1,500	1,500	-	1,500
	<u>253,824</u>	<u>253,824</u>	<u>199,995</u>	<u>53,829</u>
District Attorney -				
Personnel services	278,485	278,485	275,220	3,265
Contractual	76,848	76,848	66,940	9,908
Supplies	13,800	13,800	10,941	2,859
Capital outlay	3,000	3,000	2,785	215
District 3 joint budget	6,500	6,500	6,023	477
	<u>378,633</u>	<u>378,633</u>	<u>361,909</u>	<u>16,724</u>
County Commissioners -				
Personnel services	314,014	314,014	312,418	1,596
Contractual	52,000	52,000	56,120	(4,120)
Supplies	5,000	5,000	4,959	41
Capital outlay	7,000	7,000	2,320	4,680
Donations and other	3,750	3,750	3,460	290
	<u>381,764</u>	<u>381,764</u>	<u>379,277</u>	<u>2,487</u>
County Treasurer -				
Personnel services	150,484	150,484	138,645	11,839
Contractual	84,350	84,350	96,670	(12,320)
Supplies	4,250	4,250	2,695	1,555
Capital outlay	4,000	4,000	904	3,096
	<u>243,084</u>	<u>243,084</u>	<u>238,914</u>	<u>4,170</u>

SCHEDULE A (CONTINUED)

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual Expenditures	Variance Positive (Negative)
Technical Service -				
Personnel services	216,358	216,358	210,343	6,015
Contractual	210,220	210,220	306,317	(96,097)
Supplies	3,000	3,000	3,088	(88)
Capital outlay	25,000	25,000	2,136	22,864
	<u>454,578</u>	<u>454,578</u>	<u>521,884</u>	<u>(67,306)</u>
County Courthouse -				
Personnel services	176,496	176,496	165,700	10,796
Contractual	80,850	80,850	64,732	16,118
Supplies	3,300	3,300	5,059	(1,759)
Capital outlay	6,500	6,500	7,088	(588)
	<u>267,146</u>	<u>267,146</u>	<u>242,579</u>	<u>24,567</u>
Communications -				
Personnel services	1,263,626	1,263,626	1,193,360	70,266
Contractual	42,349	42,349	27,439	14,910
Supplies	6,300	6,300	6,048	252
Capital outlay	32,080	32,080	26,532	5,548
	<u>1,344,355</u>	<u>1,344,355</u>	<u>1,253,379</u>	<u>90,976</u>
Extension Service -				
Contractual services	216,240	216,240	233,589	(17,349)
Register of Deeds -				
Personnel services	231,780	231,780	183,033	48,747
Contractual	37,200	37,200	24,716	12,484
Supplies	750	750	548	202
	<u>269,730</u>	<u>269,730</u>	<u>208,297</u>	<u>61,433</u>
Insurance	116,950	116,950	107,038	9,912
Debt Service -				
Principal	43,200	43,200	44,979	(1,779)
Interest	6,808	6,808	5,029	1,779
	<u>50,008</u>	<u>50,008</u>	<u>50,008</u>	<u>-</u>

COUNTY OF FRANKLIN, MAINE

SCHEDULE A (CONTINUED)

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual Expenditures	Variance Positive (Negative)
Register of Probate -				
Personnel services	277,823	277,823	239,682	38,141
Contractual	20,800	20,800	16,444	4,356
Supplies	3,825	3,825	7,310	(3,485)
Capital outlay	5,700	5,700	3,348	2,352
	<u>308,148</u>	<u>308,148</u>	<u>266,784</u>	<u>41,364</u>
Civil Process Service				
Personnel services	-	-	37,428	(37,428)
Contractual	-	-	1,452	(1,452)
Supplies	-	-	1,109	(1,109)
	<u>-</u>	<u>-</u>	<u>39,989</u>	<u>(39,989)</u>
Sheriff's Department -				
Personnel services	2,251,932	2,251,932	2,286,374	(34,442)
Contractual	119,588	119,588	115,280	4,308
Supplies	194,340	194,340	110,188	84,152
Capital outlay	198,750	198,750	196,563	2,187
	<u>2,764,610</u>	<u>2,764,610</u>	<u>2,708,405</u>	<u>56,205</u>
Program Grants -				
Children's Task Force	12,500	12,500	12,500	-
Adult basic education	20,000	20,000	20,000	-
Western Maine Transportation	39,750	39,750	39,750	-
Community Action Agency	55,850	55,850	55,850	-
Andro Homecare / Hospice	30,000	30,000	30,000	-
SAPARS	20,000	20,000	20,000	-
Seniors Plus	40,000	40,000	40,000	-
Soil and Water	30,000	30,000	30,000	-
Franklin County Firemen	3,700	3,700	-	3,700
	<u>251,800</u>	<u>251,800</u>	<u>248,100</u>	<u>3,700</u>
Transfers to other funds	<u>144,900</u>	<u>144,900</u>	<u>144,900</u>	<u>-</u>
TOTAL DEPARTMENTAL OPERATIONS	<u>\$ 7,448,770</u>	<u>\$ 7,448,770</u>	<u>\$ 7,205,962</u>	<u>\$ 242,808</u>

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

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 227,825	\$ 227,825
Due from other governments	166,454	166,454
Due from other funds	1,825,879	1,825,879
TOTAL ASSETS	<u>\$ 2,220,158</u>	<u>\$ 2,220,158</u>
LIABILITIES		
Due to other funds	\$ 208,944	\$ 208,944
TOTAL LIABILITIES	<u>208,944</u>	<u>208,944</u>
FUND BALANCES		
Nonspendable	-	-
Restricted	723,202	723,202
Committed	1,328,892	1,328,892
Assigned	1,610	1,610
Unassigned (deficit)	(42,490)	(42,490)
TOTAL FUND BALANCES	<u>2,011,214</u>	<u>2,011,214</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,220,158</u>	<u>\$ 2,220,158</u>

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

SCHEDULE C

COUNTY OF FRANKLIN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES		
Intergovernmental	\$ 686,208	\$ 686,208
Charges for services	28,642	28,642
Other	23,996	23,996
TOTAL REVENUES	<u>738,846</u>	<u>738,846</u>
EXPENDITURES		
Emergency management	157,361	157,361
County Courthouse	69,046	69,046
Jail	11,361	11,361
Registry of deeds	6,172	6,172
Sheriff's office	576,998	576,998
Regional communications center	15,135	15,135
County-wide	9,727	9,727
TOTAL EXPENDITURES	<u>845,800</u>	<u>845,800</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(106,954)</u>	<u>(106,954)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	144,900	144,900
Transfers (out)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>144,900</u>	<u>144,900</u>
NET CHANGE IN FUND BALANCES	<u>37,946</u>	<u>37,946</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	1,947,210	1,947,210
CHANGE WITHIN FINANCIAL REPORTING ENTITY	<u>26,058</u>	<u>26,058</u>
FUND BALANCES - JULY 1, AS RESTATED	<u>1,973,268</u>	<u>1,973,268</u>
FUND BALANCES - JUNE 30	<u>\$ 2,011,214</u>	<u>\$ 2,011,214</u>

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

Special Revenue Funds

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

SCHEDULE D

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	COPS Grant	Court House	Deeds Preservation	Homeland Security	Deeds Microfilm	Per- ambulation	Contingency Reserve
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ 185,190	\$ -	\$ -	\$ -	\$ -
Due from other governments	5,269	-	-	57,587	-	-	-
Due from other funds	-	199,672	3,000	-	1,175	10,261	100,000
TOTAL ASSETS	\$ 5,269	\$ 199,672	\$ 188,190	\$ 57,587	\$ 1,175	\$ 10,261	\$ 100,000
LIABILITIES							
Due to other funds	\$ 47,759	\$ -	\$ -	\$ 57,587	\$ -	\$ -	\$ -
TOTAL LIABILITIES	47,759	-	-	57,587	-	-	-
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	188,190	-	-	-	-
Committed	-	199,672	-	-	1,175	10,261	100,000
Assigned	-	-	-	-	-	-	-
Unassigned	(42,490)	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	(42,490)	199,672	188,190	-	1,175	10,261	100,000
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 5,269	\$ 199,672	\$ 188,190	\$ 57,587	\$ 1,175	\$ 10,261	\$ 100,000

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	EMA Capital Reserve	MMA Safety Grant	EMA In-kind	Probate Equipment	Fire Safety	Inmate Telephone
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	44,839	2,184	8,755	1,187	98	41,066
TOTAL ASSETS	<u>\$ 44,839</u>	<u>\$ 2,184</u>	<u>\$ 8,755</u>	<u>\$ 1,187</u>	<u>\$ 98</u>	<u>\$ 41,066</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	2,184	8,755	1,187	98	41,066
Committed	44,839	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>44,839</u>	<u>2,184</u>	<u>8,755</u>	<u>1,187</u>	<u>98</u>	<u>41,066</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 44,839</u>	<u>\$ 2,184</u>	<u>\$ 8,755</u>	<u>\$ 1,187</u>	<u>\$ 98</u>	<u>\$ 41,066</u>

SCHEDULE D (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	LEPC	Benefits	WWI Monument	Parking Lot	Probate Preservation	Server Upgrade
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 42,635	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	1,228	40,000	1,061	60,000	620	172,706
TOTAL ASSETS	\$ 1,228	\$ 40,000	\$ 1,061	\$ 60,000	\$ 43,255	\$ 172,706
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	-	-	-	-	-	-
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	1,228	-	1,061	-	43,255	-
Committed	-	40,000	-	60,000	-	172,706
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	1,228	40,000	1,061	60,000	43,255	172,706
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 1,228	\$ 40,000	\$ 1,061	\$ 60,000	\$ 43,255	\$ 172,706

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	Sheriffs Reserve	Sheriffs Office Vehicle Reserve	Stone Garden	Moved to Major Fund Safety Building	Dispatch Radios	Dispatch Equipment Reserve
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	188,029	282,901	-	-	374	55,215
TOTAL ASSETS	<u>\$ 188,029</u>	<u>\$ 282,901</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374</u>	<u>\$ 55,215</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	188,029	282,901	-	-	374	55,215
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>188,029</u>	<u>282,901</u>	<u>-</u>	<u>-</u>	<u>374</u>	<u>55,215</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 188,029</u>	<u>\$ 282,901</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374</u>	<u>\$ 55,215</u>

SCHEDULE D (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2025

	Unemployment	COSSUP Grant	Sandy River	Clerical Support	Mitigation	Jail Bldgs/Grnds	Drug Forfeiture
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	36,571	-	-	-	-	-
Due from other funds	26,871	-	10,802	1,610	170	2,105	9,313
TOTAL ASSETS	<u>\$ 26,871</u>	<u>\$ 36,571</u>	<u>\$ 10,802</u>	<u>\$ 1,610</u>	<u>\$ 170</u>	<u>\$ 2,105</u>	<u>\$ 9,313</u>
LIABILITIES							
Due to other funds	\$ -	\$ 36,571	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>36,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	10,802	-	170	-	9,313
Committed	26,871	-	-	-	-	2,105	-
Assigned	-	-	-	1,610	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>26,871</u>	<u>-</u>	<u>10,802</u>	<u>1,610</u>	<u>170</u>	<u>2,105</u>	<u>9,313</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 26,871</u>	<u>\$ 36,571</u>	<u>\$ 10,802</u>	<u>\$ 1,610</u>	<u>\$ 170</u>	<u>\$ 2,105</u>	<u>\$ 9,313</u>

SCHEDULE D (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	Jail Reserve	Sheriff's Office ISF	I Am Responding Software	School Safety	Opioid Settle	Total
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,825
Due from other governments	-	-	-	67,027	-	166,454
Due from other funds	141,766	9,000	2,978	-	406,893	1,825,879
TOTAL ASSETS	\$ 141,766	\$ 9,000	\$ 2,978	\$ 67,027	\$ 406,893	\$ 2,220,158
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ 67,027	\$ -	\$ 208,944
TOTAL LIABILITIES	-	-	-	67,027	-	208,944
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	9,000	-	-	406,893	723,202
Committed	141,766	-	2,978	-	-	1,328,892
Assigned	-	-	-	-	-	1,610
Unassigned	-	-	-	-	-	(42,490)
TOTAL FUND BALANCES (DEFICITS)	141,766	9,000	2,978	-	406,893	2,011,214
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 141,766	\$ 9,000	\$ 2,978	\$ 67,027	\$ 406,893	\$ 2,220,158

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

SCHEDULE E

COUNTY OF FRANKLIN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	COPS Grant	Court House	Deeds Preservation	Homeland Security	Deeds Microfilm	Per- ambulation	Contingency Reserve
REVENUES							
Intergovernmental	\$ 35,028	\$ -	\$ -	\$ 134,813	\$ -	\$ -	\$ -
Charges for services	-	-	25,016	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>35,028</u>	<u>-</u>	<u>25,016</u>	<u>134,813</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Emergency management	-	-	-	134,813	-	-	-
County Courthouse	-	69,046	-	-	-	-	-
Registry of deeds	-	-	6,172	-	-	-	-
Sheriff's office	77,518	-	-	-	-	-	-
Jail	-	-	-	-	-	-	-
Regional communications center	-	-	-	-	-	-	-
County-wide	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>77,518</u>	<u>69,046</u>	<u>6,172</u>	<u>134,813</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(42,490)</u>	<u>(69,046)</u>	<u>18,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	18,500	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>18,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>(42,490)</u>	<u>(50,546)</u>	<u>18,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	-	250,218	169,346	-	1,175	10,261	100,000
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	<u>-</u>	<u>250,218</u>	<u>169,346</u>	<u>-</u>	<u>1,175</u>	<u>10,261</u>	<u>100,000</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ (42,490)</u>	<u>\$ 199,672</u>	<u>\$ 188,190</u>	<u>\$ -</u>	<u>\$ 1,175</u>	<u>\$ 10,261</u>	<u>\$ 100,000</u>

SCHEDULE E (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	EMA Capital Reserve	MMA Safety Grant	EMA In-kind	Probate Equipment	Fire Safety	Inmate Telephone
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Other	-	-	-	-	-	5,340
TOTAL REVENUES	-	-	-	-	-	5,340
EXPENDITURES						
Emergency management	5,990	-	1,363	-	1,172	-
County Courthouse	-	-	-	-	-	-
Registry of deeds	-	-	-	-	-	-
Sheriff's office	-	-	-	-	-	-
Jail	-	-	-	-	-	11,361
Regional communications center	-	-	-	-	-	-
County-wide	-	-	-	-	-	-
TOTAL EXPENDITURES	5,990	-	1,363	-	1,172	11,361
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,990)	-	(1,363)	-	(1,172)	(6,021)
OTHER FINANCING SOURCES (USES)						
Transfers in	4,000	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	4,000	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(1,990)	-	(1,363)	-	(1,172)	(6,021)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	46,829	2,184	10,118	1,187	1,270	47,087
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	46,829	2,184	10,118	1,187	1,270	47,087
FUND BALANCES (DEFICITS) - JUNE 30	\$ 44,839	\$ 2,184	\$ 8,755	\$ 1,187	\$ 98	\$ 41,066

SCHEDULE E (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	LEPC	Benefits	WWI Monument	Parking Lot	Probate Preservation	Server Upgrade
REVENUES						
Intergovernmental	\$ 11,398	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	3,626	-
Other	-	-	-	-	-	-
TOTAL REVENUES	<u>11,398</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,626</u>	<u>-</u>
EXPENDITURES						
Emergency management	12,035	-	-	-	-	-
County Courthouse	-	-	-	-	-	-
Registry of deeds	-	-	-	-	-	-
Sheriff's office	-	-	-	-	-	-
Jail	-	-	-	-	-	-
Regional communications center	-	-	-	-	-	-
County-wide	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>12,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(637)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,626</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	5,000
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>(637)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,626</u>	<u>5,000</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	1,865	40,000	1,061	60,000	39,629	167,706
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	<u>1,865</u>	<u>40,000</u>	<u>1,061</u>	<u>60,000</u>	<u>39,629</u>	<u>167,706</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 1,228</u>	<u>\$ 40,000</u>	<u>\$ 1,061</u>	<u>\$ 60,000</u>	<u>\$ 43,255</u>	<u>\$ 172,706</u>

SCHEDULE E (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Sheriffs Reserve	Sheriffs Office Vehicle Reserve	Stone Garden	Moved to Major Fund Safety Building	Dispatch Radios	Dispatch Equipment Reserve
REVENUES						
Intergovernmental	\$ -	\$ -	\$ 98,197	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Other	-	410	-	-	-	-
TOTAL REVENUES	-	410	98,197	-	-	-
EXPENDITURES						
Emergency management	-	-	-	-	-	-
County Courthouse	-	-	-	-	-	-
Registry of deeds	-	-	-	-	-	-
Sheriff's office	6,028	67,169	98,197	-	-	-
Jail	-	-	-	-	-	-
Regional communications center	-	-	-	-	-	7,735
County-wide	-	-	-	-	-	-
TOTAL EXPENDITURES	6,028	67,169	98,197	-	-	7,735
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,028)	(66,759)	-	-	-	(7,735)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	100,000	-	-	-	10,000
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	100,000	-	-	-	10,000
NET CHANGE IN FUND BALANCES (DEFICITS)	(6,028)	33,241	-	-	-	2,265
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	194,057	249,660	-	(26,058)	374	52,950
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	26,058	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	194,057	249,660	-	-	374	52,950
FUND BALANCES (DEFICITS) - JUNE 30	\$ 188,029	\$ 282,901	\$ -	\$ -	\$ 374	\$ 55,215

SCHEDULE E (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Unemployment	COSSUP Grant	Sandy River	Clerical Support	Mitigation	Jail Bldgs/Grds	Drug Forfeiture
REVENUES							
Intergovernmental	\$ -	\$ 118,027	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Other	-	-	12,500	-	-	-	-
TOTAL REVENUES	-	118,027	12,500	-	-	-	-
EXPENDITURES							
Emergency management	-	-	1,698	290	-	-	-
County Courthouse	-	-	-	-	-	-	-
Registry of deeds	-	-	-	-	-	-	-
Sheriff's office	-	118,027	-	-	-	-	2,000
Jail	-	-	-	-	-	-	-
Regional communications center	-	-	-	-	-	-	-
County-wide	9,727	-	-	-	-	-	-
TOTAL EXPENDITURES	9,727	118,027	1,698	290	-	-	2,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,727)	-	10,802	(290)	-	-	(2,000)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(9,727)	-	10,802	(290)	-	-	(2,000)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	36,598	-	-	1,900	170	2,105	11,313
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	36,598	-	-	1,900	170	2,105	11,313
FUND BALANCES (DEFICITS) - JUNE 30	\$ 26,871	\$ -	\$ 10,802	\$ 1,610	\$ 170	\$ 2,105	\$ 9,313

SCHEDULE E (CONTINUED)

COUNTY OF FRANKLIN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Jail Reserve	Sheriff's Office ISF	I Am Responding Software	School Safety	Opioid Settle	Total
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 200,694	\$ 88,051	\$ 686,208
Charges for services	-	-	-	-	-	28,642
Other	-	5,746	-	-	-	23,996
TOTAL REVENUES	<u>-</u>	<u>5,746</u>	<u>-</u>	<u>200,694</u>	<u>88,051</u>	<u>738,846</u>
EXPENDITURES						
Emergency management	-	-	-	-	-	157,361
County Courthouse	-	-	-	-	-	69,046
Registry of deeds	-	-	-	-	-	6,172
Sheriff's office	-	7,251	-	200,694	114	576,998
Jail	-	-	-	-	-	11,361
Regional communications center	-	-	7,400	-	-	15,135
County-wide	-	-	-	-	-	9,727
TOTAL EXPENDITURES	<u>-</u>	<u>7,251</u>	<u>7,400</u>	<u>200,694</u>	<u>114</u>	<u>845,800</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(1,505)</u>	<u>(7,400)</u>	<u>-</u>	<u>87,937</u>	<u>(106,954)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	7,400	-	-	144,900
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>7,400</u>	<u>-</u>	<u>-</u>	<u>144,900</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>-</u>	<u>(1,505)</u>	<u>-</u>	<u>-</u>	<u>87,937</u>	<u>37,946</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	141,766	10,505	2,978	-	318,956	1,947,210
CHANGE WITHIN FINANCIAL REPORTING ENTITY	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,058</u>
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	141,766	10,505	2,978	-	318,956	1,973,268
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 141,766</u>	<u>\$ 9,000</u>	<u>\$ 2,978</u>	<u>\$ -</u>	<u>\$ 406,893</u>	<u>\$ 2,011,214</u>

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

General Capital Assets

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

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2025

	Land and Non-depreciable Assets	Buildings, Land and Building Improvements	Furniture, Fixtures Equipment and Vehicles	Infrastructure	Total
County-wide	\$ 121,350	\$ 451,745	\$ 365,552	\$ -	\$ 938,647
Emergency Management Agency	4,304,581	39,235	94,748	-	4,438,564
District Attorney	-	-	16,919	-	16,919
County Treasurer	-	-	4,902	-	4,902
Register of Deeds	-	5,215	292,885	-	298,100
Register of Probate	-	-	7,938	-	7,938
Sheriff	76,793	2,874,599	2,401,504	33,950	5,386,846
Total General Capital	4,502,724	3,370,794	3,184,448	33,950	11,091,916
Less: Accumulated Depreciation	-	(1,951,701)	(1,639,023)	(4,074)	(3,594,798)
Net General Capital Assets	\$ 4,502,724	\$ 1,419,093	\$ 1,545,425	\$ 29,876	\$ 7,497,118

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

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2025

	General Capital Assets 7/1/24 (Restated)	Additions	Disposals/ Transfers	General Capital Assets 6/30/25
County-wide	\$ 629,318	\$ 309,329	\$ -	\$ 938,647
Emergency Management Agency	957,775	3,480,789	-	4,438,564
District Attorney	16,919	-	-	16,919
County Treasurer	4,902	-	-	4,902
Register of Deeds	298,100	-	-	298,100
Register of Probate	7,938	-	-	7,938
Sheriff	4,878,587	508,259	-	5,386,846
Total General Capital	<u>6,793,539</u>	<u>4,298,377</u>	-	<u>11,091,916</u>
Less: Accumulated Depreciation	<u>(3,279,122)</u>	<u>(315,676)</u>	-	<u>(3,594,798)</u>
Net General Capital Assets	<u>\$ 3,514,417</u>	<u>\$ 3,982,701</u>	<u>\$ -</u>	<u>\$ 7,497,118</u>

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

Federal Compliance

Federal compliance includes financial information and reports that are required in accordance with Government Auditing Standards and/or the Uniform Guidance in accordance with 2 CFR § 515. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- 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 *Governmental Auditing Standards*
- Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor Pass Through Grantor Program/Cluster Title	Federal AL Number	Pass Through Number	Expenditures to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
Community Facilities Loans and Grants				
USDA Community Facilities	10.766	N/A	\$ -	\$ 2,024,109
Total U.S. Department of Agriculture			-	2,024,109
U.S. Department of Justice				
Cops Hiring Program				
Cops Hiring Program	16.068	N/A	-	77,518
Total Cops Hiring			-	77,518
School Violence Prevention Program				
School Violence Prevention Program	16.071	N/A	-	200,694
Total School Violence Prevention Program			-	200,694
Comprehensive Opioid, Stimulant, and other Substances Use Program				
Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	N/A	-	118,027
Total Comprehensive Opioid, Stimulant, and other Substances Use Program			-	118,027
Total U.S. Department of Justice			-	396,239
Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	1,665,000
Total Coronavirus State and Local Fiscal Recovery Funds			-	1,665,000
U.S. Department of Homeland Security				
Passed through the Maine Emergency Management Agency				
Emergency Management Performance Grants	97.042	N/A	-	68,835
Homeland Security Grant Program	97.067	N/A	-	71,984
Homeland Security Grant Program	97.067	N/A	-	134,812
Total U.S. Department of Homeland Security			-	275,631
TOTAL FEDERAL ASSISTANCE			\$ -	\$ 4,360,979

COUNTY OF FRANKLIN, MAINE

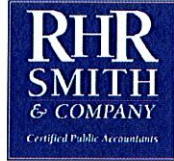
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Franklin, Maine under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Franklin, Maine, it is not intended to and does not present the financial position, changes in net position or cash flows of the County of Franklin, Maine.

2. Summary of Significant Accounting Policies

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. The County of Franklin, Maine has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



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

Board of Commissioners
County of Franklin, Maine
Farmington, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of Franklin, Maine as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the County of Franklin, Maine's basic financial statements and have issued our report thereon dated April 17, 2026.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented or detected and corrected, on a timely basis. 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.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Franklin, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Additionally, as part of obtaining reasonable assurance about whether the County of Franklin, Maine's financial statements are free of material misstatement, we considered the County of Franklin, Maine's internal controls. We did this for the purpose of determining our auditing procedures but not for the purpose of expressing an opinion on the effectiveness of the County of Franklin, Maine's internal control over financial reporting or compliance. We provided a separate letter reporting the results of our consideration of internal control to the management of the County of Franklin, Maine dated April 17, 2026.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
April 17, 2026



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

Board of Commissioners
County of Franklin
Farmington, Maine

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Franklin, Maine's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the County of Franklin, Maine's major federal programs for the year ended June 30, 2025. The County of Franklin, Maine's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County of Franklin, Maine complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County of Franklin, Maine's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County of Franklin, Maine's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County of Franklin, Maine's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

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

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

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

RHR Smith & Company

Buxton, Maine
April 17, 2026

COUNTY OF FRANKLIN, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no
- Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

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

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR section 200.516(a)? yes no

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
10.766	Community Facilities Loans & Grants

Dollar threshold used to distinguish between type A and B: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II - Financial Statement Findings

None

Section III - Findings and Questioned Costs for Federal Awards

None