

**TOWN OF WINTHROP, MAINE**

**Annual Financial Report**

**For the Year Ended June 30, 2023**

**TOWN OF WINTHROP, MAINE**  
**Annual Financial Report**  
**For the Year Ended June 30, 2023**

---

**Table of Contents**

	<u>Statement</u>	<u>Page(s)</u>
Independent Auditor's Report		1-4
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	1	7
Statement of Activities	2	8
Fund Financial Statements:		
Balance Sheet - Governmental Funds	3	9
Statement of Revenues, Expenditures, and Changes in Fund		
Balances - Governmental Funds	4	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund		
Balances of Governmental Funds to the Statement of Activities	5	11
Statement of Fiduciary Net Position – Fiduciary Funds	6	12
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	7	13
Notes to Basic Financial Statements		14-40
Required Supplementary Information		41-47
Notes to Required Supplementary Information		48-49
	<u>Exhibit</u>	<u>Page</u>
Combining and Individual Fund Financial Statements:		
General Fund:		
Balance Sheet	A-1	53
Statement of Revenues, Expenditures, and Changes in Fund Balance –		
Budget and Actual – Budgetary Basis	A-2	54-56
Town Capital Reserves:		
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	B	59
All Other Governmental Funds:		
Combining Balance Sheet	C-1	63
Combining Statement of Revenues, Expenditures, and Changes in		
Fund Balances	C-2	64

**TOWN OF WINTHROP, MAINE**  
**Annual Financial Report**  
**For the Year Ended June 30, 2023**

---

**Table of Contents, Continued**

	<u>Schedules</u>	<u>Page</u>
Nonmajor Governmental Funds:		
Nonmajor Special Revenue Funds – Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	1	67
Nonmajor Permanent Funds – Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	2	68
Fiduciary Funds:		
Private-purpose Trust Funds – Combining Schedule of Changes in Fiduciary Net Position	3	69

## Independent Auditor's Report

To the Town Council  
Town of Winthrop, Maine

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Winthrop, Maine as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Winthrop, Maine's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Winthrop, Maine as of June 30, 2023, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Winthrop, 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.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Winthrop, Maine's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Winthrop, 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***

Management has omitted the management's discussion and analysis 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. Our opinion on the basic financial statements is not affected by this missing information.

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Winthrop, Maine's basic financial statements. The combining and individual 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 combining and individual 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 February 14, 2024 on our consideration of the Town of Winthrop, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Winthrop, 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 Town of Winthrop, Maine's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Remya Hudson Ouellette". The signature is written in a cursive style with a large initial 'R'.

February 14, 2024  
South Portland, Maine

# **BASIC FINANCIAL STATEMENTS**



**TOWN OF WINTHROP, MAINE**  
**Statement of Net Position**  
**June 30, 2023**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 10,235,953
Investments	552,126
Receivables:	
Accounts	96,279
Due from other governments	694,853
Taxes and liens	637,767
Ambulance (net of allowance for uncollectible of \$67,060)	134,319
Amounts held in escrow	1,392,466
Prepaid expenses	54,627
Inventory	30,218
Capital assets, not being depreciated	3,566,932
Capital assets, being depreciated	21,367,044
<b>Total assets</b>	<b>38,762,584</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	1,288,008
Deferred outflows of resources related to OPEB	834,026
<b>Total deferred outflows of resources</b>	<b>2,122,034</b>
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	393,066
Accrued payroll and benefits	1,265,867
Accrued interest	44,696
Unearned revenues	451,238
Noncurrent liabilities:	
Due within one year	1,203,995
Due in more than one year	12,473,313
<b>Total liabilities</b>	<b>15,832,175</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	497,563
Deferred inflows of resources related to OPEB	40,983
<b>Total deferred inflows of resources</b>	<b>538,546</b>
<b>NET POSITION</b>	
Net investment in capital assets	18,920,589
Restricted:	
Nonexpendable permanent fund principal	464,246
Expendable permanent fund earnings	120,245
Education	1,923,206
TIF district	279,219
Other programs	140,067
Unrestricted	2,666,325
<b>Total net position</b>	<b>\$ 24,513,897</b>

*See accompanying notes to basic financial statements.*

**TOWN OF WINTHROP, MAINE**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

Functions/programs	Expenses	Program revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government Governmental activities
<b>Governmental activities:</b>					
General government	\$ 3,657,026	184,963	195,090	2,000	(3,274,973)
Public works	1,917,748	179,815	62,908	281	(1,674,744)
Public safety	3,396,078	1,263,709	27,509	12,194	(2,092,666)
Public assistance	36,474	-	-	-	(36,474)
Culture and recreation	657,468	53,404	19,088	-	(584,976)
Education	14,811,196	96,103	9,315,211	-	(5,399,882)
School lunch	626,826	37,439	643,698	-	54,311
Capital maintenance expenses	395,608	-	-	-	(395,608)
Interest on debt	40,956	-	-	-	(40,956)
<b>Total governmental activities</b>	<b>25,539,380</b>	<b>1,815,433</b>	<b>10,263,504</b>	<b>14,475</b>	<b>(13,445,968)</b>
General revenues:					
Property taxes					13,256,286
Excise taxes					1,375,256
Interest and costs on taxes					37,655
Grants and contributions not restricted to specific programs:					
State revenue sharing					1,414,518
Homestead exemption					555,359
Other intergovernmental revenues					143,678
Unrestricted investment earnings (loss)					112,488
Miscellaneous revenues					38,116
<b>Total general revenues</b>					<b>16,933,356</b>
Change in net position					3,487,388
Net position - beginning					21,026,509
<b>Net position - ending</b>					<b>\$ 24,513,897</b>

*See accompanying notes to basic financial statements.*

**TOWN OF WINTHROP, MAINE**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	General	School Operations	School Grants	Town Capital Reserves	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 9,922,623	129,141	-	-	184,189	10,235,953
Investments	-	-	-	-	552,126	552,126
Receivables:						
Accounts	86,824	9,174	-	281	-	96,279
Due from other governments	167,420	-	491,109	-	36,324	694,853
Taxes and tax liens	621,587	-	-	-	-	621,587
Tax acquired property	16,180	-	-	-	-	16,180
Ambulance (net of allowance for uncollectible of \$67,060)	134,319	-	-	-	-	134,319
Due from lease trustee	-	-	-	272,205	1,120,261	1,392,466
Prepaid expenditures	54,627	-	-	40,191	-	94,818
Inventory	12,718	-	-	-	17,500	30,218
Interfund loans receivable	-	2,015,614	-	1,779,076	2,039,385	5,834,075
<b>Total assets</b>	<b>11,016,298</b>	<b>2,153,929</b>	<b>491,109</b>	<b>2,091,753</b>	<b>3,949,785</b>	<b>19,702,874</b>
<b>LIABILITIES</b>						
Accounts payable and other current liabilities	193,470	107,218	21,602	11,580	31,062	364,932
Accrued payroll and benefits	80,129	1,049,852	125,009	-	10,877	1,265,867
Taxes paid in advance	38,184	-	-	-	-	38,184
Unearned revenues	10,260	-	-	43,417	397,561	451,238
Interfund loans payable	5,248,662	-	306,228	-	269,135	5,824,025
<b>Total liabilities</b>	<b>5,570,705</b>	<b>1,157,070</b>	<b>452,839</b>	<b>54,997</b>	<b>708,635</b>	<b>7,944,246</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	336,193	-	-	-	-	336,193
<b>Total deferred inflows of resources</b>	<b>336,193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>336,193</b>
<b>FUND BALANCES</b>						
Nonspendable	102,902	-	-	40,191	481,746	624,839
Restricted	-	996,859	43,113	279,219	1,126,046	2,445,237
Committed	-	-	-	1,717,346	1,923,856	3,641,202
Assigned	1,474,118	-	-	-	-	1,474,118
Unassigned	3,532,380	-	(4,843)	-	(290,498)	3,237,039
<b>Total fund balances (deficits)</b>	<b>5,109,400</b>	<b>996,859</b>	<b>38,270</b>	<b>2,036,756</b>	<b>3,241,150</b>	<b>11,422,435</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 11,016,298</b>	<b>2,153,929</b>	<b>491,109</b>	<b>2,091,753</b>	<b>3,949,785</b>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	24,933,976
Prepaid expenditures reported as construction in progress for governmental activities	(40,191)
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable revenues in the funds.	336,193
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:	
Compensated absences payable	(603,757)
Premium on bonds	(70,190)
Accrued interest	(44,696)
Other postemployment benefits liabilities and related deferred inflows and outflows of resources	(3,412,774)
Net pension liability and related deferred inflows and outflows of resources	(671,436)
Financed purchases	(3,615,215)
Lease liability	(121,559)
Notes payable	(748,889)
Bonds payable	(2,850,000)
<b>Net position of governmental activities</b>	<b>\$ 24,513,897</b>

*See accompanying notes to basic financial statements.*

**TOWN OF WINTHROP, MAINE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	General	School Operations	School Grants	Town Capital Reserves	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes	\$ 14,583,341	-	-	-	-	14,583,341
Licenses and permits	184,963	-	-	-	-	184,963
Intergovernmental	2,171,963	6,074,418	2,917,922	-	953,332	12,117,635
Charges for services	1,492,728	54,524	-	-	57,429	1,604,681
Local grants and contributions	-	-	-	-	36,296	36,296
Donations	-	-	-	-	169,882	169,882
Other	31,539	21,755	59,823	14,475	4,034	131,626
Investment income (loss)	52,024	-	-	-	60,464	112,488
<b>Total revenues</b>	<b>18,516,558</b>	<b>6,150,697</b>	<b>2,977,745</b>	<b>14,475</b>	<b>1,281,437</b>	<b>28,940,912</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	2,594,201	-	-	51,417	58,582	2,704,200
Public works	1,415,723	-	-	-	4,500	1,420,223
Public safety	3,093,885	-	-	18,094	27,434	3,139,413
Culture and recreation	522,358	-	-	24,585	18,823	565,766
Public assistance	36,474	-	-	-	-	36,474
Intergovernmental assessments	882,175	-	-	-	-	882,175
Education	-	11,142,545	1,310,299	-	494,362	12,947,206
MEPERS on-behalf payments	-	949,511	-	-	-	949,511
School lunch	-	-	-	-	626,826	626,826
Capital outlay	-	-	1,627,591	1,034,923	2,023,200	4,685,714
<b>Debt service:</b>						
Principal and interest	1,081,681	626,110	-	-	-	1,707,791
<b>Total expenditures</b>	<b>9,626,497</b>	<b>12,718,166</b>	<b>2,937,890</b>	<b>1,129,019</b>	<b>3,253,727</b>	<b>29,665,299</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>8,890,061</b>	<b>(6,567,469)</b>	<b>39,855</b>	<b>(1,114,544)</b>	<b>(1,972,290)</b>	<b>(724,387)</b>
<b>Other financing sources (uses):</b>						
Proceeds from financed purchases	-	-	-	606,000	2,605,257	3,211,257
Transfers from other funds	242,746	7,009,888	-	968,571	1,187,500	9,408,705
Transfers to other funds	(8,171,937)	(956,500)	-	-	(280,268)	(9,408,705)
<b>Total other financing sources (uses)</b>	<b>(7,929,191)</b>	<b>6,053,388</b>	<b>-</b>	<b>1,574,571</b>	<b>3,512,489</b>	<b>3,211,257</b>
<b>Net change in fund balances</b>	<b>960,870</b>	<b>(514,081)</b>	<b>39,855</b>	<b>460,027</b>	<b>1,540,199</b>	<b>2,486,870</b>
<b>Fund balances (deficits), beginning of year</b>	<b>4,148,530</b>	<b>1,510,940</b>	<b>(1,585)</b>	<b>1,576,729</b>	<b>1,700,951</b>	<b>8,935,565</b>
<b>Fund balances, end of year</b>	<b>\$ 5,109,400</b>	<b>996,859</b>	<b>38,270</b>	<b>2,036,756</b>	<b>3,241,150</b>	<b>11,422,435</b>

*See accompanying notes to basic financial statements.*

**TOWN OF WINTHROP, 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, 2023**

Net change in fund balances - total governmental funds (from Statement 4)	\$	2,486,870
<p>Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. These are the changes in capital asset-related amounts:</p>		
Capital outlays	5,158,583	
Depreciation	(2,346,073)	2,812,510
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in unavailable revenues - property taxes.</p>		
		85,856
<p>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 the governmental funds. These are the changes in the other liability-related amounts:</p>		
Accrued interest	(23,651)	
Accrued compensated absences	10,668	
Net pension liability, including related deferred inflows and outflows	(58,567)	
OPEB liabilities, including related deferred inflows and outflows	(185,064)	(256,614)
<p>The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These are the changes in long-term debt and related amounts:</p>		
Recognition of lease liability	(121,559)	
Principal payments on bonds	610,000	
Amortization of bond premiums	13,364	
Principal payments on notes	667,617	1,169,422
<p>Financed purchase proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These are the changes in financed purchases and related amounts:</p>		
Proceeds from financed purchase issuances	(3,211,257)	
Principal payments on financed purchases	400,601	(2,810,656)
<b>Change in net position of governmental activities (see Statement 2)</b>		<b>\$ 3,487,388</b>

*See accompanying notes to basic financial statements.*

**TOWN OF WINTHROP, MAINE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2023**

	<b>Private- purpose Trust Funds</b>
<b>ASSETS</b>	
Cash	21,081
Investments	470,337
Total assets	491,418
<b>LIABILITIES</b>	
Due to Town general fund	10,050
Total liabilities	10,050
<b>NET POSITION</b>	
Restricted for:	
Individuals and other organizations	481,368
<b>Total net position</b>	<b>\$ 481,368</b>

**TOWN OF WINTHROP, MAINE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2023**

		<b>Private- purpose Trust Funds</b>
Investment earnings:		
Net change in fair value of investments	\$	39,358
Interest, dividends and other		15,096
Total investment income (loss)		54,454
Less investment cost:		
Investment activity costs		3,258
Net investment earnings (loss)		51,196
Deductions:		
School scholarships		11,981
Total deductions		11,981
Net increase (decrease) in fiduciary net position		39,215
Net position, beginning of year		442,153
<b>Net position, end of year</b>	<b>\$</b>	<b>481,368</b>

*See accompanying notes to basic financial statements.*

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

The Town of Winthrop, Maine was incorporated in 1771 and operates under a Council-Manager form of government, adopted by charter in 1974. The Town of Winthrop, Maine is located a few miles west of Augusta. The Town Council is comprised of seven members elected for staggered three-year terms.

The accounting policies of the Town of Winthrop, Maine conform to accounting principles generally accepted in the United States of America as applicable to government entities. The following is a summary of the more significant of such policies:

**A. Reporting Entity**

This report includes all funds of the Town. An analysis of certain criteria was made to determine if other governmental units should be included in this report. In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The criterion used defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. The Town made the determination that there are no entities that should be presented as component units.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Major individual governmental funds are reported as separate columns in the fund financial statements.



**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

---

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes and one year for all others. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental funds:

**The General Fund** is the Town's primary operating fund. It accounts for all financial resources of the general government, except for the School Department, which is reported in a separate fund, and those funds required to be accounted for in another fund.

**The School Operations Fund** is the School Department's General Fund and accounts for all of the related revenues and expenditures.

**The School Grants Fund** is the School Department's grant funds and accounts for all of the related revenues and expenditures.

**Town Capital Reserves Fund** accounts for debt proceeds and amounts committed by the Town Council for capital improvements and asset acquisitions.

Additionally, the Town reports the following fund type:

**Fiduciary funds** account for assets held by the Town in a trustee capacity on behalf of others. The Town's fiduciary funds include the following fund types:

**Private-purpose trust funds** are used to account for resources legally held in trust for the benefit of others.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

---

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

**D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Equity**

**Cash and Investments** - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value.

**Interfund Loans Receivable/Payable** - Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans or as interfund advances (i.e., the noncurrent portion of interfund loans).

**Inventory** - Inventory for the Town and the School Lunch Program consists of fuel, food, and supplies and is valued at the lower of cost (first-in, first-out basis) or market, and is offset with a non-spendable fund balance for inventories. Inventories of the School Lunch Program include the value of the U. S. Department of Agriculture commodities donated to the program.

**Prepaid Items** - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**Capital Assets** - Capital assets, which include property, plant, equipment, and infrastructure (e.g., roads, bridges, sidewalks, etc.), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and a historical cost of at least \$5,000. Assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use leased assets, the measurement of which is discussed in the lease footnote). Donated capital assets are recorded at estimated acquisition cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the government are depreciated using the straight-line method over the assets' estimated useful lives ranging from three to fifty years. The right-to-use leased equipment is amortized over the life of the lease.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

---

**Deferred Inflows and Outflows of Resources** - In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds only report a deferred inflow of resources, unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental activities have deferred outflows and inflows that relate to the net pension and OPEB liabilities, which include the Town's contributions subsequent to the measurement date, which are recognized as reductions of the net pension and OPEB liabilities in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

**Compensated Absences** - Under the terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service. All vacation and sick time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Long-term Obligations** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Leases** - The Town of Winthrop is a lessee for a non-cancellable lease for equipment. The Town recognizes a lease liability and an intangible right-to-use asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Town of Winthrop initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain indirect costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

---

Key estimates and judgments include how the Town of Winthrop determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease payments.

- The Town of Winthrop uses the interest rate charged by the lessor as the discount rate. When the interest rate charged is not provided, the Town generally uses its estimate incremental borrowing rate as the discount rates for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments from the lessee.

The Town of Winthrop monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Pensions and Net OPEB Liabilities** - For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan), and Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plans. 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.

**Fund Equity** - Governmental fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent.

The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources that are subject to limitations the government imposes on itself at its highest level of decision-making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

---

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

---

The Town Council has the responsibility for committing fund balance amounts by vote and likewise would be required to modify or rescind those commitments by a similar vote. For assigned fund balance amounts, the Town Manager has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year-end. The Town Council approves the assigned amounts either before or after year-end.

Should there be multiple sources of funding available for a particular purpose, it is the Town's policy to expend currently budgeted resources first, and then use other sources in the order of restricted, then committed, then assigned amounts.

**Interfund Transactions** - Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses in the reimbursing fund as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

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

**Comparative Data/Reclassifications** - Comparative data for the prior year has been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

---

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

---

**A. Budgets**

A budget is adopted for the General Fund and the School Operations Fund and is adopted on a basis consistent with generally accepted accounting principles (GAAP), except for Maine Public Employees Retirement on-behalf payments. Maine Public Employees Retirement contributions are made by the State of Maine on behalf of the Town of Winthrop School Department. These amounts have not been budgeted in the School Operations Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$949,511. These amounts have been included as intergovernmental revenue and education expenditures in the School Operations Fund on Statement 4 (GAAP basis) and on the statement of activities. There is no effect on the fund balance or net position at the end of the year.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, CONTINUED

---

**B. Deficit Fund Balances**

At June 30, 2023, the following funds had deficit fund balances:

Special Revenue Funds:	
Insurance	\$ 19,365
TAP	1,998
School grants	4,843
Capital Projects funds – School RLF	269,135

These fund deficits will be covered by future revenue sources or transfers from the General Fund or School Operations fund.

---

DEPOSITS

---

*Custodial Credit Risk-Town Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town currently does not have a policy related to custodial credit risk. As of June 30, 2023, the Town reported deposits of \$10,257,034 with a bank balance of \$10,877,600. Of the Town's bank balances of \$10,877,600, none was exposed to custodial credit risk as of June 30, 2023 as they were covered by FDIC or securities held by the bank in the Town's name.

---

INVESTMENTS

---

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Town's investments are considered level 1 inputs.

At June 30, 2023, the Town had the following investments:

	Fair Value
Corporate stock	\$ 376,068
Mutual funds (1)	646,395
<b>Total investments</b>	<b>\$ 1,022,463</b>

(1) Mutual funds are not considered securities and are exempt from credit risk disclosure noted below.

*Custodial Credit Risk-Town Investments:* For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town's policy is to have its investments covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective financial institution.

*Interest Rate Risk:* Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The Town, in accordance with its investment policy, strives to maximize its return on investments while avoiding assuming unreasonable investment risks.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

**INVESTMENTS, CONTINUED**

*Credit Risk:* Credit risk is the risk than an issuer of an investment will not fulfill its obligation to the holder of the investment. Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The Town does not have a formal policy related to credit risk.

Investments have been reported as follows:

Reported in governmental funds	\$ 552,126
Reported in fiduciary funds	470,337
<b>Total investments</b>	<b>\$ 1,022,463</b>

**PROPERTY TAXES**

Property taxes for the current year were committed on August 11, 2022 on the assessed value listed as of the prior April 1 for all real and personal property located in the Town. Assessed values are periodically established by the Town's Assessor at 100% of assumed market value.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$83,815 for the year ended June 30, 2023.

The following summarizes the 2023 and 2022 tax levies:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Assessed valuation	\$ 607,726,620	601,707,357
Tax rate (per \$1,000)	21.77	20.55
Commitment	13,230,209	12,365,086
Supplemental taxes assessed	26,077	24,699
Total tax levy	13,256,286	12,389,785
Less: Collections and abatements	12,752,564	11,833,829
<b>Current year receivables at June 30</b>	<b>\$ 503,722</b>	<b>505,956</b>
Due date(s)	10/04/2022	10/01/2021
	04/04/2023	4/01/2022
Interest rate on delinquent taxes	4.00%	6.00%
Collection rate	96.20%	95.92%

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

CAPITAL ASSETS

---

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, <u>2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2023</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated/amortized:				
Land	\$ 1,228,609	-	-	1,228,609
Construction in progress	208,257	2,130,066	-	2,338,323
<b>Total capital assets, not being depreciated/amortized</b>	<b>1,436,866</b>	<b>2,130,066</b>	<b>-</b>	<b>3,566,932</b>
Capital assets, being depreciated/amortized:				
Land improvements	176,194	-	-	176,194
Buildings and building improvements	28,904,051	21,669	-	28,925,720
Furniture and fixtures	41,220	15,450	-	56,670
Machinery and equipment	5,412,582	336,660	82,735	5,666,507
Vehicles	6,000,442	2,346,221	27,985	8,318,678
Right-to-use lease assets	-	127,097	-	127,097
Infrastructure	7,185,527	221,611	-	7,407,138
<b>Total capital assets being depreciated/amortized</b>	<b>47,720,016</b>	<b>3,068,708</b>	<b>110,720</b>	<b>50,678,004</b>
Less accumulated depreciation/amortization for:				
Land improvements	20,303	9,995	-	30,298
Buildings and building improvements	14,929,709	775,817	-	15,705,526
Furniture and equipment	40,561	2,372	-	42,933
Machinery and equipment	3,653,253	463,867	82,735	4,034,385
Vehicles	3,829,020	827,443	27,985	4,628,478
Right-to-use lease assets	-	25,419	-	25,419
Infrastructure	4,602,761	241,160	-	4,843,921
<b>Total accumulated depreciation/amortization</b>	<b>27,075,607</b>	<b>2,346,073</b>	<b>110,720</b>	<b>29,310,960</b>
<b>Total capital assets being depreciated/amortized, net</b>	<b>20,644,409</b>	<b>722,635</b>	<b>-</b>	<b>21,367,044</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 22,081,275</b>	<b>2,852,701</b>	<b>-</b>	<b>24,933,976</b>

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

Governmental activities:	
General government	\$ 42,196
Public safety	705,770
Public works, including depreciation of general infrastructure assets	497,525
Education	1,008,880
Cultural and recreation	91,702
<b>Total depreciation/amortization expense – governmental activities</b>	<b>\$ 2,346,073</b>



**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

**INTERFUND BALANCES AND TRANSFERS**

Individual interfund receivable, payable, and transfer balances at June 30, 2023 were as follows:

<u>Fund</u>	<u>Interfund receivables</u>	<u>Interfund payables</u>
General Fund	\$ -	5,248,662
School Operations	2,015,614	-
School Grants	-	306,228
Town Capital Reserves	1,779,076	-
Nonmajor Governmental Funds:		
Town programs	511,178	-
School lunch	593,497	-
Adult Ed	99,266	-
KVSS regional service center	1,449	-
School capital	829,795	-
School RLF	-	269,135
Permanent Funds	4,200	-
Total nonmajor governmental funds	2,039,385	269,135
Fiduciary Funds:		
School scholarships	-	10,050
Total fiduciary funds	-	10,050
<b>Total</b>	<b>\$ 5,834,075</b>	<b>5,834,075</b>

Certain funds have cash that is co-mingled in centralized cash accounts maintained within the General Fund, the practice of which results in many of the interfund balances listed above.

During FY 2023, the Town reported the following interfund transfers:

General Fund	School Ops	Town Capital Reserves	School Capital Reserves	School Special Revenue Funds	Town Programs	Town CIP Bond	Total
\$ (7,357,644)	7,009,888	116,756	-	231,000	-	-	-
242,746	-	-	-	-	-	(242,746)	-
(695,007)	-	695,007	-	-	-	-	-
-	(956,500)	-	956,500	-	-	-	-
(90,230)	-	121,813	-	-	(31,583)	-	-
(29,056)	-	34,995	-	-	(5,939)	-	-
<b>\$ (7,929,191)</b>	<b>6,053,388</b>	<b>968,571</b>	<b>956,500</b>	<b>231,000</b>	<b>(37,522)</b>	<b>(242,746)</b>	<b>-</b>

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

**CHANGES IN LONG-TERM LIABILITIES**

---

Long-term liability activity for the year ended June 30, 2023 was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
<b>Governmental activities:</b>					
General obligation bonds	\$ 3,460,000	-	610,000	2,850,000	610,000
*Notes from direct borrowings	1,416,506	-	667,617	748,889	94,828
*Financed purchases	804,559	3,211,257	400,601	3,615,215	465,102
Bond premium	83,554	-	13,364	70,190	11,423
Net pension liability	66,052	1,395,829	-	1,461,881	-
Other postemployment benefits	3,688,254	517,563	-	4,205,817	-
Lease Liability	-	121,559	-	121,559	22,642
Accrued compensated absences	614,425	-	10,668	603,757	-
<b>Governmental activity long-term liabilities</b>	<b>\$ 10,133,350</b>	<b>5,246,208</b>	<b>1,702,250</b>	<b>13,677,308</b>	<b>1,203,995</b>

\*Notes and financed purchases are both considered direct borrowings.

---

**LONG-TERM DEBT**

---

Bonds and notes payable at June 30, 2023 is comprised of the following:

	<u>Amount of Original issue</u>	<u>Interest rate</u>	<u>Final maturity date</u>	<u>Balance end of year</u>
Notes from direct borrowings:				
2011 School QSCB	1,350,000	4.95%	2029	592,889
2018 Dam project	260,000	2.00-2.99%	2029	156,000
<b>Total notes</b>				<b>\$ 748,889</b>
General obligation bonds:				
2021 General obligation bond	\$ 4,075,000	1.00-2.00%	2041	2,850,000
<b>Total bonds</b>				<b>\$ 2,850,000</b>
Financed purchases:				
2019 School photocopiers	\$ 110,000	3.97%	2023	19,457
2022 School computers	154,410	0.00%	2025	54,898
School LED conversion and boilers	2,605,257	4.11-5.25%	2039	2,605,257
2023 Town vehicles and equipment	405,000	3.51%	2027	326,361
2023 Town vehicles and equipment	201,000	3.48%	2025	134,993
2022 Town vehicles and equipment	254,655	1.45%	2024	85,965
2022 Town vehicles and equipment	638,195	1.73%	2026	388,284
<b>Total financed purchases</b>				<b>\$ 3,615,215</b>

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

LONG-TERM DEBT, CONTINUED

---

The annual requirements to amortize all bonds and notes from direct borrowings outstanding at June 30, 2023 are as follows.

Year	Notes from direct borrowings			Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 94,828	8,720	103,548	610,000	49,375	659,375
2025	94,828	8,049	102,877	565,000	39,150	604,150
2026	94,828	7,352	102,180	270,000	30,800	300,800
2027	94,828	6,630	101,458	185,000	26,250	211,250
2028	94,828	5,882	100,710	180,000	22,600	202,600
2029-2033	274,749	2,751	277,500	400,000	84,000	484,000
2034-2038	-	-	-	400,000	44,000	444,000
2039-2041	-	-	-	240,000	7,200	247,200
<b>Totals</b>	<b>\$ 748,889</b>	<b>39,384</b>	<b>788,273</b>	<b>2,850,000</b>	<b>303,375</b>	<b>3,153,375</b>

Year	Financed Purchases		
	Principal	Interest	Total
2024	\$ 465,102	157,388	622,490
2025	399,200	120,291	519,491
2026	316,581	108,990	425,571
2027	196,740	99,606	296,346
2028	120,287	92,032	212,319
2029-2033	762,237	377,416	1,139,653
2034-2038	1,089,636	195,160	1,284,796
2039	265,432	10,917	276,349
<b>Totals</b>	<b>\$ 3,615,215</b>	<b>1,161,800</b>	<b>4,777,015</b>

The bonds and notes include School debt requirements to be reimbursed by the State of Maine. The State of Maine currently reimburses the Town for a portion of financing costs of school bonds. Continuation of such reimbursements is dependent upon continued appropriations by the State Legislature.

The Town uses financed purchase agreements for financing the purchase of equipment, which have been capitalized except for photocopiers, which individually are below the Town's capitalization threshold. These agreements have been recorded in the Town's statement of net position at the present value of the future minimum payments as of the date of their inception.

Financed purchases are collateralized by the respective equipment financed in the agreements.

---

LEASE PAYABLE

---

On March 7, 2023, the Town entered into a lease agreement for equipment through June of 2028. At the end of the lease, the Town has the option to purchase the equipment for fair market value. As of June 30, 2023, the value of the lease liability was \$121,559. The lease provides for a five-year and three-month term of \$2,211 per month in payments. The value of the right-to-use asset as of the end of the current fiscal year was \$127,097 and had accumulated amortization of \$25,419.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

LEASE PAYABLE, CONTINUED

---

The future principal and interest lease payments as of June 30, 2023 were as follows:

<u>Year</u>	<u>Lease Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 22,642	3,894	26,536
2025	23,448	3,088	26,536
2026	24,282	2,254	26,536
2027	25,146	1,390	26,536
2028	26,041	495	26,536
<b>Totals</b>	<b>\$ 121,559</b>	<b>11,121</b>	<b>132,680</b>

---

STATUTORY DEBT LIMIT

---

In accordance with Maine law, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. At June 30, 2023, the Town complied with these limitations.

---

FUND BALANCES

---

At June 30, 2023, portions of the Governmental Funds fund balances were assigned, committed or restricted for future periods or classified as nonspendable for specific amounts as follows:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund:				
Inventory	\$ 12,718	-	-	-
Prepaid expenditures	54,627	-	-	-
Tax-acquired property and tax-acquired liens	35,557	-	-	-
Future expenditures	-	-	-	1,474,118
School Operations	-	996,859	-	-
School Grants	-	43,113	-	-
Town Capital Reserves:				
TIF district fund	-	279,219	-	-
Town capital projects	40,191	-	1,717,346	-
Nonmajor Governmental Funds:				
Town programs	-	140,067	-	-
School lunch program	17,500	616,751	-	-
Adult education	-	91,894	-	-
KVSS regional service center	-	1,449	-	-
Student activities	-	155,640	-	-
School capital reserves	-	-	803,595	-
School energy project	-	-	1,120,261	-
Permanent fund principal	464,246	-	-	-
Permanent fund income	-	120,245	-	-
<b>Totals</b>	<b>\$ 624,839</b>	<b>2,445,237</b>	<b>3,641,202</b>	<b>1,474,118</b>

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

**NET INVESTMENT IN CAPITAL ASSETS**

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of notes and financed purchases payable and adding back any unspent proceeds. The Town's net investment in capital assets was calculated as follows at June 30, 2023:

Capital assets	\$ 54,244,936
Accumulated depreciation	(29,310,960)
General obligation bonds	(2,850,000)
Unamortized bond premium	(70,190)
Notes from direct borrowings	(748,889)
Financed purchases	(3,615,215)
Lease liability	(121,559)
Unspent debt proceeds	1,392,466
<b>Net investment in capital assets</b>	<b>\$ 18,920,589</b>

**RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town carries commercial insurance, either participates in a public entity risk pool, or is effectively self-insured. Currently, the Town participates in a public entity and self-insured risk pool sponsored by the Maine Municipal Association. In addition, the School Department participates in a public entity risk pool, which is sponsored by the Maine School Management Association (MSMA).

Based on the coverage provided by the pools described above, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2023.

**TAX INCREMENT FINANCING DISTRICT AND TAX ABATEMENT**

Under Maine law, the Town has established a Tax Increment Financing District (TIF) to finance improvements within the Town of Winthrop, Maine. The District specifically encompasses the redevelopment of the Carleton Woolen Mill. The TIF's Development Plan authorized the Town to enter into a Credit Enhancement Agreement (C.E.A.). The C.E.A. is a mechanism to assist the development project by using all or a portion of the incremental property tax revenues generated by the new investment to reimburse the developer for all or a portion of the taxes assessed on the property.

The incremental value is defined as the increase of the current valuation over the original assessed value. The following is a summary of the TIF activity for the year ended June 30, 2023.

	Original Assessed Value	Current Assessed Value	Captured Value	Captured Tax	Abated Taxes
Commerce Center TIF	\$ 478,600	4,601,500	4,122,900	89,756	44,878

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

**NET PENSION LIABILITY (ASSET)**

---

***General Information about the Pension Plan***

**Plan Description** - The Town's employees are provided a pension through the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and teaching-certified employees of the Town are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), cost-sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at [www.maineopers.org](http://www.maineopers.org).

**Benefits Provided** - The PLD and SET Plans 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. 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 (65 for new members to the PLD Plan on or after July 1, 2014). For SET members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

**Contributions** - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. The contractually required contribution rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

**PLD Plan** - Employees are required to contribute 6.85% to 8.2% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2023 was 10.2% or 11.4% of annual payroll. Contributions to the pension plan from the Town were \$332,072 for the year ended June 30, 2023.

**SET Plan** - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2023, was 18.13% of annual payroll of which 3.84% of payroll was required from the Town and 14.29% was required from the State. Contributions to the pension plan from the Town were \$224,870 for the year ended June 30, 2023.

***Pension Liabilities (Asset), Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

The net pension liabilities (assets) were measured as of June 30, 2022, and the total pension liabilities used to calculate the net pension liabilities (assets) were determined by actuarial valuations as of that date. The Town's proportion of the net pension liabilities (assets) for the consolidated PLD and SET plans were based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating local districts (PLD Plan) and of all participating School Administrative Units and the State (SET Plan), actuarially determined.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

**NET PENSION LIABILITY (ASSET), CONTINUED**

**PLD Plan** - At June 30, 2023, the Town reported a liability of \$941,137 for its proportionate share of the net pension liability (asset). At June 30, 2022, the Town's proportion of the PLD Plan was 0.3540%.

**SET Plan** - At June 30, 2023, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town.

The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 520,744
State's proportionate share of the net pension liability	
associated with the Town	5,657,048
<b>Total</b>	<b>\$ 6,177,792</b>

At June 30, 2022, the Town's proportion of the SET Plan was 0.0351%.

For the year ended June 30, 2023, the Town recognized a pension expense of \$296,279 for the PLD Plan and an expense of \$1,156,107 for the SET plan, with revenue of \$836,877 for support provided by the State.

At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>PLD Plan</u>		<u>SET Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 174,904	-	25,941	-
Net difference between projected and actual earnings on pension plan investments	-	395,001	-	102,562
Changes of assumptions	191,018	-	101,116	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	46,023	-	192,064	-
Town contributions subsequent to the measurement date	332,072	-	224,870	-
<b>Total</b>	<b>\$ 744,017</b>	<b>395,001</b>	<b>543,991</b>	<b>102,562</b>

An amount of \$556,942 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

**NET PENSION LIABILITY (ASSET), CONTINUED**

---

<u>Year ended June 30:</u>	<u>PLD Plan</u>	<u>SET Plan</u>
2024	\$148,508	168,642
2025	(71,694)	10,196
2026	(245,396)	(10,652)
2027	185,526	48,373

**Actuarial Assumptions** - The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation	2.75%	2.75%
Salary increases, per year	2.75-11.48%	2.80%-13.03%
Investment return, per annum, compounded annually	6.50%	6.50%
Cost of living benefit increases, per annum	1.91%	2.20%

Mortality rates for the SET Plan were based on the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model. Mortality rates for the PLD Plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC\_2020 model.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and 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 of June 30, 2022 are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Public equities	30.0%	6.0%
US Government	10.0%	2.3%
Private equity	12.5%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	5.0%	3.2%
Alternative credit	10.0%	7.4%
Diversifiers	7.5%	5.9%



**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

**NET PENSION LIABILITY (ASSET), CONTINUED**

**Discount Rate** - The discount rate used to measure the total pension liability was 6.50% for the PLD and SET Plans. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 liabilities.

**Sensitivity of the Town's proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate** - The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.5% for the PLD Plan and the SET Plan, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50% for PLD Plan and the SET Plan) or 1 percentage-point higher (7.50% for PLD Plan and the SET Plan) than the current rate:

<u><b>PLD Plan</b></u>	1% Decrease <u>(5.50%)</u>	Current Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Town's proportionate share of the net pension liability (asset)	\$ 2,780,386	941,137	(579,068)
 <u><b>SET Plan</b></u>	 1% Decrease <u>(5.50%)</u>	 Current Discount Rate <u>(6.50%)</u>	 1% Increase <u>(7.50%)</u>
Town's proportionate share of the net pension liability	\$ 1,019,740	520,744	105,277

**Pension Plan Fiduciary Net Position** - Detailed information about the Consolidated PLD and SET pension plans' fiduciary net position is available in the separately issued MPERS financial report.

**Payables to the Pension Plan** - None as of June 30, 2023.

**OTHER POST EMPLOYMENT BENEFITS – SCHOOL DEPARTMENT HEALTH INSURANCE**

**General Information about the OPEB Plan**

**Plan Description** - The Town's school department sponsors a post-retirement benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (MEABT). The State Legislature has the authority to establish and amend the benefit terms and financing requirements. 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*.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

OTHER POST EMPLOYMENT BENEFITS, SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED

**Benefits Provided** - MEABT provides healthcare insurance benefits for retirees and their dependents. The employee must have participated in the MEABT health plan for the 12 months prior to retirement and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits. The retiree is eligible for a State subsidy of 55% of the blended single premium for the retiree only. Under State laws, the blended premium is determined by blending rates for active members and retired members. The retiree pays 45% of the blended premium rate for coverage selected. Spouses must contribute 100% of the blended premium amounts. Thus, the total premium is paid for by both the State and the retiree and or spouse.

*Employees Covered by Benefit Terms* – At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	70
Inactive employee entitled to but not yet receiving benefits	-
Active employees	<u>115</u>
Total	<u><u>185</u></u>

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

The Town’s total OPEB liability of \$3,859,365 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2022.

*Changes in the Total OPEB Liability*

Balance at June 30, 2022	\$ 3,336,485
Changes for the year:	
Service cost	38,244
Interest	72,014
Changes of benefit terms	-
Differences between expected and actual experience	190,152
Changes in assumptions or other inputs	304,393
Benefit payments	<u>(81,923)</u>
Net changes	<u>522,880</u>
Balance at June 30, 2023	<u>\$ 3,859,365</u>

Change in assumptions reflects a change in the discount rate from 2.16% to 3.54%.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

OTHER POST EMPLOYMENT BENEFITS, SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED

---

For the year ended June 30, 2023, The Town recognized OPEB expense of \$283,590. At June 30, 2023, The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 303,936	-
Changes of assumption or other inputs	399,714	-
Contributions subsequent to measurement date	108,410	-
Total	\$ 812,060	-

\$108,410 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$ 173,334
2025	193,360
2026	167,984
2027	86,547
2028	82,425

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.70%
Salary increases	2.75%
Discount rate	3.54% per annum
Healthcare cost trend rates - Pre-Medicare	7.95% for 2023 grading 19 years to 4.00%
Healthcare cost trend rates - Medicare	0.00% for 2023 grading 19 years to 4.29%
Retirees' share of the benefit related costs	45% of the blended premium rate with a State subsidy for the remaining 55% of the blended premium rate

Mortality rates were based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2015 through June 30, 2020.

**Discount Rate** - The rate used to measure the total OPEB liability was 3.54% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

OTHER POST EMPLOYMENT BENEFITS, SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate** - The following presents the Town's total OPEB liability calculated using the discount rate of 3.54%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.54%) or 1 percentage-point higher (4.54%) than the current rate.

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 4,427,152	3,859,365	3,389,105

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the Town's total OPEB liability calculated using the healthcare cost trend rates, as well as what the Unit's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 3,378,384	3,859,365	4,438,338

OTHER POST EMPLOYMENT BENEFITS – GROUP TERM LIFE INSURANCE

**General Information about the OPEB Plans**

**Plan Descriptions** - The Town sponsors post-retirement benefit plans providing group term life insurance to retiring teachers and other Town employees (hereafter referred to as the GTL Plans). The plans are cost-sharing multiple-employer defined benefit OPEB plans administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements. MPERS issues a publicly available financial report that is available at [www.maineopers.org](http://www.maineopers.org).

**Benefits Provided** - Under the GTL Plans, MPERS provides basic group life insurance benefits, during retirement, to retirees who participated in the plans prior to retirement for a minimum of 10 years. The level of coverage is initially set to an amount equal to the retirees' average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

**Contributions** - Premium rates are determined for both the PLD and SET Plans by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims.

**PLD OPEB Plan** - The Town is required to remit a premium of \$0.48 per \$1,000 of coverage per month during the post-employment retirement period. Contributions to the PLD OPEB Plan from the Town were \$3,038 for the year ended June 30, 2023. Employees are not required to contribute to the PLD OPEB Plan.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

OTHER POST EMPLOYMENT BENEFITS – GROUP TERM LIFE INSURANCE, CONTINUED

**SET OPEB Plan** - The State of Maine is required to remit the total dollar amount of each year’s annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the Town were \$18,434 for the year ended June 30, 2023. Employers and employees are not required to contribute to the SET OPEB plan.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liabilities for the GTL plans were measured as of June 30, 2022 and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation as of June 30, 2022. The Town’s proportion of the net OPEB liabilities was based on a projection of the Town’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined.

**PLD OPEB Plan** - At June 30, 2023, the Town reported a liability of \$34,435 for its proportionate share of the net OPEB liability. At June 30, 2023, the Town’s proportion was 0.2378%.

**SET OPEB Plan** - At June 30, 2023, the Town reported no liability related to the plan. The State of Maine’s proportionate share of the net OPEB liability associated with the Town was \$154,662 as of June 30, 2023. At June 30, 2023, the Town’s proportion was 0.00%.

For the year ended June 30, 2023, The Town recognized an expense of \$167 for the GTL PLD Plan. For the year ended June 30, 2023, the Town recognized OPEB expense and revenues of \$18,434 for support provided by the State related to the SET OPEB Plan. At June 30, 2023, the Town reported no deferred outflows resources nor deferred inflows of resources related to the SET OPEB Plan. At June 30, 2023, The Town reported deferred outflows of resources and deferred inflows of resources related to the GTL PLD Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,370	-
Net difference between projected and actual earnings on OPEB plan investments	2,977	-
Changes in assumptions	-	7,890
Changes in proportion and differences between Town contributions and proportionate share of contributions	5,476	-
Contributions subsequent to the measurement date	3,038	-
Total	<u>\$ 12,861</u>	<u>7,890</u>

\$3,038 is reported as deferred outflows of resources related to the PLD OPEB plans resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the OPEB liability in the year ended June 30, 2024. Deferred outflows of resources and deferred inflows of resources related to the PLD OPEB Plan will be recognized in OPEB expense as follows:

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

OTHER POST EMPLOYMENT BENEFITS – GROUP TERM LIFE INSURANCE, CONTINUED

Year ended June 30:	
2024	\$(86)
2025	(1,287)
2026	(2,167)
2027	3,557
2028	1,457
Thereafter	459

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the June 30, 2022 actuarial valuation roll forward for both the PLD and SET OPEB Plans was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

	PLD OPEB Plan	SET OPEB Plan
Inflation	2.75%	2.75%
Salary increases	2.75% - 11.48%	2.80% - 13.03%
Investment rate of return	6.50%	6.50%

Mortality rates for each plan were based on the 2010 Public Plan Teacher (SET) and General (PLD) Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC\_2020 model.

The actuarial assumptions used in the June 30, 2022 valuations for both the PLD and SET OPEB plans were based on the results of an actuarial experience study conducted for the period July 1, 2015 to June 30, 2020.

The long-term expected rate of return on both the PLD and SET OPEB plan investments was determined using a building-block method which best estimates ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Public equities	6.0%
Real estate	5.2%
Traditional credit	3.0%
US Government Securities	2.3%

**Discount Rate** - The rate used to measure the net OPEB liability for the PLD OPEB Plan was 6.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

**OTHER POST EMPLOYMENT BENEFITS – GROUP TERM LIFE INSURANCE, CONTINUED**

The rate used to measure the net OPEB liability for the SET OPEB Plan was 6.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Sensitivity of the OPEB Liabilities to Changes in the Discount Rates** - The following presents the Town’s net OPEB liability related to the PLD Plan calculated using the discount rate, as well as what the Town’s net OPEB liability would be if they were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	1% Decrease	Discount Rate	1% Increase
Net OPEB liability	\$ 46,737	34,435	24,558

**OPEB Plan Fiduciary Net Position** - Detailed information about the GTL plans’ fiduciary net position is available in a separately issued MPERS financial report.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN**

**General Information about the OPEB Plan**

**Plan Description** - The Town sponsors a post-retirement benefit plan providing health insurance to retiring employees (hereafter referred to as the Health Plan). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The Town Council has the authority to establish and amend the benefit terms and financing requirements. 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*.

**Benefits Provided** - Under the Health Plan, MMEHT provides healthcare and life insurance benefits for retirees and their dependents. Town employees over the age of 55 with 5 years of continuous service are allowed to participate in the plan. Retirees that are designated in a plan pay 100% of the single coverage premium and 100% of the family coverage premium. For those Town employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

*Employees Covered by Benefit Terms* – At January 1, 2023, the following employees were covered by the Health Plan benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employee entitled to but not yet receiving benefits	-
Active employees	32
Total	34

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN, CONTINUED

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The Town’s total Health Plan OPEB liability of \$312,017 was measured as of January 1, 2023, and was determined by an actuarial valuation as of January 1, 2022.

*Changes in the Total Health Plan OPEB Liability*

		Total OPEB Liability
Balance at June 30, 2022	\$	329,336
Changes for the year:		
Service cost		21,124
Interest		7,141
Changes of benefit terms		-
Differences between expected and actual experience		-
Changes in assumptions or other inputs		(37,958)
Benefit payments		(7,626)
Net changes		<u>(17,319)</u>
Balance at June 30, 2023	\$	<u><u>312,017</u></u>

Change in assumptions reflects a change in the discount rate from 2.06% to 3.72%.

For the year ended June 30, 2023, The Town recognized OPEB expense of \$21,860 related to the Health Plan. At June 30, 2023, The Town reported deferred outflows of resources and deferred inflows of resources related to the Health Plan from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	-	24,683
Changes of assumption or other inputs		-	8,410
Contributions subsequent to measurement date		9,105	-
Total	\$	<u>9,105</u>	<u>33,093</u>

\$9,105 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:



**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN, CONTINUED

Year ended June 30:	
2024	\$(6,405)
2025	(2,079)
2026	(2,767)
2027	(5,698)
2028	(5,698)
Thereafter	(10,446)

**Actuarial Assumptions** - The total OPEB liability in the January 1, 2023 measurement for the Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% per annum
Salary increases	2.75% per annum
Discount rate	3.72% per annum
Healthcare cost trend rates – non-Medicare	7.95% for 2023, decreasing to 4.55% by 2043
Healthcare cost trend rates – Medicare	7.26% for 2023, decreasing to 4.55% by 2043
Retirees’ share of the benefit related costs	100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

The actuarial assumptions used in the January 1, 2022 valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2016 through June 30, 2020.

**Discount Rate** - The rate used to measure the total OPEB liability for the Health plan was 3.72% per annum. Since the plan is pay as you go and is not funded, the discount rate will be based on a 20-year tax-exempt general obligation municipal bond index. The rate is assumed to be an index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, for pay as you go plans.

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Discount Rate** - The following presents the Town’s total OPEB liability related to the Health Plan calculated using the discount rate of 3.72% as well as what the Town’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.72%) or 1 percentage-point higher (4.72%) than the current rate:

	1% Decrease (2.72%)	Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB liability	\$ 360,886	312,017	271,967

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the Town’s total OPEB liability related to the Health Plan calculated using the healthcare cost trend rates, as well as what the Town’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

**TOWN OF WINTHROP, MAINE**  
**Notes to Basic Financial Statements**

---

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN, CONTINUED

---

		1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$	266,938	312,017	368,635

---

RETIREMENT PLANS

---

**Deferred Compensation Plans**

The Town of Winthrop, Maine offers all its employees not participating in Maine Public Employees Retirement System a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the Town’s financial statements.

The Town also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 403. The plan, available to all School Department employees as a part of the collective bargaining agreement, 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 unforeseeable emergency.

Assets of the plan are placed in a trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the Town’s financial statement.

---

SUBSEQUENT EVENTS

---

In July 2023, the Town issued a note from direct borrowing agreement through the Maine Municipal Bond Bank School Revolving Loan Fund of \$454,589 for the purchase of equipment and vehicles. The term of the agreement is for 5 years and bears an interest rate of 0%.

**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 14,491,709	14,491,709	14,583,341	91,632
Licenses and permits	132,780	132,780	184,963	52,183
Intergovernmental	1,625,278	1,625,278	2,171,963	546,685
Charges for services	1,229,909	1,229,909	1,492,728	262,819
Other	1,300	1,300	31,539	30,239
Investment income	4,000	4,000	52,024	48,024
Total revenues	17,484,976	17,484,976	18,516,558	1,031,582
<b>Expenditures:</b>				
Current:				
General government	2,761,936	2,889,236	2,594,201	295,035
Public works	1,358,607	1,384,889	1,415,723	(30,834)
Public safety	3,177,961	3,177,961	3,093,885	84,076
Culture and recreation	522,778	527,424	522,358	5,066
Public assistance	11,581	15,542	36,474	(20,932)
Intergovernmental assessments	882,175	882,175	882,175	-
Unclassified	-	120,158	-	120,158
Debt service	1,071,958	1,083,958	1,081,681	2,277
Total expenditures	9,786,996	10,081,343	9,626,497	454,846
Excess (deficiency) of revenues over (under) expenditures	7,697,980	7,403,633	8,890,061	1,486,428
<b>Other financing sources (uses):</b>				
Use of carry forward balances	-	404,347	-	(404,347)
Transfers to school funds	(7,240,888)	(7,240,888)	(7,240,888)	-
Transfers from other funds	288,980	288,980	242,746	(46,234)
Transfers to other funds	(746,072)	(856,072)	(931,049)	(74,977)
Total other financing sources (uses)	(7,697,980)	(7,403,633)	(7,929,191)	(525,558)
Net change in fund balance	-	-	960,870	960,870
Fund balance, beginning of year			4,148,530	
<b>Fund balance, end of year</b>	<b>\$</b>		<b>5,109,400</b>	

**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information, Continued**  
**School Operations**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
State education subsidy	\$ 4,984,000	4,984,000	5,011,648	27,648
Medicare reimbursements	75,000	75,000	113,259	38,259
Tuition	50,000	50,000	49,429	(571)
Gate receipts	20,000	20,000	5,095	(14,905)
Miscellaneous	70,001	70,001	21,755	(48,246)
Total revenues	5,199,001	5,199,001	5,201,186	2,185
<b>Expenditures:</b>				
Current:				
Regular instruction	4,708,717	4,503,717	4,173,327	330,390
Special education instruction	2,241,588	2,176,588	2,081,505	95,083
Other instruction	458,539	458,539	392,181	66,358
Student and staff support	1,199,094	1,219,094	1,215,248	3,846
System administration	379,177	399,177	393,167	6,010
School administration	860,815	860,815	845,533	15,282
Transportation	440,500	665,500	655,234	10,266
Facilities maintenance	1,566,486	1,566,486	1,380,461	186,025
Other	6,400	6,400	5,889	511
Debt service	622,572	627,572	626,110	1,462
Total expenditures	12,483,888	12,483,888	11,768,655	715,233
Excess (deficiency) of revenues over (under) expenditures	(7,284,887)	(7,284,887)	(6,567,469)	717,418
<b>Other financing sources (uses):</b>				
Use of fund balance	275,000	275,000	-	(275,000)
Transfer from Town	7,009,887	7,009,887	7,009,888	1
Transfers to other funds	-	-	(956,500)	(956,500)
Total other financing sources (uses)	7,284,887	7,284,887	6,053,388	(1,231,499)
Net change in fund balance	-	-	(514,081)	(514,081)
Fund balance, beginning of year			1,510,940	
<b>Fund balance, end of year</b>	<b>\$</b>		<b>996,859</b>	

**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information, Continued**

**Schedule of Town's Proportionate Share of the Net Pension Liability**  
**Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee**  
**and Teacher Plan (SET)**

Last 10 Fiscal Years\*\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>PLD Plan</b>									
Town's proportion of the net pension liability (asset) \$	0.3540%	-0.0237%	0.3250%	0.3070%	0.3243%	0.3721%	0.3548%	0.3279%	0.2920%
Town's proportionate share of the net pension liability (asset)	941,137	(108,188)	1,291,315	938,274	887,637	1,523,311	1,885,416	1,046,288	449,387
Town's covered payroll	2,601,645	1,980,636	1,913,281	1,719,181	1,587,426	1,980,662	1,867,628	1,680,235	1,542,683
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	36.17%	-5.46%	67.49%	54.58%	55.92%	76.91%	100.95%	62.27%	29.13%
Plan fiduciary net position as a percentage of the total pension liability	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.61%	88.27%	94.01%
<b>SET Plan</b>									
Town's proportion of the net pension liability	0.0351%	0.0206%	0.0100%	0.0156%	0.0216%	0.0162%	0.0089%	0.0090%	0.0113%
Town's proportionate share of the net pension liability	520,744	174,240	162,425	227,973	291,196	235,180	157,586	121,160	121,699
State's proportionate share of the net pension liability associated with the Town	5,657,048	3,238,469	6,737,833	6,393,844	6,038,512	6,661,567	8,412,797	5,321,822	4,312,029
<b>Total</b> \$	<b>6,177,792</b>	<b>3,412,709</b>	<b>6,900,258</b>	<b>6,621,817</b>	<b>6,329,708</b>	<b>6,896,747</b>	<b>8,570,383</b>	<b>5,442,982</b>	<b>4,433,728</b>
Town's covered payroll \$	5,921,194	5,465,284	5,485,611	5,759,284	5,762,791	5,733,226	5,364,890	5,106,910	4,614,614
Town's proportionate share of the net pension liability as a percentage of its covered payroll	8.79%	3.19%	2.96%	3.96%	5.05%	4.10%	2.94%	2.37%	2.64%
Plan fiduciary net position as a percentage of the total pension liability	85.79%	90.90%	81.03%	82.73%	82.90%	80.78%	76.21%	81.18%	83.91%

\* The amounts presented for each fiscal year were determined as of the prior fiscal year.

\*\*Only nine years of information available.

**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information, Continued**

**Schedule of Town Contributions – Net Pension Liability**  
**Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee**  
**and Teacher Plan (SET)**

	Last 10 Fiscal Years*									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>PLD Plan</b>										
Contractually required contribution	\$ 332,072	278,367	206,797	195,293	180,514	160,330	187,280	166,219	82,062	-
Contributions in relation to the contractually required contribution	(332,072)	(278,367)	(206,797)	(195,293)	(180,514)	(160,330)	(187,280)	(166,219)	(82,062)	-
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Town's covered payroll	3,034,600	2,601,645	1,980,936	1,913,281	1,719,181	1,587,426	1,980,662	1,867,628	1,680,235	-
Contributions as a percentage of covered payroll	10.94%	10.70%	10.44%	10.21%	10.50%	10.10%	9.46%	8.90%	4.88%	-
<b>SET Plan</b>										
Contractually required contribution	224,870	227,374	227,356	228,198	228,644	259,113	213,497	188,740	136,683	-
Contributions in relation to the contractually required contribution	(224,870)	(227,374)	(227,356)	(228,198)	(228,644)	(259,113)	(213,497)	(188,740)	(136,683)	-
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Town's covered payroll	\$ 5,856,379	5,921,194	5,465,284	5,485,611	5,759,284	5,762,791	5,733,226	5,364,890	5,106,910	-
Contributions as a percentage of covered payroll	3.84%	3.84%	4.16%	4.16%	3.97%	4.50%	3.72%	3.52%	2.68%	-

\* Only nine years of information available.

**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information, Continued**

**Schedule of Changes in the Town's Total Health Plan (MEABT) OPEB Liability and Related Ratios**  
**Last 10 Fiscal Years\***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>					
Service cost	\$ 38,244	32,364	18,049	14,884	16,208
Interest	72,014	72,508	104,486	107,910	102,751
Changes of benefit terms	-	-	(247,421)	-	-
Differences between expected and actual experience	190,152	-	290,952	-	-
Changes of assumptions or other inputs	304,393	24,738	197,665	152,267	(120,172)
Benefit payments	(81,923)	(82,855)	(81,823)	(80,676)	(77,888)
Net change in total OPEB Liability	522,880	46,755	281,908	194,385	(79,101)
Total OPEB liability - beginning	3,336,485	3,289,730	3,007,822	2,813,437	2,892,538
<b>Total OPEB liability - ending</b>	<b>\$ 3,859,365</b>	<b>3,336,485</b>	<b>3,289,730</b>	<b>3,007,822</b>	<b>2,813,437</b>
Covered-employee payroll	\$ 4,707,523	4,568,389	4,456,964	6,198,444	6,032,549
Total OPEB liability as a percent of covered-employee payroll	81.98%	73.03%	73.81%	48.53%	46.64%

\*Only five years of information available.

**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information, Continued**

**Schedule of Changes in the Town's Total Health Plan (MMEHT) OPEB Liability and Related Ratios**  
**Last 10 Fiscal Years\***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service cost	\$ 21,124	26,593	23,353	14,435	15,810	14,408
Interest	7,141	7,027	7,741	9,624	8,170	9,305
Changes of benefit terms	-	-	-	(5,102)	-	-
Differences between expected and actual experience	-	(6,739)	-	(33,484)	-	(59,294)
Changes of assumptions or other inputs	(37,958)	(890)	17,596	56,520	(22,085)	29,026
Benefit payments	(7,626)	(3,032)	(2,915)	(3,349)	(3,220)	(3,808)
Net change in total OPEB Liability	(17,319)	22,959	45,775	38,644	(1,325)	(10,363)
Total OPEB liability - beginning	329,336	306,377	260,602	221,958	223,283	233,646
<b>Total OPEB liability - ending</b>	<b>\$ 312,017</b>	<b>329,336</b>	<b>306,377</b>	<b>260,602</b>	<b>221,958</b>	<b>223,283</b>
Covered-employee payroll	\$ 1,651,519	1,651,519	1,384,968	1,308,494	1,308,494	1,308,494
Total OPEB liability as a percent of covered-employee payroll	18.89%	19.94%	22.12%	19.92%	16.96%	17.06%

\*Only six years of information available.



**TOWN OF WINTHROP, MAINE**  
**Required Supplementary Information, Continued**

**Schedule of Town's Proportionate Share of the Net OPEB Liability – Life Insurance**  
**Last 10 Fiscal Years\***

<b><u>PLD OPEB Plan</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Town's proportion of the net OPEB liability	0.2378%	0.2173%	0.1932%	0.2084%	0.1983%	0.1486%
Town's proportionate share of the net OPEB liability	\$ 34,435	22,433	25,482	44,599	40,057	33,607
Town's covered-employee payroll	2,402,571	1,980,636	1,913,281	1,791,181	1,587,426	1,587,426
Town's proportionate share of the net OPEB liability as percentage of its covered payroll	1.43%	1.13%	1.33%	2.49%	2.52%	2.12%
Plan fiduciary net position as a percentage of the total OPEB liability	55.88%	67.26%	55.40%	43.18%	43.92%	47.42%
<b><u>SET OPEB Plan</u></b>						
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	-	-	-	-	-	-
State's proportionate share of the net OPEB liability associated with the Town	154,662	80,843	178,417	232,460	176,057	172,538
<b>Total</b>	<b>\$ 154,662</b>	<b>80,843</b>	<b>178,417</b>	<b>232,460</b>	<b>176,057</b>	<b>172,538</b>
Plan fiduciary net position as a percentage of the total OPEB liability	52.39%	62.90%	49.51%	49.22%	48.04%	47.29%

**Schedule Town's Contributions - Net OPEB Liability - Life Insurance**  
**Last 10 Fiscal Years\***

	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>PLD OPEB Plan</u></b>						
Contractually required contribution	\$ 3,038	2,578	2,177	2,294	2,121	2,084
Contributions in relation to the contractually required contribution	(3,038)	(2,578)	(2,177)	(2,294)	(2,121)	(2,084)
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Town's covered-employee payroll	\$ 2,750,647	2,402,571	1,980,636	1,913,281	1,791,181	1,587,426
Contributions as a percentage of covered-employee payroll	0.11%	0.11%	0.11%	0.12%	0.12%	0.13%

\* Only six years of information available.

\* The amounts presented for each fiscal year were determined as of the prior fiscal year.

**TOWN OF WINTHROP, MAINE**  
**Notes to Required Supplementary Information**

---

**Net Pension Liabilities (Assets)**

Changes of Benefit Terms (Pension) - None

Changes of Assumptions (Pension) - The following are changes in actuarial assumptions used in the most recent valuations:

<u>Fiscal year:</u>	<u>2022</u>	<u>2020</u>	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate - PLD	6.500%	6.750%	6.750%	6.875%	7.125%	7.250%
Discount rate - SET	6.500%	6.750%	6.750%	6.875%	7.125%	7.125%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%
Salary increases - PLD	2.75-11.48%	2.75% + merit	2.75-9.00%	2.75-9.00%	3.50-9.50%	3.50-9.50%
Salary increases - SET	2.80-13.03%	2.75% + merit	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%
Cost of living increases - PLD	1.91%	1.91%	1.91%	2.20%	2.55%	3.12%
Cost of living increases	2.20%	2.20%	2.20%	2.20%	2.55%	2.55%

**Mortality rates:**

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA.

In 2016, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table.

In 2022, mortality rates were based on the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table for the SET Plan, and the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table for the PLD Plan.

\* These schedules are intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.

**TOWN OF WINTHROP, MAINE**  
**Notes to Required Supplementary Information, Continued**

**School Department Health Insurance OPEB Liability**

Changes of Benefit Terms (OPEB – Health Insurance):

In FY 2021, MEABT moved the Medicare Companion Plan to a Medicare Advantage Plan.

**Town Health Insurance OPEB Liability**

Changes of Benefit Terms (OPEB – Health Insurance) - None

**Net OPEB Liabilities - Group Term Life**

Changes of Benefit Terms - None

For all OPEB plans, changes in assumptions are as follows:

Fiscal year	2023	2022	2021	2020	2019	2018	2017
<b>School Department Health Insurance OPEB Liability</b>							
Discount Rate	3.54%	2.16%	2.00%	N/A	3.50%	3.87%	3.58%
Rate of Inflation	2.70%	2.75%	2.75%	2.75%	N/A	N/A	N/A
Salary Increases	2.75%	2.75%	2.75%	2.75%	2.75%	N/A	N/A
<b>Town Health Insurance OPEB Liability</b>							
Discount Rate	3.72%	2.06%	2.12%	2.47%	N/A	N/A	N/A
Rate of Inflation	3.00%	2.40%	2.00%	2.00%	N/A	N/A	N/A
Salary Increases	2.75%	2.75%	2.75%	2.75%	N/A	N/A	N/A
<b>Group Term Life Insurance PLD OPEB Liability</b>							
Discount Rate	6.50%	6.50%	6.75%	6.75%	4.98%	5.41%	N/A
Rate of Inflation	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	N/A
Salary Increases	2.75-11.48%	2.75-11.48%	2.75-9.00%	2.75-9.00%	2.75-9.00%	2.75-9.00%	N/A
<b>Group Term Life Insurance SET OPEB Liability</b>							
Discount Rate	6.50%	6.50%	6.75%	6.75%	6.75%	6.88%	N/A
Salary Increases	2.80-13.03%	2.80-13.03%	2.75-14.50%	2.75-14.50%	2.75-14.50%	2.75-14.50%	N/A
Rate of Inflation	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	N/A

For all OPEB plans, the mortality rate was based on the RP2014 Total Dataset Healthy Annuitant Mortality Table.

In 2022, the mortality rates for all plans were based on the 2010 Public Plan General Benefits and 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table.

\* These schedules are intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.

**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS**

# **GENERAL FUND**

**TOWN OF WINTHROP, MAINE**  
**General Fund**  
**Comparative Balance Sheets**  
**June 30, 2023**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 9,922,623	8,321,103
Accounts receivable	86,824	9,423
Due from other governments	167,420	134,705
Ambulance, net of allowance of \$67,060	134,319	116,801
Taxes and tax liens	621,587	575,713
Tax acquired property	16,180	24,977
Prepaid expenditures	54,627	82,671
Inventory	12,718	9,626
<b>Total assets</b>	<b>11,016,298</b>	<b>9,275,019</b>
<b>LIABILITIES</b>		
Accounts payable and other current liabilities	193,470	162,677
Accrued payroll and benefits	80,129	107,084
Taxes collected in advance	38,184	44,999
Unearned revenue	10,260	7,539
Interfund loans payable	5,248,662	4,553,853
<b>Total liabilities</b>	<b>5,570,705</b>	<b>4,876,152</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	336,193	250,337
<b>Total deferred inflows of resources</b>	<b>336,193</b>	<b>250,337</b>
<b>FUND BALANCE</b>		
Nonspendable	102,902	117,274
Assigned	1,474,118	404,347
Unassigned	3,532,380	3,626,909
<b>Total fund balance</b>	<b>5,109,400</b>	<b>4,148,530</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 11,016,298</b>	<b>9,275,019</b>

**TOWN OF WINTHROP, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**For the Year Ended June 30, 2023**  
**(with comparative actual amounts for the year ended June 30, 2022)**

	2023		Variance positive (negative)	2022 Actual
	Revised budget	Actual		
Revenues:				
Taxes:				
Property taxes	\$ 13,230,209	13,230,209	-	12,365,086
Supplemental taxes	-	26,077	26,077	24,708
Change in deferred taxes	-	(85,856)	(85,856)	13,641
Payments in lieu of taxes	-	-	-	572
Excise taxes	1,216,500	1,375,256	158,756	1,377,284
Interest and lien costs	45,000	37,655	(7,345)	60,385
Total taxes	14,491,709	14,583,341	91,632	13,841,676
Licenses and permits:				
Town clerk fees	31,600	39,523	7,923	44,744
Licenses and permits	20,180	63,434	43,254	71,034
Cable franchise fees	81,000	82,006	1,006	81,598
Total licenses and permits	132,780	184,963	52,183	197,376
Intergovernmental:				
State revenue sharing	900,000	1,414,518	514,518	1,254,387
Homestead revenue	555,474	555,359	(115)	536,709
BETE reimbursement	93,404	93,472	68	91,636
Local roads reimbursement	58,000	58,408	408	58,728
Other intergovernmental reimbursements	18,400	50,206	31,806	25,855
Total intergovernmental	1,625,278	2,171,963	546,685	1,967,315
Charges for services:				
Police department fees	103,516	109,819	6,303	98,854
Fire department fees	500	-	(500)	533
Ambulance fees	934,683	1,153,890	219,207	951,166
Recreation fees	44,760	53,404	8,644	41,420
Solid waste fees	139,950	164,999	25,049	173,620
Cemetery fees	6,500	10,616	4,116	9,581
Total charges for services	1,229,909	1,492,728	262,819	1,275,174
Other revenues:				
Miscellaneous	1,300	31,539	30,239	11,254
Total other revenues	1,300	31,539	30,239	11,254
Investment income:				
Investment earnings	4,000	52,024	48,024	17,440
Total investment income	4,000	52,024	48,024	17,440
Total revenues	17,484,976	18,516,558	1,031,582	17,310,235

**TOWN OF WINTHROP, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis, Continued**

	2023		Variance positive (negative)	2022 Actual
	Revised budget	Actual		
Expenditures:				
Current:				
General government:				
Town Council	\$ 3,685	3,205	480	2,700
Elections	19,799	14,915	4,884	11,850
Town manager	122,854	154,731	(31,877)	106,052
Clerk/tax collector	190,454	165,187	25,267	146,787
Assessing and 911	72,975	52,843	20,132	58,714
Finance	162,871	163,827	(956)	137,552
Code enforcement	83,613	81,229	2,384	73,823
Planning board	47,565	22,447	25,118	1,751
Zoning board of appeals	675	-	675	149
Administrative services	2,000,930	1,785,367	215,563	1,539,343
Accrued compensated absences	100,000	148,541	(48,541)	39,850
Overlay/abatements	83,815	1,909	81,906	9,180
Total general government	2,889,236	2,594,201	295,035	2,127,751
Public works:				
General public works	739,283	773,272	(33,989)	626,074
Solid waste disposal	562,354	557,792	4,562	493,234
Cemetery maintenance	70,452	73,050	(2,598)	55,199
Landfill buildings/Annabessacook	12,800	11,609	1,191	12,035
Total public works	1,384,889	1,415,723	(30,834)	1,186,542
Public safety:				
Police department	1,019,809	985,585	34,224	777,344
Communications center	354,104	355,112	(1,008)	268,546
Fire department	219,066	176,498	42,568	192,021
Ambulance	1,337,232	1,326,681	10,551	1,149,792
Other public safety	247,750	250,009	(2,259)	241,938
Total public safety	3,177,961	3,093,885	84,076	2,629,641
Cultural and recreation:				
Library	407,426	407,426	-	328,438
Recreation	103,134	102,646	488	98,484
We play outside	11,580	5,750	5,830	10,762.00
Norcross point park	5,284	6,536	(1,252)	8,267
Total cultural and recreation	527,424	522,358	5,066	445,951
Public assistance:				
General assistance	15,542	36,474	(20,932)	7,619
Total public assistance	15,542	36,474	(20,932)	7,619



**TOWN OF WINTHROP, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis, Continued**

	<b>2023</b>		<b>Variance positive (negative)</b>	<b>2022 Actual</b>
	<b>Revised budget</b>	<b>Actual</b>		
Expenditures, continued				
Current continued:				
Intergovernmental assessments	\$ 882,175	882,175	-	801,969
Unclassified	120,158	-	120,158	-
Capital outlay	-	-	-	68,472
Debt service (excluding School Department)				
Principal	1,041,315	990,437	50,878	851,000
Interest	42,643	91,244	(48,601)	286,743
Total debt service	1,083,958	1,081,681	2,277	1,137,743
Total expenditures	10,081,343	9,626,497	454,846	8,405,688
Excess (deficiency) of revenues over (under) expenditures	7,403,633	8,890,061	1,486,428	8,904,547
Other financing sources (uses):				
Use of carry forward balances	404,347	-	(404,347)	-
Transfers to school funds	(7,240,888)	(7,240,888)	-	(7,043,681)
Transfers from other funds	288,980	242,746	(46,234)	307,993
Transfers to other funds	(856,072)	(931,049)	(74,977)	(1,160,993)
Total other financing sources (uses)	(7,403,633)	(7,929,191)	(525,558)	(7,896,681)
Net change in fund balance	-	960,870	960,870	1,007,866
Fund balance, beginning of year		4,148,530		3,140,664
<b>Fund balance, ending of year</b>	<b>\$</b>	<b>5,109,400</b>		<b>4,148,530</b>

# **TOWN CAPITAL RESERVES**

**TOWN OF WINTHROP, MAINE**  
**Town Capital Reserves**  
**Capital Projects Fund**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2023**

	Fund balances beginning of year	Other revenues	Capital outlay	Other Expenditures	Transfers	Fund balances end of year
Landfill closing	\$ 4,254	-	-	-	-	4,254
Community mural project	450	-	-	-	-	450
Fire truck reserve	15,617	1,417	-	-	2,000	19,034
Sweeper reserve	120,751	-	-	-	-	120,751
Development fund (TIF)	234,341	-	-	44,878	89,756	279,219
Downtown development	8,281	-	-	-	-	8,281
Skate park	4,393	-	-	-	-	4,393
Maranacook dam repairs	74,188	281	-	527	1,100	75,042
Radio dig upgrade	163,834	-	31,583	-	121,813	254,064
Tennis court reserve	132,470	-	89,071	-	5,000	48,399
Mapping GIS	7,088	-	-	-	1,000	8,088
PD painting and repair	38,000	-	-	13,824	12,000	36,176
Pavement/overlay	9,713	-	221,611	-	350,000	138,102
Police vehicle	10,000	10,777	42,852	-	25,190	3,115
Ambulance station repairs	4,441	-	16,043	4,270	16,043	171
Transfer station furnace	12,000	-	-	-	-	12,000
Sidewalk/crosswalk	17,145	-	-	-	-	17,145
Drainage/culvert	5,725	2,000	-	2,704	25,000	30,021
School building assessment	26,287	-	-	-	-	26,287
Town office computers/server	12,561	-	-	3,308	12,000	21,253
Town-wide revaluation	40,000	-	-	-	25,000	65,000
Norcross repairs	161,900	-	-	35	-	161,865
Library repairs	-	-	15,450	24,550	40,000	-
PD computer upgrades	6,635	-	13,022	-	6,387	-
Spillman mobile forms	29,500	-	-	-	5,000	34,500
PD Camera	19,000	-	-	-	(19,000)	-
PD phone system	1,239	-	6,105	-	4,866	-
PD Security	12,000	-	10,552	-	(1,448)	-
School building security	17,473	-	-	-	-	17,473
Mill dam	2,500	-	-	-	2,500	5,000
PD tasers	10,000	-	9,211	-	(789)	-
East Winthrop beach	75,330	-	-	-	-	75,330
LED lighting	35,000	-	-	-	50,364	85,364
Transfer station maintenance	-	-	-	-	60,000	60,000
Police guns & tasers	-	-	21,205	-	34,789	13,584
Financed purchases	264,613	606,000	558,218	-	100,000	412,395
<b>Total</b>	<b>\$ 1,576,729</b>	<b>620,475</b>	<b>1,034,923</b>	<b>94,096</b>	<b>968,571</b>	<b>2,036,756</b>

## **ALL OTHER GOVERNMENTAL FUNDS**

**TOWN OF WINTHROP, MAINE**  
**All Other Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2023**

	Special Revenue Funds					Capital Project Funds				Permanent Funds	Total Other Governmental Funds
	Town Programs	School Lunch	Adult Education	KVSS Regional Service Center	School Activity Funds	CIP Bond	School Capital	School RLF	School Energy Lease		
<b>ASSETS</b>											
Cash and cash equivalents	\$ -	384	-	-	155,640	-	-	-	-	28,165	184,189
Investments	-	-	-	-	-	-	-	-	-	552,126	552,126
Due from other governments	5,692	30,632	-	-	-	-	-	-	-	-	36,324
Due from lease trustee	-	-	-	-	-	-	-	1,120,261	-	-	1,120,261
Inventory	-	17,500	-	-	-	-	-	-	-	-	17,500
Interfund loans receivable	511,178	593,497	99,266	1,449	-	-	829,795	-	-	4,200	2,039,385
<b>Total assets</b>	<b>516,870</b>	<b>642,013</b>	<b>99,266</b>	<b>1,449</b>	<b>155,640</b>	<b>-</b>	<b>829,795</b>	<b>-</b>	<b>1,120,261</b>	<b>584,491</b>	<b>3,949,785</b>
<b>LIABILITIES AND FUND BALANCES</b>											
Liabilities:											
Accounts payable	605	5	4,252	-	-	-	26,200	-	-	-	31,062
Accrued payroll and benefits	-	7,757	3,120	-	-	-	-	-	-	-	10,877
Unearned revenues	397,561	-	-	-	-	-	-	-	-	-	397,561
Interfund loans payable	-	-	-	-	-	-	-	269,135	-	-	269,135
<b>Total liabilities</b>	<b>398,166</b>	<b>7,762</b>	<b>7,372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,200</b>	<b>269,135</b>	<b>-</b>	<b>-</b>	<b>708,635</b>
Fund balances:											
Nonspendable	-	17,500	-	-	-	-	-	-	-	464,246	481,746
Restricted earnings	-	-	-	-	-	-	-	-	-	120,245	120,245
Other restricted	140,067	616,751	91,894	1,449	155,640	-	-	-	-	-	1,005,801
Committed	-	-	-	-	-	-	803,595	-	1,120,261	-	1,923,856
Unassigned	(21,363)	-	-	-	-	-	-	(269,135)	-	-	(290,498)
<b>Total fund balances (deficits)</b>	<b>118,704</b>	<b>634,251</b>	<b>91,894</b>	<b>1,449</b>	<b>155,640</b>	<b>-</b>	<b>803,595</b>	<b>(269,135)</b>	<b>1,120,261</b>	<b>584,491</b>	<b>3,241,150</b>
<b>Total liabilities and fund balances</b>	<b>\$ 516,870</b>	<b>642,013</b>	<b>99,266</b>	<b>1,449</b>	<b>155,640</b>	<b>-</b>	<b>829,795</b>	<b>-</b>	<b>1,120,261</b>	<b>584,491</b>	<b>3,949,785</b>

**TOWN OF WINTHROP, MAINE**  
**All Other Governmental Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2023**

	Special Revenue Funds					Capital Project Funds					Total Other Governmental Funds
	Town Programs	School Lunch	Adult Education	KVSS Regional Service Center	School Activity Funds	CIP Bond	School Capital	School RLF	School Energy Lease	Permanent Funds	
Revenues:											
Intergovernmental	\$ 216,468	643,698	18,779	74,387	-	-	-	-	-	-	953,332
Charges for services	-	33,405	19,824	-	-	-	-	-	-	4,200	57,429
Local grants and contributions	36,296	-	-	-	-	-	-	-	-	-	36,296
Donations	-	-	-	-	169,882	-	-	-	-	-	169,882
Miscellaneous	-	4,034	-	-	-	-	-	-	-	-	4,034
Investment income (loss)	-	-	-	-	-	-	-	-	-	60,464	60,464
<b>Total revenues</b>	<b>252,764</b>	<b>681,137</b>	<b>38,603</b>	<b>74,387</b>	<b>169,882</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,664</b>	<b>1,281,437</b>
Expenditures:											
Current:											
General government	58,582	-	-	-	-	-	-	-	-	-	58,582
Public works	4,500	-	-	-	-	-	-	-	-	-	4,500
Public safety	27,434	-	-	-	-	-	-	-	-	-	27,434
Education	-	-	88,368	115,913	144,994	-	145,087	-	-	-	494,362
School lunch	-	626,826	-	-	-	-	-	-	-	-	626,826
Culture and recreation	18,823	-	-	-	-	-	-	-	-	-	18,823
Capital outlay	-	-	-	-	-	-	269,069	269,135	1,484,996	-	2,023,200
<b>Total expenditures</b>	<b>109,339</b>	<b>626,826</b>	<b>88,368</b>	<b>115,913</b>	<b>144,994</b>	<b>-</b>	<b>414,156</b>	<b>269,135</b>	<b>1,484,996</b>	<b>-</b>	<b>3,253,727</b>
Excess (deficiency) of revenues over (under) expenditures	143,425	54,311	(49,765)	(41,526)	24,888	-	(414,156)	(269,135)	(1,484,996)	64,664	(1,972,290)
Other financing sources (uses):											
Proceeds from financed purchases	-	-	-	-	-	-	-	-	2,605,257	-	2,605,257
Transfers from other funds	-	175,000	56,000	-	-	-	956,500	-	-	-	1,187,500
Transfers to other funds	(37,522)	-	-	-	-	(242,746)	-	-	-	-	(280,268)
<b>Total other financing sources (uses)</b>	<b>(37,522)</b>	<b>175,000</b>	<b>56,000</b>	<b>-</b>	<b>-</b>	<b>(242,746)</b>	<b>956,500</b>	<b>-</b>	<b>2,605,257</b>	<b>-</b>	<b>3,512,489</b>
<b>Net change in fund balances</b>	<b>105,903</b>	<b>229,311</b>	<b>6,235</b>	<b>(41,526)</b>	<b>24,888</b>	<b>(242,746)</b>	<b>542,344</b>	<b>(269,135)</b>	<b>1,120,261</b>	<b>64,664</b>	<b>1,540,199</b>
Fund balances, beginning of year	12,801	404,940	85,659	42,975	130,752	242,746	261,251	-	-	519,827	1,700,951
<b>Fund balances (deficits), end of year</b>	<b>\$ 118,704</b>	<b>634,251</b>	<b>91,894</b>	<b>1,449</b>	<b>155,640</b>	<b>-</b>	<b>803,595</b>	<b>(269,135)</b>	<b>1,120,261</b>	<b>584,491</b>	<b>3,241,150</b>

# **SCHEDULES**

**TOWN OF WINTHROP, MAINE**  
**Nonmajor Special Revenue Funds**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2023**

		Fund balances (deficits) beginning of year	Program revenues	Program expenditures	Transfers	Fund balances (deficits) end of year
Town programs:						
2001	Snowmobile grant	\$ -	10,692	10,692	-	-
2002	Winthrop cares	3,028	-	325	-	2,703
2003	Police drug forfeiture	5,939	-	-	(5,939)	-
2004	Summer concert	2,905	2,950	2,800	-	3,055
2005	Winthrop community coalition	4,400	-	-	-	4,400
2006	Trail committee project	2,468	-	-	-	2,468
2007	Winthrop plays outside	205	160	-	-	365
2013	Insurance	-	6,577	25,942	-	(19,365)
2014	Library	45	5,286	5,331	-	-
2016	Volunteer fire fighters association	-	1,338	1,338	-	-
2018	Sestercenten	3,421	-	-	-	3,421
2021	Pedal power	239	-	239	-	-
2024	PD Detail	-	240	240	-	-
2027	Covid JAG Emergency	-	11,440	11,440	-	-
2030	2019 JAG Byrne	-	1,416	1,416	-	-
2033	ARPA	-	42,920	11,337	(31,583)	-
2034	Invasive plants	-	4,500	4,500	-	-
2036	CEO trainings	151	1,170	828	-	493
2038	MMA Spring safety	-	3,000	3,000	-	-
2039	EMS Memorial donations	-	75	-	-	75
2040	Tobacco/Smoke free	-	1,000	513	-	487
2041	Body worn camera	-	10,000	10,000	-	-
2043	TAP	-	-	1,998	-	(1,998)
9999	UT CDBG pass through	(10,000)	150,000	17,400	-	122,600
Total Town programs		12,801	252,764	109,339	(37,522)	118,704
<b>Total</b>		<b>\$ 12,801</b>	<b>252,764</b>	<b>109,339</b>	<b>(37,522)</b>	<b>118,704</b>



**TOWN OF WINTHROP, MAINE**  
**Nonmajor Permanent Funds**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2023**

	Fund balances beginning of year		Revenues			Fund balances end of year		
			Other revenues	Investment gain	Principal			Earnings
	Principal	Earnings				Principal	Earnings	
Town Permanent Funds:								
N. Tuttle Needy	\$ 2,541	1,466	4,007	-	466	2,541	1,932	4,473
Cemetery trust	446,463	61,812	508,275	4,200	59,121	457,463	114,133	571,596
H. Johnson Fund	1,566	1,521	3,087	-	359	1,566	1,880	3,446
I. Bonney Fund	2,676	1,782	4,458	-	518	2,676	2,300	4,976
<b>Total</b>	<b>\$ 453,246</b>	<b>66,581</b>	<b>519,827</b>	<b>4,200</b>	<b>60,464</b>	<b>464,246</b>	<b>120,245</b>	<b>584,491</b>

**TOWN OF WINTHROP, MAINE**  
**Private-purpose Trust Funds**  
**Combining Schedule of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2023**

	Net position beginning of year	Investment income	Scholarships	Net position end of year
School Department Scholarships:				
Alice Whiting	\$ 2,466	287	-	2,753
Avis Cadwell	27,417	3,188	500	30,105
Bud Clough	6,809	793	-	7,602
Charlie Rollins	784	93	250	627
Del Bisonette	8,956	1,041	-	9,997
George F. Wilson	4,942	575	350	5,167
Harry and Flora May Davis	9,341	1,086	750	9,677
Helena Bisonette Seamans	10,099	1,174	750	10,523
Herbert E. Wadsworth	103,807	12,072	-	115,879
Nellie Tuttle Valedictorian	1,120	130	250	1,000
Pam Webb	6,971	811	-	7,782
Rockwood memorial library	1,985	231	-	2,216
Ron Cross	15,801	1,837	500	17,138
Stanley A. Kazney	219,591	25,537	4,500	240,628
Thomas Calagni	2,574	299	1,000	1,873
Walter A. Taylor	3,878	451	1,000	3,329
Helen A. Griffin	10,389	1,208	-	11,597
Marshall Hills	3,292	383	200	3,475
Frank Parker	1,931	-	1,931	-
Total School Department Scholarships	442,153	51,196	11,981	481,368
<b>Total</b>	<b>\$ 442,153</b>	<b>51,196</b>	<b>11,981</b>	<b>481,368</b>