

Audited Financial Statements  
and Other Financial Information

**County of Aroostook, Maine  
Unorganized Territories**

June 30, 2021



*Proven Expertise & Integrity*

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

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JUNE 30, 2021

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## INDEPENDENT AUDITOR'S REPORT

County Commissioners  
County of Aroostook, Maine - Unorganized Territories  
Caribou, Maine

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the County of Aroostook - Unorganized Territories, as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Unorganized Territories' basic financial statements as listed in the table of contents.

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

In our opinion, except for the items mentioned in the previous paragraph, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the County of Aroostook - Unorganized Territories as of June 30, 2021 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## *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 Aroostook - Unorganized Territories 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.

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 Aroostook - Unorganized Territories' 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 Aroostook - Unorganized Territories' 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 Aroostook - Unorganized Territories' 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.

The financial statements referred to above do not include a management discussion and analysis, capital assets, depreciation on capital assets and other disclosures required to be in compliance with Governmental Accounting Standards Boards Statement No. 34. The effect on the financial statements cannot be determined.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Aroostook - Unorganized Territories' basic financial statements. The Schedule of Departmental Operations - General Fund and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2023, on our consideration of the County of Aroostook - Unorganized Territories' 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 Aroostook - Unorganized Territories' 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 Aroostook - Unorganized Territories' internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
October 20, 2023

STATEMENT A

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2021

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,234,861	\$ -	\$ 2,234,861
Due from other funds	<u>1,741</u>	<u>1,945,212</u>	<u>1,946,953</u>
<b>TOTAL ASSETS</b>	<u><u>2,236,602</u></u>	<u><u>\$ 1,945,212</u></u>	<u><u>4,181,814</u></u>
<b>LIABILITIES</b>			
Accrued expenses	\$ 12,751	\$ -	\$ 12,751
Due to other funds	<u>1,945,212</u>	<u>1,741</u>	<u>1,946,953</u>
<b>TOTAL LIABILITIES</b>	<u><u>1,957,963</u></u>	<u><u>1,741</u></u>	<u><u>1,959,704</u></u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	1,945,212	1,945,212
Assigned	-	-	-
Unassigned (Deficit)	<u>278,639</u>	<u>(1,741)</u>	<u>276,898</u>
<b>TOTAL FUND BALANCES</b>	<u><u>278,639</u></u>	<u><u>1,943,471</u></u>	<u><u>2,222,110</u></u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 2,236,602</u></u>	<u><u>\$ 1,945,212</u></u>	<u><u>\$ 4,181,814</u></u>

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

STATEMENT B

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Other Governmental Funds	Total
<b>REVENUES</b>			
Taxes:			
Property taxes	\$ 1,660,229	\$ -	\$ 1,660,229
Excise taxes	381,485	-	381,485
Intergovernmental revenue	101,919	-	101,919
Miscellaneous revenue	22,485	329,325	351,810
<b>TOTAL REVENUES</b>	<b>2,166,118</b>	<b>329,325</b>	<b>2,495,443</b>
<b>EXPENDITURES</b>			
Current:			
Snow removal	542,263	-	542,263
Fire protection	173,543	-	173,543
Ambulance services	152,340	-	152,340
Street lights	8,822	-	8,822
Polling places	13,750	-	13,750
Recreation	2,566	-	2,566
Senior citizens	10,242	-	10,242
Cemeteries	5,804	-	5,804
Septage disposal	5,095	-	5,095
Solid waste	138,926	-	138,926
Roads/bridge maintenance	185,500	-	185,500
Personnel services	297,735	-	297,735
Public works	6,348	-	6,348
Miscellaneous	35,980	433,949	469,929
Insurance	3,510	-	3,510
Legal fees	1,912	-	1,912
Administration fees	101,078	-	101,078
Audit	3,200	-	3,200
<b>TOTAL EXPENDITURES</b>	<b>1,688,614</b>	<b>433,949</b>	<b>2,122,563</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>477,504</b>	<b>(104,624)</b>	<b>372,880</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	-	587,405	587,405
Transfers (out)	(587,405)	-	(587,405)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>(587,405)</b>	<b>587,405</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(109,901)</b>	<b>482,781</b>	<b>372,880</b>
<b>FUND BALANCES - JULY 1, RESTATED</b>	<b>388,540</b>	<b>1,460,690</b>	<b>1,849,230</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 278,639</b>	<b>\$ 1,943,471</b>	<b>\$ 2,222,110</b>

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

## COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEARS ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Budgetary Fund Balance, July 1, Restated	\$ 388,540	\$ 388,540	\$ 388,540	\$ -
Resources (Inflows):				
Taxes:				
Property taxes	1,660,229	1,660,229	1,660,229	-
Excise taxes	345,000	345,000	381,485	36,485
Intergovernmental revenue	106,902	106,902	101,919	(4,983)
Miscellaneous revenue	10,500	10,500	22,485	11,985
Amounts Available for Appropriation	<u>2,511,171</u>	<u>2,511,171</u>	<u>2,554,658</u>	<u>43,487</u>
Charges to Appropriations (Outflows):				
Snow removal	556,082	556,082	542,263	13,819
Fire protection	189,825	189,825	173,543	16,282
Ambulance services	59,879	59,879	152,340	(92,461)
Street lights	16,575	16,575	8,822	7,753
Polling places	13,350	13,350	13,750	(400)
Recreation	7,000	7,000	2,566	4,434
Senior citizens	16,651	16,651	10,242	6,409
Cemeteries	4,550	4,550	5,804	(1,254)
Septage disposal	5,249	5,249	5,095	154
Solid waste	140,477	140,477	138,926	1,551
Roads/bridge maintenance	185,500	185,500	185,500	-
Personnel services	279,630	279,630	297,735	(18,105)
Public works	22,173	22,173	6,348	15,825
Miscellaneous	39,412	39,412	35,980	3,432
Insurance	3,510	3,510	3,510	-
Legal fees	1,700	1,700	1,912	(212)
Administration fees	101,078	101,078	101,078	-
Audit	3,240	3,240	3,200	40
Transfers to Other Funds	476,750	476,750	587,405	(110,655)
Total Charges to Appropriations	<u>2,122,631</u>	<u>2,122,631</u>	<u>2,276,019</u>	<u>(153,388)</u>
Budgetary Fund Balance, June 30	<u>\$ 388,540</u>	<u>\$ 388,540</u>	<u>\$ 278,639</u>	<u>\$ (109,901)</u>

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

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The County of Aroostook - Unorganized Territories is governed by the State of Maine and County of Aroostook officials. The following services are provided: fire department, contracting for snow removal, waste disposal and other administrative activities.

The accounting policies of the County of Aroostook - Unorganized Territories conform to accounting principles generally accepted in the United States of America applicable to governmental units, except for the implementation of *Government Accounting Standards Board Statement Number 34*. The following is a summary of the more significant of these policies.

The County Unorganized Territories is the basic level of government, which has financial accountability and control over all activities related to the County Unorganized Territories. The County Unorganized Territories is not included in any other governmental "reporting entity" as defined by GASB 14. In addition, we have determined that the County Unorganized Territories has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

**COVID-19 Outbreak**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization and led to a national state of emergency in the United States. The State of Maine, along with other state and local governments, declared states of emergency and issued multiple public health emergency orders that severely restrict movement and limit businesses and activities to essential functions. These actions and effects of COVID-19 have disrupted economic activity at all levels and impacted the processes and procedures for almost all businesses, including municipal and quasi-municipal entities.

In response to the health crisis created by COVID-19 since early March of 2020, the Governor of Maine issued multiple executive orders and declarations to protect the public health in an effort to reduce community spread of the virus and protect citizens. These measures have included, among others, closing or restricting access to certain business and activities, issuing a "stay at home" directive for most citizens, restricting nonessential travel and limiting movement of all persons in Maine to those necessary to obtain or provide essential services or activities. The state of emergency expired on June 30, 2021.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Impact on and Results of Operations*

There was no impact on operations for the County of Aroostook – Unorganized Territories for fiscal year 2021 due to COVID-19.

*Impact on Finances*

The County does not currently anticipate any additional FY 2021 expenditures due to COVID-19 that would not be covered by existing resources including authorized Coronavirus, Aid, Relief and Economic Security (“CARES”) Act, American Rescue Plan Act (“ARPA”) funding and applicable Federal and/or State programs.

*Expected Federal/State Support*

The County Unorganized Territories may have to take action to meet certain requirements to receive any additional Federal or State funding for budgetary or economic relief related to the challenges presented by COVID-19. However, the County Unorganized Territories expects that if those actions are necessary, that the County Unorganized Territories would qualify and satisfy the various conditions required to receive applicable Federal or State funds.

*Conclusion*

The ongoing effects of COVID-19, including the financial impact to the County Unorganized Territories and its inhabitants, may change significantly as events and circumstances evolve locally, nationally and worldwide. At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the County Unorganized Territories. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the County Unorganized Territories.

**Implementation of New Accounting Standards**

During the year ended June 30, 2021, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 84 “Fiduciary Activities”. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval or condition is required to be taken or met by the beneficiary to release the assets. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 90 "Majority Equity Interests". This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 4-11a)". The primary objectives of paragraphs 4-11a concern hedging derivative instruments (specifically exceptions to termination of hedge accounting, modifications to hedged items, probability of expected transactions and appropriate benchmark interest rates). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency and comparability of reported information. Management has determined the impact of this Statement is not material to the financial statements.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Principles Determining Scope of Reporting Entity**

The financial statements of the County of Aroostook - Unorganized Territories consist only of the funds and account groups of the County Unorganized Territories. The criteria for including organizations as component units within the County Unorganized Territories reporting entity, as set forth in GAAP include whether:

- The County Unorganized Territories is legally separate (can sue and be sued in their own name)
- The County Unorganized Territories holds the corporate powers of the organization
- The County Unorganized Territories appoints a voting majority of the organization's board
- The County Unorganized Territories is able to impose its will on the organization
- The County Unorganized Territories has the potential to impose a financial benefit/burden on the County Unorganized Territories
- There is fiscal dependency by the organization of County Unorganized Territories.

Based on the aforementioned criteria, County of Aroostook - Unorganized Territories has no component units.

**Basis of Presentation**

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

**Governmental Funds**

Governmental funds are those through which general governmental functions of the Unorganized Territories of Aroostook County are financed. The acquisition, use and balances of the Unorganized Territories of Aroostook County expendable financial resources and the related liabilities (except those accounted for in Proprietary Funds) are accounted for through Governmental funds.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Capital Projects Funds - The Capital Projects Funds are used to account for all capital projects within the Unorganized Territories of Aroostook County.

Permanent Funds - The Permanent Funds are used to account for assets held by the County Unorganized Territories that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the County Unorganized Territories or its citizenry. The County Unorganized Territories' policy for authorizing and spending investment income follows State statutes.

**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.

All governmental funds are accounted for by using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. County Unorganized Territories taxes are recorded as revenue when levied even though a portion of the taxes may be collected in subsequent years. Miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Intergovernmental revenues and interest income are accrued when their receipt occurs soon enough after the end of the accounting period so as to be both measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to the general rule include principal and interest on general long-term debt which is recognized when due.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Budgets and Budgetary Accounting**

The County Unorganized Territories utilizes a formal budgetary accounting system to control revenues and expenditures accounted for in the County Unorganized Territories' general fund. The budget is presented on the modified accrual basis of accounting that is consistent with generally accepted accounting principles. The budget is established in accordance with various laws, which govern the County Unorganized Territories' operations.

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

1. The County Commissioners prepare estimates of the amounts needed for appropriations for the coming year.
2. A public hearing is held by the County Commissioners on these estimates prior to June 30.
3. On or before July 1, the budget is transmitted to the State Tax Assessor and Fiscal Administrator of the County Unorganized Territories to be presented to the State of Maine Legislature for final approval.

**Deposits and Investments**

The County of Aroostook - Unorganized Territories' 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 Unorganized Territories' policy to value investments at fair value. None of the County Unorganized Territories' investments are reported at amortized cost. For purposes of the statement of cash flows, the proprietary fund type and similar trust funds consider all highly liquid investments with a remaining maturity of three months or less when purchased to be cash equivalents.

The County Unorganized Territories' Treasurer is authorized by State Statutes to invest all excess funds in the following:

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

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County Unorganized Territories' investment policy follows that of Aroostook County and does not conflict with the State of Maine Statutes. The policy is comprehensive and is applicable to all County Unorganized Territories funds.

**Receivables**

Receivables include amounts due from governmental agencies. All receivables are current and therefore due within one year. Receivables are recorded 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, 2021. Accounts receivable netted with allowances for uncollectible accounts was \$0 for the year ended June 30, 2021.

**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 Unorganized Territories 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 Unorganized Territories. The inhabitants of the County Unorganized Territories through County Unorganized Territories meetings are the highest level of decision-making authority of the County Unorganized Territories. Commitments may be established, modified or rescinded only through a County Unorganized Territories meeting vote.

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 Board of Commissioners.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Unorganized Territories 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 Unorganized Territories considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the County Unorganized Territories meeting vote has provided otherwise in its commitment or assignment actions.

**Revenue Recognition - Property Taxes - Modified Accrual Basis**

The County Unorganized Territories' tax assessment is levied annually on the assessment values for each property located in the County Unorganized Territories. Assessment values are established for each municipality by the state. Taxes are payable on September 1, 2021. Interest shall accrue on all unpaid taxes beginning November 1, 2021 at a rate of 5.00% per annum.

**Encumbrance Accounting**

The County Unorganized Territories does not employ encumbrance accounting; under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriations.

**Use of Estimates**

During the preparation of the Town'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.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 2 - DEPOSITS AND INVESTMENTS

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

**Deposits**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the County Unorganized Territories will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The County of Aroostook - Unorganized Territories does not have a policy covering custodial credit risk. However, the County Unorganized Territories 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, 2021, the County Unorganized Territories' cash balance of \$2,234,861 was comprised of bank deposits of \$2,379,956. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the County Unorganized Territories' cash balance. Of these deposits, \$797,745 were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk. The remaining deposits of \$1,582,211 were uncollateralized and exposed to custodial risk.

<u>Account Type</u>	<u>Bank Balance</u>
NOW checking account	\$ 1,832,211
ICS account	547,745
	<u>\$ 2,379,956</u>

**Investments**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the County Unorganized Territories 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 Unorganized Territories does not have a policy for custodial credit risk for investments.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The County Unorganized Territories 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, 2021, the County Unorganized Territories did not have any investments.

Credit risk - Statutes for the State of Maine authorize the County Unorganized Territories 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 Unorganized Territories does not have an investment policy on credit risk.

NOTE 3 - RESTATEMENTS

In 2022, the County of Aroostook Unorganized Territories determined that certain balances in prior years were incorrect, therefore, restatement to governmental funds financial statements was required. The beginning general fund unassigned fund balance was restated by \$33,119 to include adjustments to due from other governments. The resulting restatement decreased the unassigned general fund balance from \$421,659 to \$388,540. The beginning general fund assigned fund balance was decreased by \$1,460,690 to \$0 and the beginning special revenue and capital reserves assigned fund balances were increased to \$36,688 and \$1,424,002, respectively, from \$0, in order to account for special revenue and capital reserves separate from the general fund.

## 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
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>SNOW REMOVAL</b>					
Cross Lake	\$ 24,000	\$ -	\$ 24,000	\$ 23,319	\$ 681
T17R4 (Sinclair)	6,600	-	6,600	6,600	-
T16R4 (Madawaska Lake)	8,200	-	8,200	8,380	(180)
Connor (Caribou)	97,100	-	97,100	99,176	(2,076)
E Plantation	21,265	-	21,265	21,265	-
T9R5	19,615	-	19,615	19,045	570
TDR2 (Bridgewater)	4,530	-	4,530	4,530	-
T2R5 (Sherman) Benedicta	90,000	-	90,000	87,220	2,780
T2R5 (Sherman) Silver Ridge	15,810	-	15,810	15,125	685
T1R5	39,372	-	39,372	38,440	932
TAR2	28,840	-	28,840	23,862	4,978
Oxbow - North	40,800	-	40,800	39,275	1,525
Cary Plantation	75,000	-	75,000	73,492	1,508
Bancroft	84,950	-	84,950	82,534	2,416
<b>Totals</b>	<b>556,082</b>	<b>-</b>	<b>556,082</b>	<b>542,263</b>	<b>13,819</b>
<b>FIRE PROTECTION</b>					
Cross Lake	88,240	-	88,240	91,196	(2,956)
T17R3	9,626	-	9,626	9,626	-
T15R6	3,000	-	3,000	3,000	-
Connor (Caribou)	29,800	-	29,800	10,488	19,312
T11R4	11,800	-	11,800	11,656	144
T10R6 (Masardis)	693	-	693	693	-
E Plantation	2,739	-	2,739	2,739	-
TDR2 (Bridgewater)	1,599	-	1,599	1,599	-
T8R4 (Masardis)	693	-	693	693	-
T7R5	866	-	866	866	-
TCR2 (Monticello)	899	-	899	899	-
T2R5 (Sherman) Benedicta	10,002	-	10,002	9,641	361
T2R5 (Sherman) Silver Ridge	4,609	-	4,609	4,609	-
TAR2	885	-	885	885	-
TAR5 (Molunkus)	4,502	-	4,502	4,502	-
Oxbow - North	4,500	-	4,500	4,488	12
Cary Plantation	12,060	-	12,060	12,651	(591)
Bancroft	3,312	-	3,312	3,312	-
<b>Totals</b>	<b>189,825</b>	<b>-</b>	<b>189,825</b>	<b>173,543</b>	<b>16,282</b>

SCHEDULE A (CONTINUED)

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>AMBULANCE SERVICES</b>					
Cross Lake	5,900	-	5,900	11,613	(5,713)
T17R4 (Sinclair)	8,500	-	8,500	14,796	(6,296)
T17R3	3,639	-	3,639	4,000	(361)
T16R5	1,350	-	1,350	2,837	(1,487)
T16R4 (Madawaska Lake)	1,300	-	1,300	15,150	(13,850)
T15R6	350	-	350	658	(308)
Connor (Caribou)	5,585	-	5,585	41,950	(36,365)
T12R8/T11R4	13,915	-	13,915	28,986	(15,071)
E Plantation	807	-	807	1,920	(1,113)
TDR2 (Bridgewater)	630	-	630	4,567	(3,937)
TCR2 (Monticello)	1,259	-	1,259	-	1,259
T2R5 (Sherman) Benedicta	4,350	-	4,350	4,042	308
T2R5 (Sherman) Silver Ridge	2,101	-	2,101	1,958	143
TAR5 (Molunkus)	-	-	-	2,325	(2,325)
Oxbow - North	2,350	-	2,350	4,051	(1,701)
Cary Plantation	3,443	-	3,443	9,610	(6,167)
Bancroft	4,400	-	4,400	3,877	523
<b>Totals</b>	<b>59,879</b>	<b>-</b>	<b>59,879</b>	<b>152,340</b>	<b>(92,461)</b>
<b>STREET LIGHTS</b>					
Cross Lake	385	-	385	318	67
T17R4 (Sinclair)	6,715	-	6,715	2,866	3,849
T16R4 (Madawaska Lake)	835	-	835	597	238
Connor (Caribou)	1,825	-	1,825	955	870
T2R5 (Sherman) Benedicta	840	-	840	425	415
T2R5 (Sherman) Silver Ridge	1,200	-	1,200	883	317
Cary Plantation	3,500	-	3,500	1,612	1,888
Bancroft	1,275	-	1,275	1,166	109
<b>Totals</b>	<b>16,575</b>	<b>-</b>	<b>16,575</b>	<b>8,822</b>	<b>7,753</b>

SCHEDULE A (CONTINUED)

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>POLLING PLACES</b>					
Cross Lake	1,700	-	1,700	1,700	-
T17R4 (Sinclair)	2,290	-	2,290	2,290	-
T16R4 (Madawaska Lake)	1,700	-	1,700	1,700	-
Connor (Caribou)	2,360	-	2,360	2,360	-
T11R4	200	-	200	200	-
T2R5 (Sherman) Benedicta	1,250	-	1,250	1,250	-
T2R5 (Sherman) Silver Ridge	1,250	-	1,250	1,250	-
Oxbow - North	400	-	400	600	(200)
Cary Plantation	1,800	-	1,800	2,000	(200)
Bancroft	400	-	400	400	-
<b>Totals</b>	<b>13,350</b>	<b>-</b>	<b>13,350</b>	<b>13,750</b>	<b>(400)</b>
<b>RECREATION</b>					
T17R4 (Sinclair)	440	-	440	30	410
T17R3	500	-	500	500	-
Connor (Caribou)	5,900	-	5,900	1,873	4,027
Oxbow - North	160	-	160	163	(3)
<b>Totals</b>	<b>7,000</b>	<b>-</b>	<b>7,000</b>	<b>2,566</b>	<b>4,434</b>
<b>SENIOR CITIZENS</b>					
Cross Lake	7,651	-	7,651	5,305	2,346
T17R4 (Sinclair)	9,000	-	9,000	4,937	4,063
<b>Totals</b>	<b>16,651</b>	<b>-</b>	<b>16,651</b>	<b>10,242</b>	<b>6,409</b>
<b>CEMETERIES</b>					
Cross Lake	150	-	150	150	-
T17R4 (Sinclair)	150	-	150	150	-
T2R5 (Sherman) Benedicta	350	-	350	350	-
T2R5 (Sherman) Silver Ridge	2,650	-	2,650	2,350	300
Oxbow - North	750	-	750	734	16
Cary Plantation	-	-	-	1,600	(1,600)
Bancroft	500	-	500	470	30
<b>Totals</b>	<b>4,550</b>	<b>-</b>	<b>4,550</b>	<b>5,804</b>	<b>(1,254)</b>

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>SEPTAGE DISPOSAL</b>					
T17R4 (Sinclair)	1,000	-	1,000	800	200
E Plantation	1,750	-	1,750	1,750	-
T2R5 (Sherman) Benedicta	2,224	-	2,224	2,224	-
Cary Plantation	175	-	175	221	(46)
Bancroft	100	-	100	100	-
<b>Totals</b>	<b>5,249</b>	<b>-</b>	<b>5,249</b>	<b>5,095</b>	<b>154</b>
<b>SOLID WASTE</b>					
T17R4 (Sinclair)	44,500	-	44,500	42,673	1,827
T17R3	2,095	-	2,095	2,095	-
T16R4 (Madawaska Lake)	5,650	-	5,650	7,286	(1,636)
T15R6	3,950	-	3,950	3,805	145
Connor (Caribou)	25,215	-	25,215	24,206	1,009
T11R4	3,600	-	3,600	297	3,303
E Plantation	2,647	-	2,647	2,647	-
TDR2 (Bridgewater)	500	-	500	550	(50)
T7R5	500	-	500	500	-
T2R5 (Sherman) Benedicta	16,922	-	16,922	16,922	-
T2R5 (Sherman) Silver Ridge	8,200	-	8,200	8,200	-
TAR5 (Molunkus)	11,728	-	11,728	11,728	-
Oxbow - North	6,500	-	6,500	6,971	(471)
Bancroft	8,470	-	8,470	11,046	(2,576)
<b>Totals</b>	<b>140,477</b>	<b>-</b>	<b>140,477</b>	<b>138,926</b>	<b>1,551</b>
<b>ROADS/BRIDGE MAINTENANCE</b>					
	185,500	-	185,500	185,500	-
<b>PERSONNEL SERVICES</b>					
Public safety coordinator	59,193	-	59,193	58,065	1,128
EMA support services	27,415	-	27,415	27,209	206
Deputy patrol	94,796	-	94,796	103,173	(8,377)
Public works	98,226	-	98,226	109,288	(11,062)
<b>Totals</b>	<b>279,630</b>	<b>-</b>	<b>279,630</b>	<b>297,735</b>	<b>(18,105)</b>

SCHEDULE A (CONTINUED)

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>PUBLIC WORKS</b>					
Contractual services	21,573	-	21,573	6,082	15,491
Commodities	600	-	600	266	334
Totals	<u>22,173</u>	<u>-</u>	<u>22,173</u>	<u>6,348</u>	<u>15,825</u>
<b>MISCELLANEOUS</b>					
Boat Landing	3,000	-	3,000	-	3,000
Bread of Life Kitchen	850	-	850	850	-
St. John Valley Soil/Water	350	-	350	350	-
NMDC	13,169	-	13,169	12,967	202
So. Aroostook Soil/Water	200	-	200	200	-
Acadian Heritage Council	100	-	100	100	-
Fed/State/County Programs	10,628	-	10,628	11,176	(548)
Animal control	8,500	-	8,500	7,417	1,083
Bancroft Food Pantry	350	-	350	350	-
Libraries	2,265	-	2,265	2,570	(305)
Totals	<u>39,412</u>	<u>-</u>	<u>39,412</u>	<u>35,980</u>	<u>3,432</u>
INSURANCE	<u>3,510</u>	<u>-</u>	<u>3,510</u>	<u>3,510</u>	<u>-</u>
LEGAL FEES	<u>1,700</u>	<u>-</u>	<u>1,700</u>	<u>1,912</u>	<u>(212)</u>
ADMINISTRATION FEES	<u>101,078</u>	<u>-</u>	<u>101,078</u>	<u>101,078</u>	<u>-</u>
AUDIT	<u>3,240</u>	<u>-</u>	<u>3,240</u>	<u>3,200</u>	<u>40</u>
TRANSFER TO OTHER FUNDS	<u>476,750</u>	<u>-</u>	<u>476,750</u>	<u>587,405</u>	<u>(110,655)</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 2,122,631</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,122,631</u></u>	<u><u>\$ 2,276,019</u></u>	<u><u>\$ (153,388)</u></u>

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

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds	Capital Projects Funds	Total
<b>ASSETS</b>			
Due from other funds	\$ 52,007	\$ 1,893,205	\$ 1,945,212
<b>TOTAL ASSETS</b>	<b>\$ 52,007</b>	<b>\$ 1,893,205</b>	<b>\$ 1,945,212</b>
<b>LIABILITIES</b>			
Due to other funds	\$ 1,741	\$ -	\$ 1,741
<b>TOTAL LIABILITIES</b>	<b>1,741</b>	<b>-</b>	<b>1,741</b>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	52,007	1,893,205	1,945,212
Assigned	-	-	-
Unassigned (Deficit)	(1,741)	-	(1,741)
<b>TOTAL FUND BALANCES</b>	<b>50,266</b>	<b>1,893,205</b>	<b>1,943,471</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 52,007</b>	<b>\$ 1,893,205</b>	<b>\$ 1,945,212</b>

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

## COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds	Capital Projects Funds	Total
REVENUES			
Other revenue	\$ 125,850	\$ 203,475	\$ 329,325
TOTAL REVENUES	<u>125,850</u>	<u>203,475</u>	<u>329,325</u>
EXPENDITURES			
Other expenditures	112,272	321,677	433,949
TOTAL EXPENDITURES	<u>112,272</u>	<u>321,677</u>	<u>433,949</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>13,578</u>	<u>(118,202)</u>	<u>(104,624)</u>
OTHER FINANCING SOURCES			
Transfers in	-	587,405	587,405
Transfers (out)	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>587,405</u>	<u>587,405</u>
NET CHANGE IN FUND BALANCES	13,578	469,203	482,781
FUND BALANCES - JULY 1, RESTATED	<u>36,688</u>	<u>1,424,002</u>	<u>1,460,690</u>
FUND BALANCES - JUNE 30	<u>\$ 50,266</u>	<u>\$ 1,893,205</u>	<u>\$ 1,943,471</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.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES  
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Municipal Snowmobile Grant	ME DEP Small Community Grant	ME DEP Grant Programs	Total
<b>ASSETS</b>				
Due from other funds	\$ 31,135	\$ 20,872	\$ -	\$ 52,007
<b>TOTAL ASSETS</b>	<b>\$ 31,135</b>	<b>\$ 20,872</b>	<b>\$ -</b>	<b>\$ 52,007</b>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ 1,741	\$ 1,741
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>1,741</b>	<b>1,741</b>
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	31,135	20,872	-	52,007
Assigned	-	-	-	-
Unassigned	-	-	(1,741)	(1,741)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>31,135</b>	<b>20,872</b>	<b>(1,741)</b>	<b>50,266</b>
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)</b>	<b>\$ 31,135</b>	<b>\$ 20,872</b>	<b>\$ -</b>	<b>\$ 52,007</b>

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

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Municipal Snowmobile Grant	ME DEP Small Community Grant	ME DEP Grant Programs	Total
REVENUES				
Other revenue	\$ 65,852	\$ 46,713	\$ 13,285	\$ 125,850
TOTAL REVENUES	<u>65,852</u>	<u>46,713</u>	<u>13,285</u>	<u>125,850</u>
EXPENDITURES				
Other expenditures	69,723	27,523	15,026	112,272
TOTAL EXPENDITURES	<u>69,723</u>	<u>27,523</u>	<u>15,026</u>	<u>112,272</u>
NET CHANGE IN FUND BALANCES (DEFICIT)	(3,871)	19,190	(1,741)	13,578
FUND BALANCES (DEFICIT) - JULY 1, RESTATED	<u>35,006</u>	<u>1,682</u>	<u>-</u>	<u>36,688</u>
FUND BALANCES (DEFICIT) - JUNE 30	<u>\$ 31,135</u>	<u>\$ 20,872</u>	<u>\$ (1,741)</u>	<u>\$ 50,266</u>

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

## Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds. The projects also include significant purchases of vehicles and equipment, as well as the servicing of leases and bonds associated with those purchases.

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	UT Roads and Bridges	Pavement Resurface	Dry Hydrant	E911 Program	Cemetery Improvement	Cross Lake Fire Bldg
<b>ASSETS</b>						
Due from other funds	\$ 1,286,223	\$ 348,106	\$ 5,077	\$ 6,899	\$ 3,570	\$ 1,900
<b>TOTAL ASSETS</b>	<u>\$ 1,286,223</u>	<u>\$ 348,106</u>	<u>\$ 5,077</u>	<u>\$ 6,899</u>	<u>\$ 3,570</u>	<u>\$ 1,900</u>
<b>LIABILITIES</b>						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	1,286,223	348,106	5,077	6,899	3,570	1,900
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>1,286,223</u>	<u>348,106</u>	<u>5,077</u>	<u>6,899</u>	<u>3,570</u>	<u>1,900</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,286,223</u>	<u>\$ 348,106</u>	<u>\$ 5,077</u>	<u>\$ 6,899</u>	<u>\$ 3,570</u>	<u>\$ 1,900</u>

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>T17R4 Transfer Station</u>	<u>Sinclair Fire Bldg</u>	<u>DEDC Administration</u>	<u>Public Works Vehicle</u>	<u>Connor Recreation</u>	<u>North Lake Apparatus</u>
<b>ASSETS</b>						
Due from other funds	\$ 2,302	\$ 4,753	\$ 2,274	\$ 25,884	\$ 4,831	\$ 10,459
<b>TOTAL ASSETS</b>	<u>\$ 2,302</u>	<u>\$ 4,753</u>	<u>\$ 2,274</u>	<u>\$ 25,884</u>	<u>\$ 4,831</u>	<u>\$ 10,459</u>
<b>LIABILITIES</b>						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	2,302	4,753	2,274	25,884	4,831	10,459
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>2,302</u>	<u>4,753</u>	<u>2,274</u>	<u>25,884</u>	<u>4,831</u>	<u>10,459</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,302</u>	<u>\$ 4,753</u>	<u>\$ 2,274</u>	<u>\$ 25,884</u>	<u>\$ 4,831</u>	<u>\$ 10,459</u>

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Computer Capital	North Lake Fire Equipment	Community Signs	North Lakes Admin Vehicle	Sinclair Community Bldg	Grant Match Capital	Emergency Response Equip
<b>ASSETS</b>							
Due from other funds	\$ 1,541	\$ 29,660	\$ 3,350	\$ 34,457	\$ 8,010	\$ 4,715	\$ 55,000
<b>TOTAL ASSETS</b>	<u>\$ 1,541</u>	<u>\$ 29,660</u>	<u>\$ 3,350</u>	<u>\$ 34,457</u>	<u>\$ 8,010</u>	<u>\$ 4,715</u>	<u>\$ 55,000</u>
<b>LIABILITIES</b>							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	1,541	29,660	3,350	34,457	8,010	4,715	55,000
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>1,541</u>	<u>29,660</u>	<u>3,350</u>	<u>34,457</u>	<u>8,010</u>	<u>4,715</u>	<u>55,000</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,541</u>	<u>\$ 29,660</u>	<u>\$ 3,350</u>	<u>\$ 34,457</u>	<u>\$ 8,010</u>	<u>\$ 4,715</u>	<u>\$ 55,000</u>

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Madawaska Lake Bldg	Veterans Fund Memorial	Contingency Reserve	Deputy Patrol Vehicle	Succession Planning	UT GIS Mapping	Total
<b>ASSETS</b>							
Due from other funds	\$ 9,399	\$ 4,755	\$ 25,000	\$ 201	\$ 9,152	\$ 5,687	\$ 1,893,205
<b>TOTAL ASSETS</b>	<u>\$ 9,399</u>	<u>\$ 4,755</u>	<u>\$ 25,000</u>	<u>\$ 201</u>	<u>\$ 9,152</u>	<u>\$ 5,687</u>	<u>\$ 1,893,205</u>
<b>LIABILITIES</b>							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	9,399	4,755	25,000	201	9,152	5,687	1,893,205
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>9,399</u>	<u>4,755</u>	<u>25,000</u>	<u>201</u>	<u>9,152</u>	<u>5,687</u>	<u>1,893,205</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 9,399</u>	<u>\$ 4,755</u>	<u>\$ 25,000</u>	<u>\$ 201</u>	<u>\$ 9,152</u>	<u>\$ 5,687</u>	<u>\$ 1,893,205</u>

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

## COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	UT Roads and Bridges	Pavement Resurface	Dry Hydrant	E911 Program	Cemetery Improvement	Cross Lake Fire Bldg
REVENUES						
Other revenue	\$ 72,138	\$ 70,000	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>72,138</u>	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Other expenditures	76,489	6,200	-	-	300	7,519
TOTAL EXPENDITURES	<u>76,489</u>	<u>6,200</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>7,519</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,351)</u>	<u>63,800</u>	<u>-</u>	<u>-</u>	<u>(300)</u>	<u>(7,519)</u>
OTHER FINANCING SOURCES						
Transfers in	315,000	30,000	1,000	-	1,000	3,500
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>315,000</u>	<u>30,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>3,500</u>
NET CHANGE IN FUND BALANCES	310,649	93,800	1,000	-	700	(4,019)
FUND BALANCES - JULY 1, RESTATED	<u>975,574</u>	<u>254,306</u>	<u>4,077</u>	<u>6,899</u>	<u>2,870</u>	<u>5,919</u>
FUND BALANCES - JUNE 30	<u>\$ 1,286,223</u>	<u>\$ 348,106</u>	<u>\$ 5,077</u>	<u>\$ 6,899</u>	<u>\$ 3,570</u>	<u>\$ 1,900</u>

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	T17R4 Transfer Station	Sinclair Fire Bldg	DEDC Administration	Public Works Vehicle	Connor Recreation	North Lake Apparatus
REVENUES						
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,150
TOTAL REVENUES	-	-	-	-	-	49,150
EXPENDITURES						
Other expenditures	-	700	-	-	-	78,873
TOTAL EXPENDITURES	-	700	-	-	-	78,873
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(700)	-	-	-	(29,723)
OTHER FINANCING SOURCES						
Transfers in	500	1,000	250	7,500	1,000	16,000
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	500	1,000	250	7,500	1,000	16,000
NET CHANGE IN FUND BALANCES	500	300	250	7,500	1,000	(13,723)
FUND BALANCES - JULY 1, RESTATED	1,802	4,453	2,024	18,384	3,831	24,182
FUND BALANCES - JUNE 30	\$ 2,302	\$ 4,753	\$ 2,274	\$ 25,884	\$ 4,831	\$ 10,459

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Computer Capital	North Lake Fire Equipment	Community Signs	North Lakes Admin Vehicle	Sinclair Community Bldg	Grant Match Capital	Emergency Response Equip
REVENUES							
Other revenue	\$ -	\$ 6,547	\$ -	\$ -	\$ 3,400	\$ -	\$ -
TOTAL REVENUES	-	6,547	-	-	3,400	-	-
EXPENDITURES							
Other expenditures	-	22,396	4,785	-	4,030	-	-
TOTAL EXPENDITURES	-	22,396	4,785	-	4,030	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(15,849)	(4,785)	-	(630)	-	-
OTHER FINANCING SOURCES							
Transfers in	500	14,000	500	8,000	2,000	-	55,000
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	500	14,000	500	8,000	2,000	-	55,000
NET CHANGE IN FUND BALANCES	500	(1,849)	(4,285)	8,000	1,370	-	55,000
FUND BALANCES - JULY 1, RESTATED	1,041	31,509	7,635	26,457	6,640	4,715	-
FUND BALANCES - JUNE 30	\$ 1,541	\$ 29,660	\$ 3,350	\$ 34,457	\$ 8,010	\$ 4,715	\$ 55,000

COUNTY OF AROOSTOOK, MAINE - UNORGANIZED TERRITORIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Madawaska Lake Bldg	Veterans Fund Memorial	Contingency Reserve	Deputy Patrol Vehicle	Succession Planning	UT GIS Mapping	Total
REVENUES							
Other revenue	\$ 1,740	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 203,475
TOTAL REVENUES	<u>1,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>203,475</u>
EXPENDITURES							
Other expenditures	14,270	-	-	54,799	848	50,468	321,677
TOTAL EXPENDITURES	<u>14,270</u>	<u>-</u>	<u>-</u>	<u>54,799</u>	<u>848</u>	<u>50,468</u>	<u>321,677</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(12,530)</u>	<u>-</u>	<u>-</u>	<u>(54,799)</u>	<u>(848)</u>	<u>(49,968)</u>	<u>(118,202)</u>
OTHER FINANCING SOURCES							
Transfers in	10,000	-	-	55,000	10,000	55,655	587,405
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>55,000</u>	<u>10,000</u>	<u>55,655</u>	<u>587,405</u>
NET CHANGE IN FUND BALANCES	(2,530)	-	-	201	9,152	5,687	469,203
FUND BALANCES - JULY 1, RESTATED	<u>11,929</u>	<u>4,755</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,424,002</u>
FUND BALANCES - JUNE 30	<u>\$ 9,399</u>	<u>\$ 4,755</u>	<u>\$ 25,000</u>	<u>\$ 201</u>	<u>\$ 9,152</u>	<u>\$ 5,687</u>	<u>\$ 1,893,205</u>

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



Proven Expertise & Integrity

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*

County of Commissioners  
County of Aroostook - Unorganized Territories  
Presque Isle, 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 Aroostook - Unorganized Territories as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the County of Aroostook - Unorganized Territories basic financial statements and have issued our report thereon dated October 20, 2023.

Internal Control Over Financial Reporting

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

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

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 may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Aroostook - Unorganized Territories' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the County of Aroostook - Unorganized Territories' in a separate letter dated October 20, 2023.

#### Purpose of this Report

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

*RHR Smith & Company*

Buxton, Maine  
October 20, 2023