

Town of Cumberland, Maine



Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

TOWN OF CUMBERLAND, MAINE
Annual Comprehensive Financial Report
For the Fiscal Year ended June 30, 2021

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Director of Finance

TOWN OF CUMBERLAND, MAINE
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

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INTRODUCTORY SECTION



TOWN OF CUMBERLAND, MAINE

290 Tuttle Road

Cumberland Center, Maine 04021-9321

Telephone (207) 829-5559 · Fax (207) 829-2214

November 29, 2021

Dear Members of the Town Council and Citizens of the Town of Cumberland:

State law and Town charter requires that the Town publish after the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States of America ("GAAP"), and audited in accordance with auditing standards generally accepted in the United States of America by a licensed certified public accountant. Pursuant to these requirements, we hereby issue the Annual Comprehensive Financial Report ("ACFR") of the Town of Cumberland, Maine (the "Town") for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The audit staff of Runyon Kersteen Ouellette, Certified Public Accountants, has audited the Town's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the fiscal year ended June 30, 2021, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements for fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the independent auditor's report.

PROFILE OF THE GOVERNMENT

The Town of Cumberland, incorporated on March 19, 1821, is governed using the council-manager form of government. Policy making and legislative authority is vested in a seven-member elected Town Council (“Council”). The Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager (“Manager”). The Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the Town, and for appointing the heads of the Town’s departments.

The geographic boundaries of the Town are within the county of Cumberland, Maine. Services provided by the Town include police, ambulance and fire protection; sanitation services; construction and maintenance of highways, streets, and infrastructure; emergency preparedness; municipal planning and code enforcement; human services; senior housing; wastewater system; recreational activities (including a golf course) and cultural events. Other than these general government activities, it has been determined that the Town is not financially accountable for any other entity, board or commission.

ECONOMIC CONDITION AND OUTLOOK

Cumberland is a quaint small-town located on the coast of Southern Maine. The Town has a total area of 26.25 square miles, of which 22.88 square miles of it is land and 3.37 square miles is water. The Town is located 11 miles northeast of the City of Portland and 11 miles southwest of Freeport. The Town was established in 1821 and officially named by Ephraim Studivant, a ship captain and the Town’s first treasurer. Cumberland has a rich farming history that still remains a vital part of the community. Since 1868, the Town’s local farmers club has put on The Cumberland Fair at the end of September, which is one of the State's largest agricultural fairs.

The Town is included among one of the wealthiest and safest places to live in the State of Maine. The Town is home to the Maine School Administrative District (MSAD) #51 that provides education to students K-12. The school district is comprised of Cumberland and North Yarmouth residents operating three schools and is ranked as a top performing school district in the state of Maine by Niche.com. The middle and high school are number one in the state of Maine by U.S. News & World Report rankings.

Since 2012, the Town has been named “Certified Business Friendly” by the Maine Department of Economic and Community Development.

MAJOR INITIATIVES AND LONG TERM PLANNING

During 2020-2021, the Town used a \$6.3 million general obligation bond to renovate the Council Chambers to provide for expansion during elections, to establish a new compost and brush area and sand/salt shed, and to purchase a \$1.4 million ladder truck for the fire department. The Town also upgraded the air handlers and provided for counter enclosures at the Town Hall to increase health and safety for both employees and citizens during the pandemic. The Town has also invested in updating network servers and firewalls to ensure the safety of data. The Town also completed a LED streetlight program that converted all of the Town’s existing streetlights, from incandescent bulbs, for energy efficiency and correction of light pollution.

The major capital projects underway at the end of fiscal year 2021, includes the railroad quiet zoning, finalization of the expansion of Town Garage and School Bus Garage Facility, and renovation to the Historical Society building.

The Town has an established Pavement Management Plan to maintain and upgrade the Town’s facilities and infrastructure. The Plan has a schedule of planned road maintenance and improvement projects that extends through 2024. While this schedule will be amended along the way, it is an important component of a comprehensive road improvement plan that can be used to create sustainable budgets for future road upkeep.

The Town continues to make a concerted effort to provide assistance for older residents to remain in their homes, enriching the community with their experiences and abilities. For the past few years, the Council has funded the Aging in Place project, to develop resources to assist senior residents. The Town has been recognized by several State and national organizations for the innovative programs. These programs include:

- The Cumberland Area Ride (CAR) program – This program coordinates volunteers to drive residents who have limited transportation options;
- The Friendly Caller and Visitor program – This program provides someone to visit or call on a regular basis; and
- The Handyman program - To help with light maintenance including yard work, pet walking, shoveling and other chores (done in conjunction with Greely Middle and High School)

Health classes, monthly social gatherings, loans of durable medical goods, and a daily call-in program run by the Fire Department are also made available to the Town's senior residents. When the State of Maine ended their Senior Property Tax Relief program, the Town established a similar program for senior residents within Cumberland. Through an application process, Cumberland seniors have the ability to qualify for up to \$750 of property tax rebates. For 2020-21, 192 senior residents benefited from the Town's program.

FINANCIAL POLICIES

The Town operates in accordance with State law and has developed a long-range comprehensive plan (Plan). The Plan sets forth goals and objectives for progress in all areas of the Town operations and outlines steps to be taken for their achievement. As part of the comprehensive plan for the Town, the Council adopts goals and objectives to serve as a guide for planning in all areas of operations. The Plan is updated and reviewed by the Council at least every 10 years.

The Town has an investment policy in place for the investment of temporarily idle funds. The purpose of the policy is to outline the responsibility, authority, and general guidelines of the investment management of the Town's cash reserves and to ensure compliance with Maine Statutes. See related Notes to the Basic Financial Statements for more information on the investment policy.

BUDGETARY CONTROLS

The annual budget serves as the basis for the Town's financial planning and control and the level of budgetary control is established at the org and object level. Activities of the General Fund are included in the annual appropriation budget.

Budgetary information is integrated into the accounting system. In order to provide budgetary control for salaries, the Town utilizes a centralized position control system. Additionally, support and administrative positions are created based upon established criteria.

Because many municipal facilities and important pieces of infrastructure have required attention, a strategic decision was made in fiscal year 2017 to allow the General Fund balance to decrease slightly to fund capital reserve funds. In addition, a five-year plan has been implemented that allowed the TIF fund to have increasing deficits for the next few years, then gradually recover. This is being done to accommodate necessary capital spending without resorting to long-term borrowing. The Road Improvement Capital Fund for fiscal year 2020 purposefully ran a deficit fund to work on the Town's infrastructure without carrying on additional debt until a plan can be put into place based on the outcome of the pandemic.

REPORTING ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This is the twenty-eighth consecutive year that the Town has received this prestigious award. The Certificate is a national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such ACFRs must satisfy both generally accepted accounting principles and applicable legal requirements.

A GFOA Certificate of Achievement is valid for a period of one year. We believe our current report continues to meet the requirements of the Certificate of Achievement Program. Accordingly, we are submitting it to GFOA for consideration for the award.

ACKNOWLEDGEMENTS

A comprehensive financial report of this nature could not have been prepared without the efficient and dedicated efforts of the Town's management team. We would like to also express appreciation to all staff members who assisted in providing a wealth of information for the preparation of this report.

In closing, we would also like to thank the members of the Council for their leadership and support in establishment of policies and approving processes for financial operations of the Town.

Sincerely,



William R. Shane, P.E.
Town Manager



Helene DiBartolomeo, C.P.A.
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Cumberland
Maine**

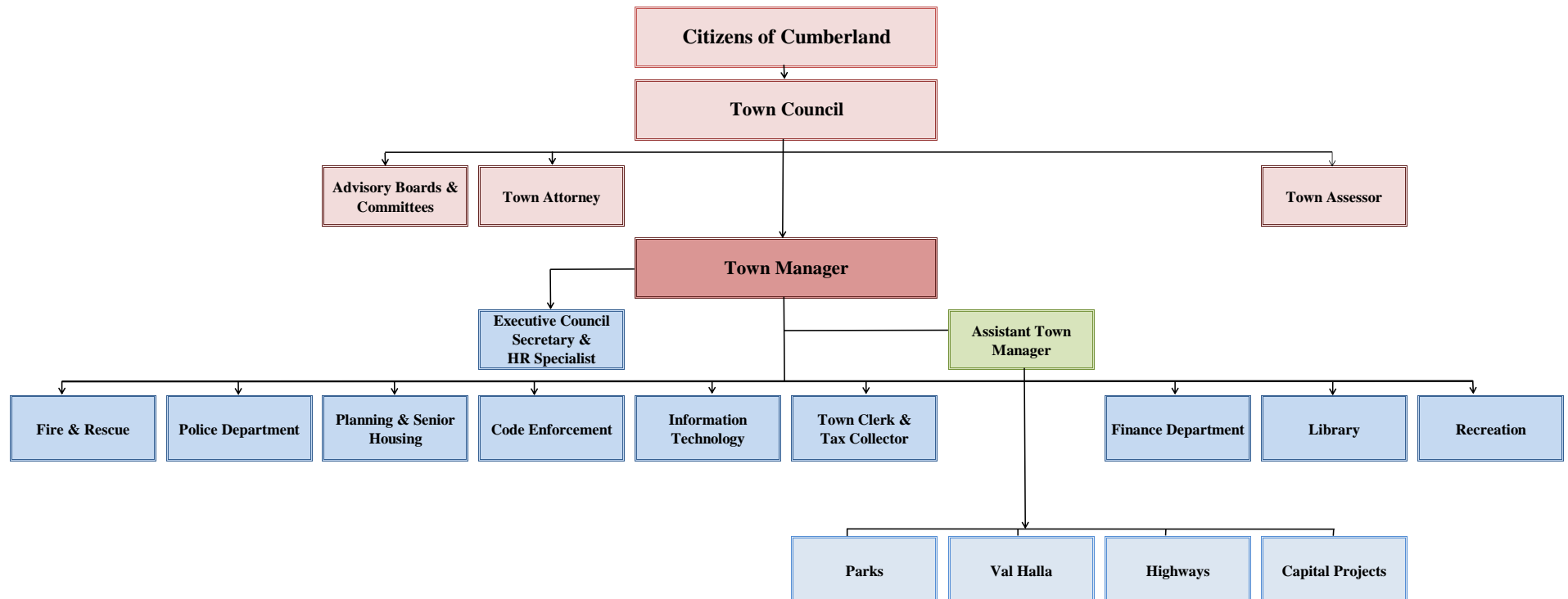
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Town of Cumberland, Maine Organizational Chart



TOWN OF CUMBERLAND, MAINE
List of Principal Officials – Appointed



William R. Shane, PE
Town Manager



Christopher Bolduc
Assistant Town Manager



Tamara O'Donnell
Town Clerk



Helene DiBartolomeo, CPA
Finance Director



Carla Nixon
Town Planner



William Longley
Code Enforcement Officer



John Brushwein
Town Assessor



Peter Bingham, Jr.
Recreation Director



Charles J. Rumsey IV
Police Chief



Daniel Small, EFO
Fire Chief



Thomas Bennett
Library Director

TOWN OF CUMBERLAND, MAINE
List of Principal Officials – Elected



Thomas Gruber
Council Member



Robert Vail
Council Chair



Ronald Copp, Jr.
Council Member



Michael Edes
Council Member



Shirley Storey-King
Council Member



Mark Segrist
Council Member



Allison Foster
Council Vice Chair

FINANCIAL SECTION

Independent Auditor's Report

Town Council
Town of Cumberland, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Cumberland, Maine as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Cumberland, Maine's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Cumberland, Maine as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Cumberland, Maine's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Town Council
Town of Cumberland, Maine

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021, on our consideration of the Town of Cumberland, 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 Cumberland, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Cumberland, Maine's internal control over financial reporting and compliance.



November 29, 2021
South Portland, Maine

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis
June 30, 2021

The management of the Town of Cumberland has prepared the following discussion and analysis of financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to assist the reader in focusing on significant financial issues, provide an overview and analysis of the Town's financial activities, identify changes in the Town's financial position, identify material deviations from the prior fiscal year, and highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is to highlight significant transactions, events, and conditions, it should be considered in conjunction with the Town's financial statements and notes to the basic financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains supplementary information intended to furnish additional details to support the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances in a manner similar to those of a private-sector business and consist of the following two statements:

- The *statement of net position* presents information on most of the Town's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is strengthening or weakening.
- The *statement of activities* presents information showing how the government's net position changed during the 2020-21 fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide statements present the Town's activities in the following categories:

- Governmental activities – This represents most of the Town's services, including the general government, public safety, public services, health and public assistance, recreation, Val Halla Golf Center, education, and the library. Property taxes, intergovernmental revenue, and user fees provide most of the resources that support these activities.
- Business-type activities – The Town charges fees to cover the cost of certain services it provides. The activities are for its Senior Housing and Sewer System.

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide detailed information about the Town's financial activities, focusing on its most significant or "major" funds rather than fund types. All of the Town's funds may be classified within one of the broad categories discussed below.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund statements to provide information on *near-term inflows and outflows of spendable resources*, as well as *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the Town's most significant funds. The Town's major funds are the General, Bond, TIF, and Debt Service Funds. Data from the other three types of governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The Town adopts an annual budget for its General Fund. Budgetary to actual comparisons have been provided for this fund to demonstrate budgetary compliance.

Proprietary Funds

Proprietary funds may be established to account for activities in which a fee is charged for services. When the Town charges customers for the services it provides – whether to outside customers or to other units of the Town – these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *statement of net position* and the *statement of activities*. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements, but provide more detail.

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as scholarships for students of the community. Fiduciary funds are not reflected in the government-wide statements because the resources of those funds are not available to support the Town's own programs. In its fiduciary capacity, the Town is responsible for ensuring that the assets reported in these funds are used only for the intended purposes. The Town reports the following fiduciary fund types:

- Private-purpose Trust Funds – to account for resources of various scholarship trust funds.
- Custodial Funds – to account for resources of the Cumberland Community Food Pantry.

Notes to the Basic Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-21 fiscal year are as follows:

Government-wide Statements

- The Town's assets and deferred outflows exceed its liabilities and deferred inflows on June 30, 2021 by \$39.9 million (*net position*), which represents an increase of \$4 million or 11.3 percent from 2019-20 fiscal year.
- The Town's total net position for governmental activities increased by \$3.9 million, which represents a 11.8 percent increase from the 2019-20 fiscal year. This change is attributable to revenues exceeding expenses.
- General revenues total \$33.1 million, or 84 percent of all revenues. Program revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$6.1 million, or 15.6 percent. The increase in general revenue was due to the 2.5 percent increase in the tax rate, the collection of motor vehicle excise tax, and the Homestead Exemption and State Revenue Sharing programs.
- Expenses total \$35.2 million; \$6.1 million of these expenses are offset by program specific charges, with the remainder paid from the general revenues. Total revenues exceed total expenses by \$4 million.

Fund Statements

- On June 30, 2021, the Town's ending fund balance for the General Fund totals \$4.1 million or 12.2 percent of total General Fund revenues, an increase of 24.5 percent over the prior year's fund balance.
- On June 30, 2021, the Town's business-type activities net position ending balance increased by 3.6 percent. The increase is primarily due to charges for service collected exceeding expenses.

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The following is a summary of the Town's net position as of June 30, 2021, compared to the net position as of June 30, 2020:

Town of Cumberland, Maine - Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current & other assets	\$ 8,632,041	\$ 11,017,559	\$ 710,640	\$ 570,395	\$ 9,342,681	\$ 11,587,954
Capital assets	56,510,062	50,333,282	2,553,728	2,663,906	59,063,790	52,997,188
Total assets	65,142,103	61,350,841	3,264,368	3,234,301	68,406,471	64,585,142
Deferred outflows	411,713	436,558	-	-	411,713	436,558
Long-term liabilities	25,391,158	26,413,231	590,093	653,719	25,981,251	27,066,950
Other liabilities	2,844,257	1,688,316	41,446	39,723	2,885,703	1,728,039
Total liabilities	28,235,415	28,101,547	631,539	693,442	28,866,954	28,794,989
Deferred inflows	33,311	348,128	-	-	33,311	348,128
Net position:						
Net investment in capital assets	33,046,297	30,955,865	1,967,112	2,012,859	35,013,409	32,968,724
Restricted - other	357,923	408,269	-	-	357,923	408,269
Unrestricted	3,880,870	1,973,590	665,717	528,000	4,546,587	2,501,590
	\$ 37,285,090	\$ 33,337,724	\$ 2,632,829	\$ 2,540,859	\$ 39,917,919	\$ 35,878,583

The largest portion of the Town's net position (\$35 million) reflects its investment in capital assets (e.g., land, buildings, infrastructure, vehicles, equipment, and furniture) less any related outstanding debt used to acquire those assets, and adding back any unspent debt proceeds. The Town uses these capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate liabilities.

An additional portion of the Town's net position, \$0.3 million, represents resources that are subject to external restrictions on how they may be used. The Town's unrestricted net position balance is \$4.5 million, an 82 percent increase over the prior year. Unrestricted net position can be utilized to finance daily operations without constraints established by debt covenants, enabling legislation, or any other legal requirements.

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

The key elements of the changes in the Town's net position for the fiscal years ended June 30, 2021, and June 30, 2020 are as follows:

Town of Cumberland, Maine - Change in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Program revenues:						
Charges for services	\$ 2,878,732	\$ 2,610,631	\$ 1,481,026	\$ 1,483,214	\$ 4,359,758	\$ 4,093,845
Operating grants & contributions	290,718	146,325	-	-	290,718	146,325
Capital grants & contributions	1,482,888	163,489	-	-	1,482,888	163,489
General revenues:						
Property taxes	28,836,196	27,894,200	-	-	28,836,196	27,894,200
Motor vehicle excise tax	2,439,774	2,057,140	-	-	2,439,774	2,057,140
Interest and penalties	29,330	46,433	-	-	29,330	46,433
Homestead exemption	744,959	529,471	-	-	744,959	529,471
State revenue sharing	1,033,072	746,067	-	-	1,033,072	746,067
Investment earnings (loss)	15,556	106,058	(103)	458	15,453	106,516
Miscellaneous revenues	41,845	45,115	-	-	41,845	45,115
Total revenues	<u>37,793,070</u>	<u>34,344,929</u>	<u>1,480,923</u>	<u>1,483,672</u>	<u>39,273,993</u>	<u>35,828,601</u>
Program expenses:						
General government	4,366,616	4,067,516	-	-	4,366,616	4,067,516
Public safety	2,610,953	2,980,552	-	-	2,610,953	2,980,552
Public services	3,448,537	3,966,961	-	-	3,448,537	3,966,961
Recreation	1,806,704	2,020,170	-	-	1,806,704	2,020,170
Education	20,104,804	18,937,757	-	-	20,104,804	18,937,757
Library	608,776	610,939	-	-	608,776	610,939
Health & public assistance	191,604	192,281	-	-	191,604	192,281
Interest on debt	707,710	676,119	-	-	707,710	676,119
Senior Housing	-	-	298,133	313,281	298,133	313,281
Sewer system	-	-	1,090,820	1,222,227	1,090,820	1,222,227
Total expenses	<u>33,845,704</u>	<u>33,452,295</u>	<u>1,388,953</u>	<u>1,535,508</u>	<u>35,234,657</u>	<u>34,987,803</u>
Change in net position	3,947,366	892,634	91,970	(51,836)	4,039,336	840,798
Net position - July 1	33,337,724	32,445,090	2,540,859	2,592,695	35,878,583	35,037,785
Net position - June 30	<u>\$ 37,285,090</u>	<u>\$ 33,337,724</u>	<u>\$ 2,632,829</u>	<u>\$ 2,540,859</u>	<u>\$ 39,917,919</u>	<u>\$ 35,878,583</u>

Governmental activities

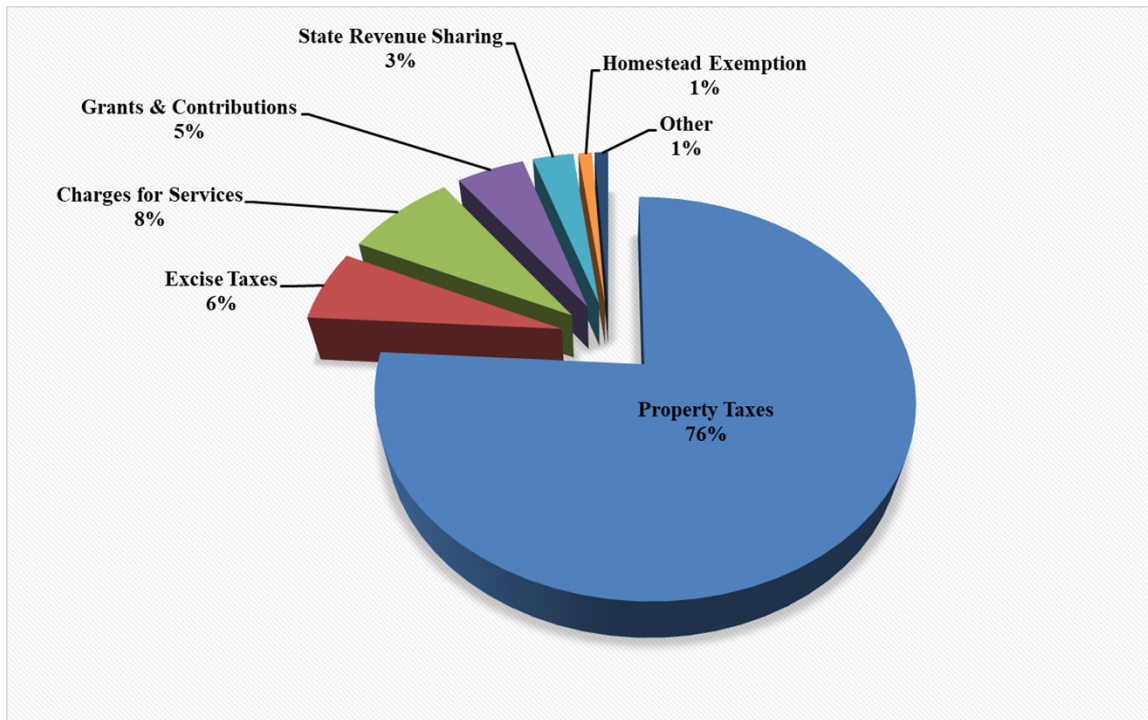
During the current fiscal year, increased property tax revenues and capital grants and contributions assisted in offsetting the increase in the expenses for Education and net position increased \$3.9 million from the prior fiscal year for an ending balance of \$37.2 million.

Business-type activities

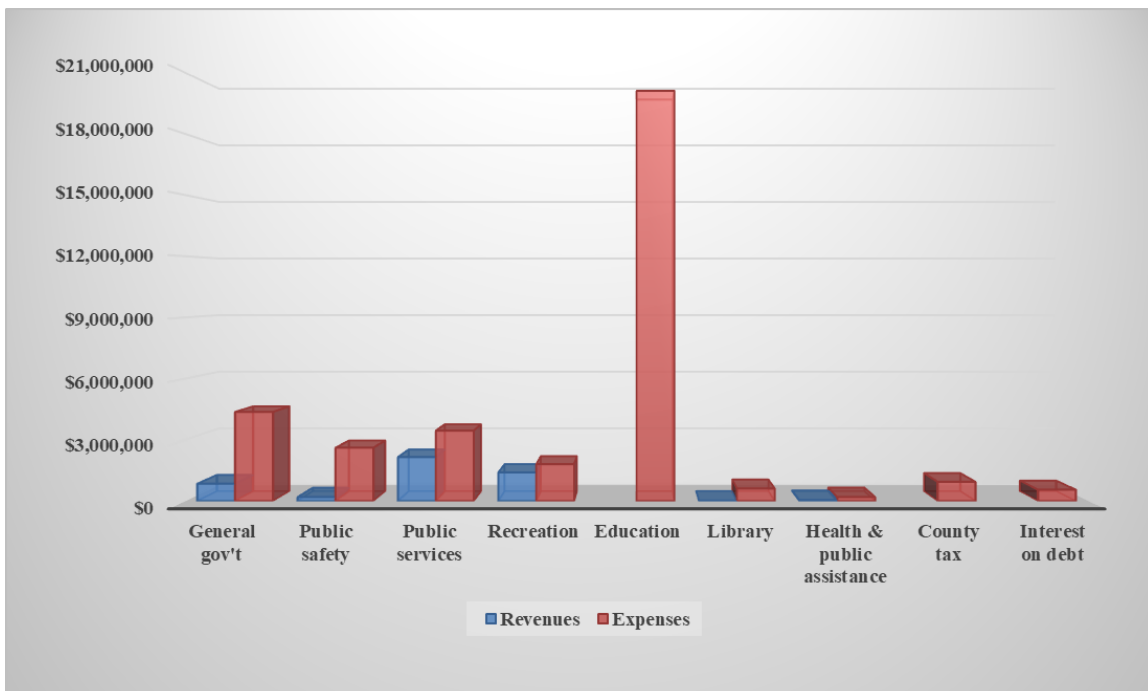
For the Town of Cumberland, Maine's business activities, the results for the current year was an increase of \$91,970 in the overall net position. The increase is attributable to a decrease in expenses for the fiscal year.

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

Revenue by Source – Governmental Activities
For the Year Ended June 30, 2021

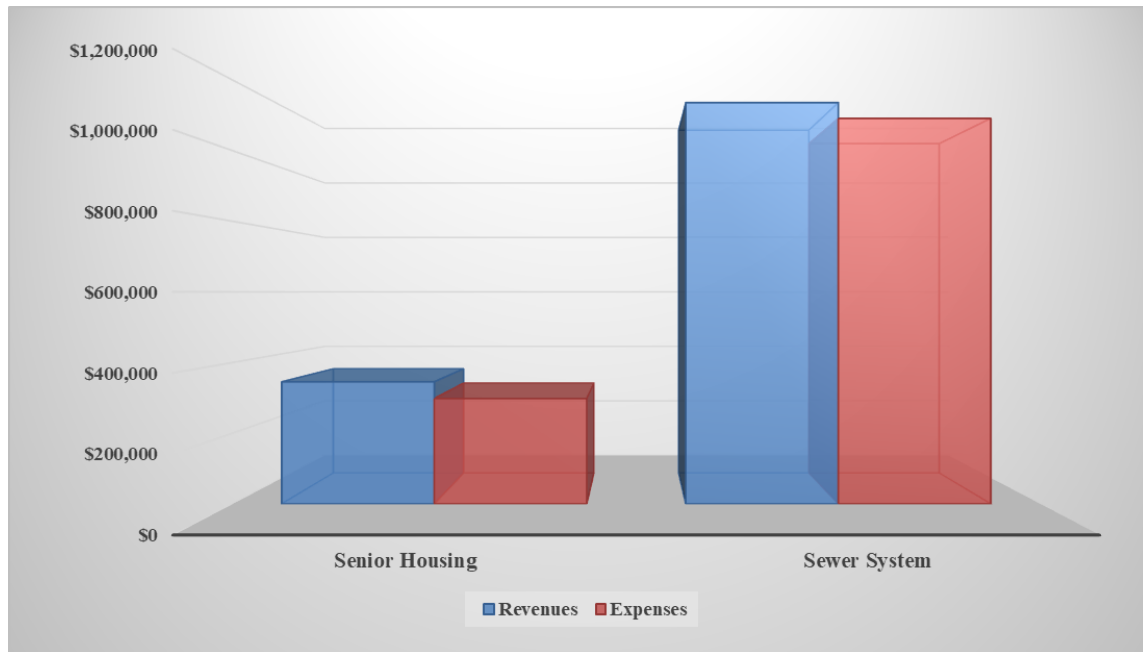


Expenses and Program Revenues – Governmental Activities
For the Year Ended June 30, 2021



TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

Revenues by Source – Business-type Activities
For the Year Ended June 30, 2021



FUND FINANCIAL ANALYSIS

The Town of Cumberland, Maine uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful when assessing the Town's financing requirements. For example, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Town of Cumberland, Maine's Council.

Town of Cumberland, Maine
Fund Balance

	<u>2021</u>	<u>2020</u>
Fund balance:		
Nonspendable	\$ 176,166	\$ 114,871
Restricted	258,682	309,028
Committed	1,862,667	6,786,395
Assigned	951,305	890,544
Unassigned	2,459,469	1,169,575
Total fund balance	<u>\$ 5,708,289</u>	<u>\$ 9,270,413</u>

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

As of the end of the 2020-21 fiscal year, the Town's governmental funds reported combined ending fund balances of \$5.7 million, a decrease of \$3.6 million in comparison with the prior fiscal year. The decrease is largely due to the use of the 2020 Bond funds.

Major Governmental Funds

The General Fund, Bond Fund, TIF Fund, and Debt Service Fund were reported as major funds.

The General Fund is the chief operating fund of the Town. The General Fund had an increase in fund balance of \$0.8 million, primarily due to excess budgetary allocations in revenue. Total fund balance is \$4 million, of which \$3.7 million is unassigned. Total fund balance represents 12.2 percent of total General Fund operating revenues.

The Bond Fund had a decrease of \$5.6 million in fund balance. The decrease is due to the usage of the debt of \$6.3 million.

The TIF Fund had an increase of \$0.4 million in fund balance. This was primarily due to the excess of revenues over expenses and transfers to other funds.

The Debt Service Fund had a decrease of \$0.1 million in fund balance. This was the result of the net of the assignment of additional funds for the payment of future debt service and the assignment for payment of current debt service.

The Other Governmental Funds had an increase of \$0.8 million. This was mainly due to the transfer of funds from the General and Land Acquisitions Fund.

Proprietary Funds

The Town's proprietary funds, Senior Housing and the Sewer System, provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the two enterprise funds totaled \$2.6 million, an overall increase of \$91,970. Net position increased \$47,315 and \$44,655 for Senior Housing and Sewer, respectively, primarily due to revenues exceeding expenses. The majority of the Sewer Fund's net position is invested in the capital assets of the sewer system.

GENERAL FUND BUDGETARY HIGHLIGHTS

For the 2020-21 fiscal year, actual revenues exceeded budgeted amounts by \$1.4 million as motor vehicle excise taxes, State Revenue Sharing, and licenses and permits exceeded expectations. The Recreation programs were \$0.4 million under budget. This shortfall was due to the department closing services due to the COVID pandemic. The closing affected the two most popular programs in the recreation department, the After-school Program and Summer Camp. Overall, total revenue collections were 104 percent of budget and 6.2 percent higher than prior year's collection.

Expenditures were \$0.3 million under budget. The primary areas that contributed to meeting the budget were public safety, public services, recreation, and health and public assistance. Because the financial impact from the pandemic was not measurable, the Town Council implemented a hiring freeze when positions went vacant, as well as, reduced services by the Recreation program.

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's capital assets, net of accumulated depreciation, for its governmental and business-type activities as of June 30, 2021, total \$59 million. Capital assets include books; construction in progress; land and land improvements; buildings and improvements; machinery and equipment; furniture and office equipment; computer equipment; vehicles; and infrastructure. The Town experienced an increase of total net capital assets compared to the previous fiscal year of approximately \$6 million or 11.4 percent.

Town of Cumberland, Maine - Capital Assets						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Books & collections	\$ 990,116	\$ 990,116	\$ -	\$ -	\$ 990,116	\$ 990,116
Construction in progress	4,824,779	1,504,823	8,383	-	4,833,162	1,504,823
Land	7,177,961	7,169,961	-	-	7,177,961	7,169,961
Land improvements	4,812,038	4,044,070	63,170	63,170	4,875,208	4,107,240
Buildings & building improvements	14,125,795	13,104,987	2,198,545	2,183,106	16,324,340	15,288,093
Machinery & equipment	2,870,793	2,636,353	3,007	3,007	2,873,800	2,639,360
Furniture & office equipment	67,798	67,798	-	-	67,798	67,798
Computer equipment	272,709	232,018	-	-	272,709	232,018
Vehicles	5,452,554	4,315,969	-	-	5,452,554	4,315,969
Infrastructure	38,885,774	37,813,774	4,150,992	4,127,596	43,036,766	41,941,370
Total capital assets	79,480,317	71,879,869	6,424,097	6,376,879	85,904,414	78,256,748
Accumulated depreciation	(22,970,255)	(21,546,587)	(3,870,369)	(3,712,973)	(26,840,624)	(25,259,560)
Capital assets, net of depreciation	56,510,062	50,333,282	2,553,728	2,663,906	59,063,790	52,997,188
Associated bonds, notes, and financed purchase agreements	(23,494,906)	(24,980,189)	(586,616)	(651,047)	(24,081,522)	(25,631,236)
Unspent bond proceeds	31,141	5,602,772	-	-	31,141	5,602,772
Capital assets, net of debt	\$ 33,046,297	\$ 30,955,865	\$ 1,967,112	\$ 2,012,859	\$ 35,013,409	\$ 32,968,724

Vehicles increased primarily due to the purchase of a \$1.4 million ladder truck for the Fire Department. Construction in progress increased due to the ongoing construction of the Town garage, which is due to be completed in fiscal year 2022. Additional information on the Town's capital assets can be found in the Notes to the Basic Financial Statements on page 50-51.

Long-term Debt

On June 30, 2021, the Town had long-term debt outstanding of \$24 million, comprised of general obligation bonds, notes payable, and a financed purchase agreement (lease).

Town of Cumberland, Maine - Outstanding Debt						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 17,803,769	\$ 18,784,967	\$ 586,616	\$ 651,047	\$ 18,390,385	\$ 19,436,014
Notes payable	5,508,931	6,195,222	-	-	5,508,931	6,195,222
Financed purchase agreements	182,206	-	-	-	182,206	-
Total	\$ 23,494,906	\$ 24,980,189	\$ 586,616	\$ 651,047	\$ 24,081,522	\$ 25,631,236

TOWN OF CUMBERLAND, MAINE
Management's Discussion and Analysis, Continued
June 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local property taxes are the Town's primary source of revenue. The total tax rate for 2021-22 fiscal year is \$20.55, an increase of \$0.20 or one percent. General Fund revenues are projected to be at \$33.4 million and expenditures are expected to be \$33.3 million. The Town's portion of the tax rate will decrease 0.7 percent or \$0.04 per \$1,000 of property value for fiscal year 2022.

	2021	2022	1 Year Change	
Town	\$ 5.41	\$ 5.45	\$ 0.04	0.7%
County	0.67	0.67	-	0.0%
MSAD #51	14.27	14.43	0.16	1.1%
Total tax rate	<u>\$ 20.35</u>	<u>\$ 20.55</u>	<u>\$ 0.20</u>	<u>1.0%</u>

The following economic factors currently affect the Town of Cumberland, Maine and were considered and included in developing the 2021-2022 fiscal year budgets:

- Expenses for which the Town has limited control
- Taxable assessed values
- State budget deliberations

In adopting the budget for the 2022 year, Town officials considered many factors in making judgements and estimates about the finances of the upcoming year:

- Minimize taxpayer impact
- Minimize the impact to services and its recipients
- Minimize the impact to our workforce
- Responsibly manage our fund balance

REQUESTS FOR INFORMATION

This financial report is designed to provide users with a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Town of Cumberland, Maine, Finance Department, 290 Tuttle Road, Cumberland, ME 04021. Additional financial information can be found on our website (www.cumberlandmaine.com/finance).

BASIC FINANCIAL STATEMENTS

TOWN OF CUMBERLAND, MAINE
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,208,094	-	8,208,094
Investments	191,854	8,666	200,520
Receivables:			
Accounts	151,122	225,687	376,809
Rescue	20,284	-	20,284
Intergovernmental	209,019	-	209,019
Taxes - current year	121,397	-	121,397
Taxes - prior years	128,519	-	128,519
Prepaid expenses	48,898	-	48,898
Inventory	29,141	-	29,141
Internal balances	(476,287)	476,287	-
Capital assets not being depreciated	12,992,856	8,383	13,001,239
Capital assets being depreciated, net	43,517,206	2,545,345	46,062,551
Total assets	65,142,103	3,264,368	68,406,471
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	411,713	-	411,713
Total deferred outflows of resources	411,713	-	411,713
LIABILITIES			
Accounts payable	1,807,609	4,798	1,812,407
Accrued payroll	276,497	4,419	280,916
Other liabilities	611,728	26,979	638,707
Accrued interest payable	148,423	5,250	153,673
Noncurrent liabilities:			
Due within one year	2,192,976	65,590	2,258,566
Due in more than one year	23,198,182	524,503	23,722,685
Total liabilities	28,235,415	631,539	28,866,954
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	33,311	-	33,311
Total deferred inflows of resources	33,311	-	33,311
NET POSITION			
Net investment in capital assets	33,046,297	1,967,112	35,013,409
Restricted for:			
Police programs	20,459	-	20,459
Town donations	28,183	-	28,183
Fuel assistance	67,723	-	67,723
Expendable permanent funds	142,317	-	142,317
Nonexpendable permanent funds	99,241	-	99,241
Unrestricted	3,880,870	665,717	4,546,587
Total net position	\$ 37,285,090	2,632,829	39,917,919

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Activities
For the year ended June 30, 2021

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		Total
					Governmental activities	Business-type activities	
Primary government:							
Governmental activities:							
General government	\$ 4,366,616	569,427	168,262	108,775	(3,520,152)	-	(3,520,152)
Public safety	2,610,953	183,994	6,895	-	(2,420,064)	-	(2,420,064)
Public services	3,448,537	711,757	66,876	1,374,113	(1,295,791)	-	(1,295,791)
Recreation	1,806,704	1,400,550	-	-	(406,154)	-	(406,154)
Library	608,776	13,004	1,500	-	(594,272)	-	(594,272)
Education	20,104,804	-	-	-	(20,104,804)	-	(20,104,804)
Health and public assistance	191,604	-	47,185	-	(144,419)	-	(144,419)
Interest on debt	707,710	-	-	-	(707,710)	-	(707,710)
Total governmental activities	33,845,704	2,878,732	290,718	1,482,888	(29,193,366)	-	(29,193,366)
Business-type activities:							
Senior Housing	298,133	345,551	-	-	-	47,418	47,418
Sewer System	1,090,820	1,135,475	-	-	-	44,655	44,655
Total business-type activities	1,388,953	1,481,026	-	-	-	92,073	92,073
Total primary government	\$ 35,234,657	4,359,758	290,718	1,482,888	(29,193,366)	92,073	(29,101,293)
General revenues:							
Property taxes, levied for general purposes					\$ 26,268,271	-	26,268,271
TIF district taxes					2,484,224	-	2,484,224
Outer island property taxes					45,895	-	45,895
Payments in lieu of taxes					37,806	-	37,806
Motor vehicle excise taxes					2,439,774	-	2,439,774
Interest and penalties					29,330	-	29,330
Grants and contributions not restricted to specific programs:							
Homestead and BETE exemptions					744,959	-	744,959
State Revenue Sharing					1,033,072	-	1,033,072
Unrestricted investment earnings (loss)					15,556	(103)	15,453
Miscellaneous revenues					41,845	-	41,845
Total general revenues					33,140,732	(103)	33,140,629
Change in net position					3,947,366	91,970	4,039,336
Net position - beginning					33,337,724	2,540,859	35,878,583
Net position - ending					\$ 37,285,090	2,632,829	39,917,919

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Balance Sheet
Governmental Funds
June 30, 2021

	General	Bond Fund	TIF Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 8,157,458	-	-	-	50,636	8,208,094
Investments	-	-	-	-	191,854	191,854
Receivables:						
Accounts	127,985	2,538	-	-	20,599	151,122
Rescue	20,284	-	-	-	-	20,284
Intergovernmental	209,019	-	-	-	-	209,019
Taxes - current year	121,397	-	-	-	-	121,397
Taxes - prior years	128,519	-	-	-	-	128,519
Prepaid items	35,487	-	-	-	13,411	48,898
Inventory	29,141	-	-	-	-	29,141
Interfund loans receivable	-	834,925	-	587,791	2,154,035	3,576,751
Total assets	\$ 8,829,290	837,463	-	587,791	2,430,535	12,685,079
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	385,771	806,322	4,150	-	342,108	1,538,351
Accrued payroll	253,284	-	22,507	-	706	276,497
Escrow liabilities	95,395	-	-	-	-	95,395
Taxes paid in advance	98,906	-	-	-	-	98,906
Unearned revenue	417,427	-	-	-	-	417,427
Interfund loans payable	3,263,674	-	901,377	-	157,245	4,322,296
Total liabilities	4,514,457	806,322	928,034	-	500,059	6,748,872
Deferred inflows of resources:						
Unavailable revenue - property taxes	227,918	-	-	-	-	227,918
Total deferred inflows of resources	227,918	-	-	-	-	227,918
Fund balances (deficits):						
Nonspendable	64,628	-	-	-	111,538	176,166
Restricted	-	-	-	-	258,682	258,682
Committed	-	31,141	-	-	1,831,526	1,862,667
Assigned	363,514	-	-	587,791	-	951,305
Unassigned	3,658,773	-	(928,034)	-	(271,270)	2,459,469
Total fund balances (deficits)	4,086,915	31,141	(928,034)	587,791	1,930,476	5,708,289
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,829,290	837,463	-	587,791	2,430,535	

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.	56,510,062
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable revenues in the funds.	227,918
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:	
Bonds and notes payable	(21,988,931)
Financed purchase agreements	(182,206)
Unamortized premiums on bonds	(1,323,769)
Accrued interest	(148,423)
Accrued compensated absences	(296,118)
Net pension liability, including related deferred inflows/outflows	(1,143,732)
Landfill post closure care costs	(78,000)
	(25,161,179)

Net position of governmental activities **\$ 37,285,090**

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2021

	General	Bond Fund	TIF Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 28,792,887	-	2,484,224	-	-	31,277,111
Licenses, permits and fees	250,491	-	-	-	125,573	376,064
Intergovernmental	2,081,881	-	-	-	394,400	2,476,281
Charges for services	2,160,001	-	-	-	17,159	2,177,160
Donations	-	-	-	-	139,820	139,820
Investment income (loss)	-	-	-	-	15,556	15,556
Other	188,534	-	-	-	63,685	252,219
Total revenues	33,473,794	-	2,484,224	-	756,193	36,714,211
Expenditures:						
Current:						
General government	1,406,259	4,799	968,054	-	129,080	2,508,192
Public safety	2,546,376	-	-	-	19,763	2,566,139
Public services	2,158,709	-	-	-	84,809	2,243,518
Recreation	1,588,198	-	-	-	-	1,588,198
Library	502,901	-	-	-	17,744	520,645
Health and public assistance	120,779	-	-	-	69,377	190,156
Unclassified	293,810	-	-	-	-	293,810
Insurance	327,072	-	-	-	-	327,072
Education	20,104,804	-	-	-	-	20,104,804
County tax	938,569	-	-	-	-	938,569
Capital outlay	230,000	5,566,832	-	-	1,359,030	7,155,862
Debt service:						
Principal	814,626	-	623,574	-	195,885	1,634,085
Interest	551,471	-	247,890	-	11,353	810,714
Total expenditures	31,583,574	5,571,631	1,839,518	-	1,887,041	40,881,764
Excess (deficiency) of revenues over (under) expenditures	1,890,220	(5,571,631)	644,706	-	(1,130,848)	(4,167,553)
Other financing sources (uses):						
Financed purchases proceeds	230,000	-	-	-	-	230,000
Sale of assets	-	-	-	-	375,429	375,429
Transfers in	210,000	-	-	100,000	2,576,915	2,886,915
Transfers out	(1,525,440)	-	(200,000)	(210,000)	(951,475)	(2,886,915)
Total other financing sources (uses)	(1,085,440)	-	(200,000)	(110,000)	2,000,869	605,429
Net change in fund balances	804,780	(5,571,631)	444,706	(110,000)	870,021	(3,562,124)
Fund balances (deficits), beginning of year	3,282,135	5,602,772	(1,372,740)	697,791	1,060,455	9,270,413
Fund balances (deficits), end of year	\$ 4,086,915	31,141	(928,034)	587,791	1,930,476	5,708,289

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, 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, 2021

Net change in fund balances - total governmental funds (from Statement 4)	\$	(3,562,124)
---	----	-------------

Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

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 related to capital assets:

Capital outlay	7,080,447	
Capital contributions	1,080,000	
Depreciation expense	(1,971,402)	
Book value of disposed assets	(12,265)	6,176,780

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.	(1,141)
---	---------

Expenses in the statement of activities that do not consume current financial resources are not reported as expenditures in the funds:

These are the changes related to long-term liabilities:

Landfill closure costs	6,000	
Accrued interest payable	21,806	
Accrued compensated absences	(57,854)	
Net pension liability	(411,356)	
Deferred inflows and outflows related to the net pension liability	289,972	(151,432)

The issuance of debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and note 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 long term debt:

Issuance of financed purchase agreements	(230,000)	
Principal payments - bonds and notes	1,586,291	
Principal payments - financed purchases	47,794	
Amortization of bond premium	81,198	1,485,283

Change in net position of governmental activities (see Statement 2)	\$	3,947,366
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See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2021

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 28,086,000	28,086,000	28,792,887	706,887
Licenses and permits	154,974	154,974	250,491	95,517
Intergovernmental	1,512,696	1,512,696	2,081,881	569,185
Charges for services	2,088,145	2,088,145	2,043,379	(44,766)
Other	132,415	132,415	188,534	56,119
Total revenues	31,974,230	31,974,230	33,357,172	1,382,942
Expenditures:				
Current:				
General government	1,351,297	1,351,297	1,375,229	(23,932)
Public safety	2,766,465	2,766,465	2,546,376	220,089
Public services	2,185,032	2,185,032	2,052,636	132,396
Recreation	1,663,643	1,663,643	1,588,198	75,445
Library	508,800	508,800	502,901	5,899
Health and public assistance	68,980	68,980	58,248	10,732
Unclassified	301,547	301,547	293,810	7,737
Insurance	252,823	252,823	327,072	(74,249)
Education	20,104,804	20,104,804	20,104,804	-
County tax	938,569	938,569	938,569	-
Capital projects (transfers to reserves)	180,000	180,000	180,000	-
Debt service	1,367,320	1,367,320	1,366,097	1,223
Total expenditures	31,689,280	31,689,280	31,333,940	355,340
Excess (deficiency) of revenues over (under) expenditures	284,950	284,950	2,023,232	1,738,282
Other financing sources (uses):				
Transfers in	210,000	210,000	210,000	-
Transfers to General Fund reserves	(80,000)	(80,000)	(270,000)	(190,000)
Transfers out	(142,600)	(142,600)	(1,345,440)	(1,202,840)
Total other financing sources (uses)	(12,600)	(12,600)	(1,405,440)	(1,392,840)
Net change in fund balance	272,350	272,350	617,792	345,442
Fund balance, beginning of year - budgetary basis			3,076,468	
Fund balance, end of year - budgetary basis	\$		3,694,260	
Reconciliation to GAAP:				
Change in reserves			186,988	
Fund balance, beginning of year - GAAP basis			3,282,135	
Fund balance, end of year - GAAP basis	\$		4,086,915	

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2021

Business-type Activities - Enterprise Funds			
	Senior Housing Fund	Sewer System	Totals
ASSETS			
Current assets:			
Investments	\$ 8,666	-	8,666
Accounts receivable	-	225,687	225,687
Interfund loans receivable	134,474	341,813	476,287
Total current assets	143,140	567,500	710,640
Noncurrent assets:			
Property, plant, and equipment	2,262,436	4,161,661	6,424,097
Less accumulated depreciation	(1,500,332)	(2,370,037)	(3,870,369)
Total noncurrent assets	762,104	1,791,624	2,553,728
Total assets	905,244	2,359,124	3,264,368
LIABILITIES			
Current liabilities:			
Accounts payable	4,798	-	4,798
Accrued payroll	3,522	897	4,419
Accrued interest payable	5,250	-	5,250
Security deposit	26,979	-	26,979
Accrued compensated absences, current	1,159	-	1,159
Bonds and premiums, current	64,431	-	64,431
Total current liabilities	106,139	897	107,036
Noncurrent liabilities:			
Accrued compensated absences	2,318	-	2,318
Bonds and premiums payable	522,185	-	522,185
Total noncurrent liabilities	524,503	-	524,503
Total liabilities	630,642	897	631,539
NET POSITION			
Net investment in capital assets	175,488	1,791,624	1,967,112
Unrestricted	99,114	566,603	665,717
Total net position	\$ 274,602	2,358,227	2,632,829

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2021

Business-type Activities - Enterprise Funds			
	Senior Housing Fund	Sewer System	Totals
Operating revenues:			
Rental income	\$ 345,551	-	345,551
Charges for services	-	1,061,213	1,061,213
Sewer connection permits	-	1,400	1,400
Other	-	72,862	72,862
Total operating revenues	345,551	1,135,475	1,481,026
Operating expenses:			
Wages and benefits	109,162	30,136	139,298
Utilities	25,206	-	25,206
Maintenance	11,203	-	11,203
Contracted services	30,576	-	30,576
Wastewater assessment	-	977,280	977,280
General costs	9,374	-	9,374
Capital outlay	20,701	-	20,701
Depreciation	73,992	83,404	157,396
Total operating expenses	280,214	1,090,820	1,371,034
Operating income (loss)	65,337	44,655	109,992
Nonoperating income (expense):			
Investment income (loss)	(103)	-	(103)
Interest expense	(17,919)	-	(17,919)
Total nonoperating income (expense)	(18,022)	-	(18,022)
Change in net position	47,315	44,655	91,970
Total net position, beginning of year	227,287	2,313,572	2,540,859
Total net position, end of year	\$ 274,602	2,358,227	2,632,829

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2021

Business-type Activities - Enterprise Funds				
		Senior Housing Fund	Sewer System	Totals
Cash flows from operating activities:				
Receipts from customers and users	\$	301,707	1,030,671	1,332,378
Payments to suppliers		(87,283)	(977,280)	(1,064,563)
Payments to employees		(107,803)	(29,995)	(137,798)
Net cash provided by (used in) operating activities		106,621	23,396	130,017
Cash flows from capital and related financing activities:				
Acquisition of capital assets		(23,822)	(23,396)	(47,218)
Bond principal payments		(60,000)	-	(60,000)
Interest paid		(22,799)	-	(22,799)
Net cash provided by (used in) capital and related financing activities		(106,621)	(23,396)	(130,017)
Change in cash		-	-	-
Cash, beginning of year		-	-	-
Cash, end of year	\$	-	-	-
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$	65,337	44,655	109,992
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense		73,992	83,404	157,396
(Increase) decrease in accounts receivable		-	(10,905)	(10,905)
(Increase) decrease in prepaid expenses		9,340	-	9,340
(Increase) decrease in interfund loans receivable		(44,885)	(93,899)	(138,784)
Increase (decrease) in accounts payable		437	-	437
Increase (decrease) in accrued payroll		554	141	695
Increase (decrease) in accrued compensated absences		805	-	805
Increase (decrease) in security deposit		1,041	-	1,041
Net cash provided by (used in) operating activities		106,621	23,396	130,017

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Private-purpose Trust Fund (Scholarships)	Custodial Fund (Food Pantry Component Unit)
ASSETS		
Investments	\$ 162,292	-
Due from general fund	463	269,258
Total assets	162,755	269,258
LIABILITIES		
Accounts payable	2,513	17,642
Due to general fund	463	-
Total liabilities	2,976	17,642
NET POSITION		
Restricted	\$ 159,779	251,616

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2021

	Private-purpose Trust Fund (Scholarships)	Custodial Fund (Food Pantry Unit)
Additions:		
Donations	\$ 5,050	173,834
Grants	-	10,000
Investment income (loss)	(1,398)	2,564
Total additions	3,652	186,398
Deductions:		
Program expenses	-	120,383
Scholarships awarded	2,513	-
Total deductions	2,513	120,383
Change in net position	1,139	66,015
Net position, beginning of year	158,640	185,601
Net position, end of year	\$ 159,779	251,616

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Cumberland conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

Reporting Entity

The Town of Cumberland was incorporated in 1821 and operates under a Council-Manager form of government. The Town is located in Cumberland County.

In evaluating how to define the reporting entity for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth by accounting principles generally accepted in the United States of America. 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. Based upon the application of these criteria, the Town has reported the following component unit:

Cumberland Food Pantry is a component unit of the Town. Although it is legally separate from the Town, the Food Pantry is reported as if it were part of the primary government because Town management makes up the entire Pantry's board. In addition, the Town has the ability to significantly affect the activities and level of services provided by the food pantry. There are no separately issued financial statements for this component unit and it is reported as a custodial fund.

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. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 the 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and 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. 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 those required to be accounted for in another fund.

The Bond Fund is a capital projects fund that accounts for the bond proceeds and other related revenues, as well as related capital expenditures for various Town projects.

The Tax Increment Financing Fund (TIF) is a capital projects fund that accounts specifically for the taxes raised through the Town's TIF districts and the related capital and economic development expenditures.

The Debt Service Fund accounts for all financial resources that have been set aside to offset future debt service payments.

The Town reports the following major proprietary funds:

The Senior Housing Fund accounts for the construction and operation of senior housing units in Cumberland overseen by the Cumberland Housing Authority.

The Sewer System accounts for the operation of a sewer system in Cumberland.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Additionally, the Town reports the following fiduciary fund types:

Private-purpose Trust Funds are used to report the activity for bequests left for charitable payments of scholarship awards. These assets are held by the Town in a trustee capacity, whereby the original bequest is preserved as nonexpendable and the accumulated interest earnings are available to provide for educational awards.

Custodial Funds are used to report amounts held on behalf of outside individuals and organizations and the related activity.

Fiduciary funds use an economic resources measurement focus and the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and charges between the Town's sewer fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary funds are charges to customers for sales and services; operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity

Cash, Cash Equivalents, and Investments - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value. For statement of cash flow purposes, the Town considers cash and cash equivalents to be demand deposits, certificates of deposit with maturities of less than three months, and money market mutual funds.

The Town has established a formal investment policy that governs the investment of all of its funds. Pursuant to its investment policy and applicable Maine law (Title 30-A, Section 5706 et. Seq. of the Maine Revised Statutes, as amended) all investments of the Town must be made with care, prudence, and skill. The goals of the investment policy are to provide safety of principal through diversification of assets and to provide a high degree of liquidity in the investments. The Town is not invested in any obligations typically referred to as derivatives.

Inventory - The General Fund reports fuel inventory, which is valued at cost, using the first-in, first-out method. The cost of inventory is recorded as expenditures when consumed rather than when purchased.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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

Donated capital assets are recorded at an estimated amount that would be paid for a similar asset as of the acquisition date. The costs of normal repairs and maintenance 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 primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15-40 years
Buildings and building improvements	20-40 years
Machinery and equipment	4-30 years
Furniture and office equipment	10-20 years
Computer equipment	3-7 years
Vehicles	4-30 years
Infrastructure	20-50 years

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 position 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 liability, which include the Town’s contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability 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.

Vacation and Sick Leave - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service and are accrued ratably over the year. Regular part-time employees receive vacation and sick leave on a pro-rated basis. Accumulated vacation time has been recorded as a liability in the government-wide and proprietary funds.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD 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 Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-term Obligations - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, if material to basic financial statements, 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. Bond issuance costs are expensed in the period incurred.

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.

Fund Equity - Governmental 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 which 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 which 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.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Town Council is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. 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.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

It is the policy of the Town of Cumberland to maintain unassigned fund balance in the general fund at 12% of general fund revenues measured on a GAAP basis. In the event that the unassigned fund balance drops below this level, the Town Manager will develop a plan, implemented through the annual budgetary process, to bring the balance to the target level over a period of no more than five (5) years. Amounts in excess of the target shall be used to offset negative balances in capital projects funds, offset intergovernmental loans, and to build capital project fund levels for future purchases, as determined by the Town Council and Town Manager. If the first three purposes are met, then the Town may use excess balances to offset future tax levy amounts through a stabilization fund.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the Town's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the Town's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

Interfund Transactions - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and 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.

Net Position - The net position amount represents the difference between assets, deferred outflows, liabilities, and deferred inflows of resources. The net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, and financed purchases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town's net investment in capital assets was calculated as follows at June 30, 2021:

	Governmental <u>activities</u>	Business-type <u>activities</u>
Capital assets	\$ 79,480,317	6,424,097
Accumulated depreciation	(22,970,255)	(3,870,369)
Unamortized premium on bonds	(1,323,769)	(46,616)
Bonds and notes payable	(21,988,931)	(540,000)
Financed purchase agreements	(182,206)	-
Unspent bond proceeds	31,141	-
Net investment in capital assets	\$ 33,046,297	1,967,112

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town utilizes a formal budgetary accounting system to control revenues and expenditures. Budgets are established in accordance with the various laws which govern the Town's operations. For each of the funds for which a formal budget is adopted, the same basis of accounting is used to reflect actual revenues and expenditures recognized on the basis of accounting principles generally accepted in the United States of America.

Budgets are adopted for the General Fund only and are adopted on a basis consistent with generally accepted accounting principles (GAAP) in the United States of America. The level of control (level at which expenditures may not exceed budget) is the Department. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year.

The Town Manager is authorized to transfer budgeted amounts between general classifications of expenditures within a department; however, the gross appropriation for each department shall not be exceeded except by consent of the Council. Encumbrance accounting is not employed by the Town.

The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2021, the following General Fund expenditures exceeded appropriations in the following departments:

Assessor	\$ 438	Val Halla Golf Course	31,238
Technology	103,146	General assistance	8,835
Legal services	15,104	Conservation Commission	5,131
Code enforcement	5,411	Cemetery Association	875
Waste disposal	3,897	Fire hydrant charges	2,414
Parks	38,218	Abatements	10,624
		Insurance	74,249

These over expenditures lapsed to fund balance at year-end.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

C. Deficit Fund Balances

At June 30, 2021, the following funds had deficit fund balances:

TIF Fund	\$ 928,034
Nonmajor special revenue funds:	
Fire grant fund	347
Nonmajor capital project funds:	
Road Improvements	121,854
Street light upgrades	149,069
Nonmajor permanent funds:	
Sweetser fund	932

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

DEPOSITS AND INVESTMENTS

A. 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's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution. As of June 30, 2021, the Town reported deposits of \$8,208,094 with a bank balance of \$8,372,532. Of the Town's bank balances of \$8,372,532, none was exposed to custodial credit risk as it was covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions.

B. Investments

At June 30, 2021, the Town had the following investments and maturities:

	Fair value	Less than <u>1 year</u>	<u>1-5 years</u>	More than <u>5 years</u>
U. S. Government securities	\$12,723	-	12,723	-
U. S. Treasury notes	317,040	-	214,080	102,960
Money markets	33,049	N/A	N/A	N/A
Total investments	\$ 362,812	-	226,803	102,960

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.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

DEPOSITS AND INVESTMENTS, CONTINUED

The Town has the following recurring fair value measurements as of June 30, 2021:

- U.S. governmental securities and U.S. treasury notes are valued using quoted market prices (level 1 inputs).

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.

Investments have been reported as follows:

Reported in governmental funds	\$ 191,854
Reported in proprietary funds	8,666
<u>Reported in fiduciary funds</u>	<u>162,292</u>
 <u>Total investments</u>	 <u>\$ 362,812</u>

Interest Rate Risk: The Town does not have a policy related to interest rate risk.

Credit Risk: The Town's investment policy authorizes the Town to invest in short term and fixed income investments, limited to one of the highest grade ratings ((A – AAA) (AAA for U.S. Treasury and Agency issues, and money market funds; AA- for prime Commercial paper)).

The U.S. Government securities include Federal National Mortgage Association (Fannie Mae) bonds with fair values of \$12,723 and are rated AAA by Fitch Ratings.

PROPERTY TAX

The Town's property tax is levied on the assessed value listed as of the prior April 1 for all real and taxable personal property located in the Town. Assessed values are periodically established by the Assessor at 100% of the assumed market value.

Property taxes were levied August 4, 2020 on the assessed values of real property as of April 1, 2020. This assessed value of \$1,412,394,300 was 99% of the estimated market value and 94% of the 2021 state valuation of \$1,503,000,000.

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 \$272,350 for the year ended June 30, 2021.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

PROPERTY TAX, CONTINUED

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as unavailable revenue.

The following summarizes the periods ended June 30, 2021 and 2020 levies:

	<u>2021</u>	<u>2020</u>
Valuation:		
Land	\$ 561,593,700	557,258,600
Buildings	836,170,500	825,364,000
Personal property	14,630,100	14,404,000
Total assessed valuation	\$ 1,412,394,300	1,397,026,600
Assessed value	1,412,394,300	1,397,026,600
Tax rate (per \$1,000)	20.35	19.85
Commitment	28,742,224	27,730,978
Less: collections and abatements	28,620,827	27,493,195
Receivable at June 30	\$ 121,397	237,783
Due date(s)	9/15/2020 3/15/2021	9/16/2019 3/16/2020
Interest rate charged on delinquent taxes	8.00%	8.00%
Collection rate	99.58%	99.14%

As of July 1, 2007, per H.P. 1243 – L.D. 1735 *an Act to Authorize Chebeague Island to Secede from the Town of Cumberland*, Chebeague Island must pay to the Town of Cumberland 50% of the property taxes committed to the Town of Chebeague Island from the Outer Islands for a period of 50 years; to be paid on an annual basis. As of June 30, 2021 and 2020, Chebeague Island has paid \$45,895 and \$47,027, respectively.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2021</u>
Governmental activities:				
Capital assets, not being depreciated:				
Books and collections	\$ 990,116	-	-	990,116
Construction in progress	1,504,823	6,505,161	3,185,205	4,824,779
Land	7,169,961	8,000	-	7,177,961
Total capital assets, not being depreciated	9,664,900	6,513,161	3,185,205	12,992,856
Capital assets, being depreciated:				
Land improvements	4,044,070	784,608	16,640	4,812,038
Buildings and building improvements	13,104,987	1,020,808	-	14,125,795
Machinery and equipment	2,636,353	234,440	-	2,870,793
Furniture and office equipment	67,798	-	-	67,798
Computer equipment	232,018	44,688	3,997	272,709
Vehicles	4,315,969	1,675,947	539,362	5,452,554
Infrastructure	37,813,774	1,072,000	-	38,885,774
Total capital assets being depreciated	62,214,969	4,832,491	559,999	66,487,461
Less accumulated depreciation for:				
Land improvements	2,764,536	171,481	9,568	2,926,449
Buildings and building improvements	4,936,965	387,238	-	5,324,203
Machinery and equipment	1,874,469	174,255	-	2,048,724
Furniture and office equipment	65,841	1,118	-	66,959
Computer equipment	164,782	26,356	3,997	187,141
Vehicles	3,078,604	390,057	534,169	2,934,492
Infrastructure	8,661,390	820,897	-	9,482,287
Total accumulated depreciation	21,546,587	1,971,402	547,734	22,970,255
Total capital assets being depreciated, net	40,668,382	2,861,089	12,265	43,517,206
Governmental activities capital assets, net	\$ 50,333,282	9,374,250	3,197,470	56,510,062

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

Governmental activities:	
General government	\$ 104,343
Public safety	415,050
Public services, including depreciation of general infrastructure assets	1,143,924
Health and public assistance	1,448
Recreation	218,506
Library	88,131
Total depreciation expense – governmental activities	\$ 1,971,402

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS, CONTINUED

	Balance July 1, <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2021</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ -	8,383	-	8,383
Total capital assets not being depreciated	-	8,383	-	8,383
Capital assets, being depreciated:				
Land improvements	63,170	-	-	63,170
Buildings and building improvements	2,183,106	15,439	-	2,198,545
Machinery and equipment	3,007	-	-	3,007
Infrastructure, sewer	4,127,596	23,396	-	4,150,992
Total capital assets being depreciated	6,376,879	38,835	-	6,415,714
Less accumulated depreciation for:				
Land improvements	52,477	3,158	-	55,635
Buildings and building improvements	1,377,310	71,217	-	1,448,527
Machinery and equipment	3,007	-	-	3,007
Infrastructure, sewer	2,280,179	83,021	-	2,363,200
Total accumulated depreciation	3,712,973	157,396	-	3,870,369
Total capital assets being depreciated, net	2,663,906	(118,561)	-	2,545,345
Business-type activities capital assets, net	\$ 2,663,906	(110,178)	-	2,553,728

Depreciation expense was charged to the business-type activities as follows:

Business-type activities:	
Senior Housing	\$ 73,992
Sewer System	83,404
Total depreciation expense – business-type activities	\$ 157,396

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized checking account.

Interfund transfers consist of budgeted transfers to and from other funds to fund certain activities accounted for in those funds and transfers to close out capital project funds that are no longer needed. Transfers were also made from the General Fund to the capital project funds to offset deficit fund balances.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS, CONTINUED

Individual interfund loan receivables, payables, and transfers at the year ended June 30, 2021 were as follows:

<u>Fund</u>	<u>Interfund loans receivable</u>	<u>Interfund loans payable</u>	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$ -	3,263,674	210,000	1,525,440
Bond Fund	834,925	-	-	-
TIF Fund	-	901,377	-	200,000
Debt Service Fund	587,791	-	100,000	210,000
Other Governmental Funds:				
Special Revenue	170,028	-	-	-
Capital Projects	1,983,992	157,245	2,576,915	951,475
Permanent	15	-	-	-
Total Other Governmental Funds	2,154,035	157,245	2,576,915	951,475
Proprietary Funds:				
Senior Housing	134,474	-	-	-
Sewer System	341,813	-	-	-
Total Proprietary Funds	476,287	-	-	-
Fiduciary Funds:				
Private-purpose Trusts				
Private-purpose trusts	463	463	-	-
Custodial funds	269,258	-	-	-
Total Fiduciary Funds	269,721	463	-	-
Totals	\$ 4,322,759	4,322,759	2,886,915	2,886,915

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
General obligation bonds	\$ 17,380,000	-	900,000	16,480,000	1,260,000
Unamortized bond premium	1,404,967	-	81,198	1,323,769	81,198
Total bonds payable	18,784,967	-	981,198	17,803,769	1,341,198
*Notes from direct borrowings	6,195,222	-	686,291	5,508,931	702,831
*Financed purchases (leases)	-	230,000	47,794	182,206	44,241
Accrued compensated absences	238,264	296,118	238,264	296,118	98,706
Net pension liability	1,110,778	411,356	-	1,522,134	-
Landfill post closure care costs	84,000	-	6,000	78,000	6,000
Total governmental activity					
long-term liabilities	\$ 26,413,231	937,474	1,959,547	25,391,158	2,192,976

*Notes and financed purchases are considered direct borrowings.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

CHANGES IN LONG-TERM LIABILITIES, CONTINUED

The accrued compensated absences and the net pension liabilities are normally fully liquidated by the General Fund.

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Business-type activities:					
Bonds payable	\$ 600,000	-	60,000	540,000	60,000
Unamortized bond premium	51,047	-	4,431	46,616	4,431
Total bonds payable	651,047	-	64,431	586,616	64,431
Accrued compensated absences	2,672	3,477	2,672	3,477	1,159
Total business-type activity					
long-term liabilities	653,719	3,477	67,103	590,093	65,590
Total long-term governmental and business-type activities	\$ 27,066,950	940,951	2,026,650	25,981,251	2,258,566

LONG-TERM DEBT

Bonds and Notes Payable

Bonds payable at June 30, 2021 are comprised of the following:

	<u>Originally Issued</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
Governmental activities:					
Bonds payable:					
2020 improvements	\$ 6,340,000	5/1/20	5/1/2040	2.25-5.00%	6,340,000
2015 improvements and refunding bonds	5,730,000	1/14/15	6/30/2034	2.00-4.00%	3,935,000
2017 improvements	7,300,000	1/18/17	4/1/2038	2.50-3.50%	6,205,000
Total governmental activities bonds payable					16,480,000
Notes from direct borrowings:					
Economic development	4,100,000	5/27/10	11/1/2029	3.36-5.75%	2,115,019
Infrastructure/Val Halla	2,775,802	5/15/08	11/1/2027	2.00-5.50%	955,802
Infrastructure improvements	4,000,000	5/28/09	11/1/2029	2.08-5.58%	2,234,519
Rines property note	276,000	11/19/19	10/1/2021	5.00%	138,000
Paynter property note	90,000	5/11/18	12/1/2027	5.00%	65,591
Total governmental activities notes payable					5,508,931
Business-type activity debt:					
Senior Housing roofing/refunding	740,000	1/14/15	6/30/2034	2.00-4.00%	540,000
Total business-type activity debt					540,000
Total bonds and notes payable					\$ 22,528,931

All governmental activities long-term debt service requirements are paid by the General Fund, TIF Fund, or Land Acquisition Fund. Business-type debt is paid by the proprietary enterprise funds.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

The annual debt service requirements to amortize bonds and notes payable are as follows:

	<u>Governmental activities</u>		<u>Notes from</u>	
	<u>Bonds payable</u>		<u>direct borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,260,000	522,613	702,831	150,122
2023	1,305,000	472,537	582,670	135,809
2024	1,115,000	431,887	597,287	104,874
2025	1,070,000	389,387	612,567	80,656
2026	1,085,000	346,287	632,615	58,644
2027-2031	4,500,000	1,202,635	2,380,961	66,527
2032-2036	4,095,000	485,001	-	-
2037-2040	2,050,000	56,914	-	-
Totals	\$ 16,480,000	3,907,261	5,508,931	596,632

	<u>Business-type activities</u>	
	<u>Bonds payable</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 60,000	21,000
2023	40,000	19,200
2024	40,000	17,600
2025	40,000	16,000
2026	40,000	14,400
2027-2031	200,000	48,000
2032-2034	120,000	9,600
Totals	\$ 540,000	145,800

In accordance with 30-A MRSA, Section 5701, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2021, the Town's outstanding debt did not exceed these limits. As of June 30, 2021, the total outstanding bonds and notes payable for the Town are 1.6% of the state valuation of \$1,503,000,000.

DEFEASED DEBT

In prior years, the government defeased general obligation public improvement bonds and a note payable by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds and note payable. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. At June 30, 2021, \$1,036,784 of defeased bonds remain outstanding.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

CONDUIT DEBT

During FY 2015, Town issued \$2,300,000 in revenue bonds to provide financial assistance to the Friends School of Portland to help fund the construction of a new school in Cumberland. Upon repayment of the bonds, ownership of the acquired assets transfers to the School. Neither the Town, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2021, the outstanding principal balance of the revenue bonds was \$1,852,158.

FINANCED PURCHASES (LEASES)

The Town has entered into a financed purchase agreement as lessee for the acquisition of a street sweeper. This agreement has been recorded at the present value of future minimum payments as of the date of its inception. The value of assets capitalized under this agreement as of June 30, 2021 was \$234,440, with accumulated depreciation of \$23,444.

The following is a schedule of future minimum payments under the agreement and the present value of the net minimum payments at June 30, 2021.

	Governmental activities
2022	\$ 47,794
2023	47,793
2024	47,794
<u>2025</u>	<u>47,793</u>
Total minimum lease payments	191,174
Less: amount representing interest	8,968
Present value of future minimum lease payments	<u>\$ 182,206</u>

OVERLAPPING DEBT AND OTHER CONTINGENCIES

Overlapping Debt

The Town is subject to an annual assessment of its proportional share of Cumberland County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. For the year ended June 30, 2021, the Town's State valuation of \$1,503,000,000 was 2.83% of the County's State valuation of \$53,139,300,000. The Town's share is 2.83% or \$943,848 of Cumberland County's \$33,370,194 in long-term debt outstanding at June 30, 2021.

The Town's proportionate share of Maine School Administrative District #51 debt of \$21,421,316 is \$14,936,983 (69.73%). This debt service is included in the annual assessments to the Town.

Contingencies

Portland Water District - The Town is also served by the Portland Water District. At June 30, 2021, the Town's share of self-supporting bonded water debt is 4.9% or \$2,294,390 of total debt of \$54,758,718. In addition, the Town's share of direct wastewater debt is 0.1% or \$37,500 of total debt of \$37,839,787.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

JOINTLY GOVERNED ORGANIZATION

The Town of Cumberland participates in a jointly governed organization, which is not part of the Town's reporting entity.

ecomaine is a solid waste management corporation serving 40 municipalities in Cumberland, Oxford, and York counties in Maine. Owned and controlled by 21 member communities, ecomaine creates electricity through its processing of waste and also operates an extensive recycling program.

The Town is a member community in ecomaine. Interlocal (waste handling) agreements between ecomaine and participating communities obligate the members to deliver certain solid waste produced within the community to ecomaine for processing and to make service payments and pay tipping fees for such processing.

The Town has no explicit, measurable equity interest and therefore has not reported an asset in these financial statements in connection with its participation in ecomaine. Selected balance sheet information for ecomaine for the year ended June 30, 2021, includes total assets and deferred outflows of \$70,393,657, total liabilities of \$21,406,572 and unrestricted net position of \$18,438,342. The liabilities include an accrual for landfill closure and postclosure care amounting to \$15,619,054. ecomaine has a plan to fund this liability in the form of a cash reserve over the period of years between 2011 and a projected closing date. The separate audited financial statements of ecomaine may be obtained at their administrative office: ecomaine, 64 Blueberry Rd., Portland, Maine 04102.

LEASES RECEIVABLE

The Town has one lease purchase agreement for a Town-owned building with Bateman Partners, LLC. The terms of the lease are an acquisition fee of \$480,000 in the year of signing the lease, then \$1 annually for 99 years, expiring in 2110. The Town's investment in property held for lease for the year ended June 30, 2021 was \$1,810,383, with accumulated depreciation of \$1,056,059.

LANDFILL CLOSURE AND POSTCLOSURE COSTS

Under State law, Maine communities had until December 31, 1994 to close existing landfills under a DEP approved plan. The Town currently has one demolition debris landfill. Although the landfill was closed to receiving additional debris in the early 1990's, the landfill was not properly capped or officially closed. The Town submitted a closure plan to the Environmental Protection Agency, which was approved, and the final closure costs were incurred in FY 2018. The Town has estimated post closure costs of \$78,000, which have been recognized as a liability on the government-wide financial statements. The actual costs of post closure monitoring may be higher or lower due to inflation, changes in technology, engineering estimates, or changes in landfill laws and regulations.

The following is a summary of the estimated post closure costs for the Town's landfill as of June 30, 2021:

Post closure costs

Annual monitoring: \$6,000 per year for 13 years \$ 78,000

Total post closure costs **\$ 78,000**

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

COMMITMENTS

As of June 30, 2021, the Town had ongoing commitments for some minor projects for which the contracts will be completed in the next fiscal year.

NET PENSION LIABILITY

General Information about the Pension Plan

Plan Description - Employees of the Town are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan), a cost-sharing multiple-employer defined benefit pension plan, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute; in the case of the PLD Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Maine State Legislature to amend the terms. MPERS issues a publicly available financial report that can be obtained at www.maineipers.org.

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). 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.

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. Employees are required to contribute 8.1% for the 2C plan, 9.5% for the 3C plan, and 5% for retirees, of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2021, were 10.8% for the 2C plan and 12.9% for the 3C plan of annual payroll, 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. Contributions to the pension plan from the Town were \$238,062 for the year ended June 30, 2021.

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

At June 30, 2021, the Town reported a liability of \$1,522,134. for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating local districts, actuarially determined. At June 30, 2020, the Town's proportion was 0.3831%.

For the year ended June 30, 2021, the Town recognized pension expense of \$359,446.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

NET PENSION LIABILITY, CONTINUED

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 74,604	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	99,047	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	33,311
Town contributions subsequent to the measurement date	238,062	-
Total	\$ 411,713	33,311

\$238,062 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 liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2022	\$ (67,451)
2023	39,345
2024	84,130
2025	84,316

Actuarial Assumptions - The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	2.75% + merit
Investment return	6.75% per annum, compounded annually
Cost of living benefit increases	1.91% per annum

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

NET PENSION LIABILITY, CONTINUED

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 arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 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	7.5%	2.3%
Private equity	15.0%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	7.2%
Diversifiers	10.0%	5.9%

Discount Rate - The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate 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 plan's 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 liability.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Town's proportionate share of the net pension liability	\$ 3,198,911	1,522,134	149,569

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS financial report.

Payables to the Pension Plan - None as of June 30, 2021.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

457 RETIREMENT PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue (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. The Town matches employee contributions up to 7% of annual compensation for those employees who do not participate in the MPERS retirement plan. The Town contributed \$98,419 and \$90,919 for the years ended June 30, 2021 and 2020, respectively, on behalf of Town employees.

The Town amended the plan in accordance with the provisions of IRS Section 457(g). Assets of the plan were placed in trust for the exclusive benefit of participants and their beneficiaries. The requirements of that IRS Section prescribes that the Town no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on their plan assets, were removed from the Town's financial statements.

FUND BALANCE

The General Fund unassigned fund balance total of \$3,658,773 represents a fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund. Negative unassigned fund balances have also been reported in the TIF Fund of \$928,034, and in the other governmental funds of \$271,270, for a total unassigned fund balance of \$2,459,469 (see statement 3).

As of June 30, 2021, fund balance components consisted of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General fund:				
Prepaid expenditures	\$ 35,487	-	-	-
Fuel reserve inventory	29,141	-	-	-
Assessor's reserve	-	-	-	170,000
Circuit breaker program	-	-	-	56,103
HR reserve	-	-	-	88,165
Fuel reserve	-	-	-	49,246
Bond fund:				
Capital projects	-	-	31,141	-
Debt service fund:				
Future debt service	-	-	-	587,791
Other governmental funds:				
Permanent fund principal	99,241	-	-	-
Permanent fund earnings	-	142,317	-	-
Donations	-	28,183	-	-
Fuel assistance program	-	67,723	-	-
Police programs	-	20,459	-	-
Twin brooks recreation area	-	-	3,674	-
Library programs	-	-	48,160	-
Capital prepaid expenditures	12,297	-	-	-
Capital projects	-	-	1,779,692	-
Totals	\$ 176,166	258,682	1,862,667	951,305

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

TAX INCREMENT FINANCING DISTRICTS AND TAX ABATEMENTS

Under the State of Maine Title 30-A M.R.S., the Town has established seven Tax Increment Financing Districts (TIFs) to finance development programs located in the Town of Cumberland. The Town of Cumberland has entered into nine Credit Enhancement Agreements (CEAs) with individual organizations as permitted within its seven TIF districts, as follows:

Organization	TIF District	Agreement Expires	Maximum	Taxes Abated
BFTE Properties LLC Norton Financial Services	1	6/30/2026	500,000	23,029
BBW Real Estate LLC Seafax	2	6/30/2026	500,000	31,954
LGC North America Maine Standards	3	6/30/2033	500,000	40,434
Hardy Street LLC	3	6/30/2033	500,000	22,851
FMC Development LLC Memory Care	1	6/30/2027	500,000	19,683
Casco Systems	5	6/30/2036	500,000	28,150
Integrative Health	3	3/25/2038	250,000	13,217
Sky View Holdings LLC	3	3/25/2038	250,000	3,346
The Belted Cow	3	3/25/2038	500,000	18,855

The CEAs outline conditions for reimbursement of fifty percent of tax revenues generated through the increased values of certain parcels within the districts, up to a maximum amount. The developers agree that all payments made pursuant to the CEAs will be used to either pay debt service on indebtedness incurred to finance project costs, or to pay directly, amortize, or reimburse the developers for payments on qualified project costs up to a maximum amount or defined number of years, whichever occurs first.

The agreements and payments are intended to promote economic development through real estate development and job creation, as well as infrastructure improvements. Based on the terms of the agreements, the incremental tax is remitted to the District over the life of the TIF District to assist in financing the development projects.

For the fiscal year ended June 30, 2021, the Town remitted a total of \$201,519 in Credit Enhancement payments.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

TAX INCREMENT FINANCING DISTRICTS AND TAX ABATEMENTS, CONTINUED

The following is a summary of the amounts by TIF district:

	Original Assessment	Captured Assessed	Total	Taxes
<u>TIF District (capital projects funds)</u>	<u>Value</u>	<u>Value</u>	<u>Taxes</u>	<u>Abated</u>
Route One North District 1	\$ 355,000	41,038,900	835,142	42,712
Route One South District 2	339,400	10,778,800	219,349	31,954
Route One South District 3	3,717,000	31,875,400	648,664	98,703
Route 100 District 4	2,866,400	11,013,400	224,123	-
Route 100 District 5	5,867,800	8,671,100	176,457	28,150
Summit Natural Gas District 6	-	7,265,300	147,849	-
Summit Natural Gas District 7	108,000	7,278,200	148,111	-
Tuttle Road TIF District 8	583,900	2,878,700	58,581	-
Taxable Personal Property				
in TIF Districts:				
Route One North District 1	-	734,300	14,943	-
Route One South District 2	-	255,300	5,195	-
Route One South District 3	13,800	280,200	5,702	-
Route 100 District 5	224,000	5,300	108	-
Total	\$ 14,075,300	122,074,900	2,484,224	201,519

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 either carries commercial insurance or participates in public entity risk pools. Currently, the Town participates in a public entity pool for workers' compensation sponsored by Maine Municipal Association in which participants in the pool share risk in proportion to their contributions.

Based on the 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, 2021. There were no significant reductions in insurance coverage from that of the prior year. Settled claims have not exceeded insurance coverage for any of the past three fiscal years. As of June 30, 2021, there were no unpaid claims.

TOWN OF CUMBERLAND, MAINE
Notes to Basic Financial Statements, Continued

CONTINGENT RECEIVABLES

The Town entered into an agreement with a local developer to build affordable housing for those with moderate income at the Small's Brook Crossing Subdivision. The Town subsidized the development by contributing \$20,000 per home. In return, the Town received a silent second mortgage on each home. Interest on the mortgages accrues at a rate of 4% annually and is only paid when the house is sold, except that the interest accumulation shall terminate after twenty years. Should one of the homes be sold, the buyer must be a "qualified buyer" in accordance with the income and asset criteria, which is based on the median income for the Portland metropolitan statistical area. If the buyer is not eligible, the Town will collect from the seller the full amount of the silent second mortgage, plus any accrued interest, at the closing. The Town has not recognized receivables or revenues related to the silent second mortgages as it cannot reasonably estimate the amount that will be repaid to the Town, if any, as amounts are contingent on the terms mentioned above.

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TOWN OF CUMBERLAND, MAINE
Required Supplementary Information

Schedule of Town's Proportionate Share of the Net Pension Liability
Maine Public Employees Retirement System Consolidated Plan

	Last 10 Fiscal Years*						
	<u>2021**</u>	<u>2020**</u>	<u>2019**</u>	<u>2018**</u>	<u>2017**</u>	<u>2016**</u>	<u>2015**</u>
Town's proportion of the net pension liability	0.3831%	0.3634%	0.4149%	0.3814%	0.3555%	0.3399%	0.3108%
Town's proportionate share of the net pension liability	\$ 1,522,134	1,110,778	1,135,389	1,561,679	1,888,928	1,084,542	478,298
Town's covered payroll	2,194,515	2,033,084	2,047,217	1,946,735	1,756,120	1,590,688	1,373,904
Town's proportionate share of the net pension liability as a percentage of its covered payroll	69.36%	54.64%	55.46%	80.22%	107.56%	68.18%	34.81%
Plan fiduciary net position as a percentage of the total pension liability	88.35%	90.62%	91.14%	86.43%	81.60%	88.27%	94.10%

* This schedule is intended to show information for ten years, but only seven years of information is available.
Additional years' information will be displayed as it becomes available.

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

TOWN OF CUMBERLAND, MAINE
Required Supplementary Information, Continued

Schedule of Town Contributions
Maine Public Employees Retirement System Consolidated Plan

		Last 10 Fiscal Years*						
		<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$	238,062	248,785	230,331	222,689	194,047	175,653	140,342
Contributions in relation to the contractually required contributions		(238,062)	(248,785)	(230,331)	(222,689)	(194,047)	(175,653)	(140,342)
Contributions deficiency (excess)	\$	-	-	-	-	-	-	-
Town's covered payroll	\$	2,099,873	2,194,515	2,033,084	2,047,217	1,946,735	1,756,120	1,590,688
Contributions as a percentage of covered payroll		11.34%	11.34%	11.33%	10.88%	9.97%	10.00%	8.82%

** This schedule is intended to show information for ten years, but only seven years of information is available.
Additional years' information will be displayed as it becomes available.*

TOWN OF CUMBERLAND, MAINE
Notes to Required Supplementary Information

Last 10 Fiscal Years*

Changes of Benefit Terms - None

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

	<u>2020</u>	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate	6.750%	6.750%	6.875%	7.125%	7.250%
Inflation rate	2.75%	2.75%	2.75%	3.50%	N/A
Salary increases	2.75 plus merit	2.75%-9.00%	2.75% - 9.00%	3.50% - 9.50%	N/A
Cost of living increases	1.91%	1.91%	2.20%	2.55%	3.12%

Mortality rates:

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

In 2016 and going forward, mortality rates were based on the RP2014 Total Data Set Health Annuitant Mortality Table.

** This schedule is 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.*

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GENERAL FUND

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The fund pays general operating expenditures, fixed charges, and capital improvement costs which are not paid through other funds.

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TOWN OF CUMBERLAND, MAINE
General Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 8,157,458	10,352,284
Receivables:		
Accounts	127,985	151,488
Rescue	20,284	21,643
Intergovernmental	209,019	143,451
Taxes - current year	121,397	237,783
Taxes - prior years	128,519	111,318
Prepaid items	35,487	2,716
Inventory	29,141	12,914
Total assets	\$ 8,829,290	11,033,597
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable	385,771	309,281
Accrued payroll	253,284	183,856
Escrow liabilities	95,395	99,897
Taxes paid in advance	98,906	84,897
Unearned revenues	417,427	85,661
Interfund loans payable	3,263,674	6,758,811
Total liabilities	4,514,457	7,522,403
Deferred inflows of resources:		
Unavailable revenue - property taxes	227,918	229,059
Total deferred inflows of resources	227,918	229,059
Fund balance:		
Nonspendable	64,628	15,630
Assigned	363,514	192,753
Unassigned	3,658,773	3,073,752
Total fund balance	4,086,915	3,282,135
Total liabilities, deferred inflows of resources, and fund balance	\$ 8,829,290	11,033,597

TOWN OF CUMBERLAND, MAINE
General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
For the year ended June 30, 2021

(With comparative actual amounts for the year ended June 30, 2020)

	2021		Variance positive (negative)	2020 Actual
	Final Budget	Actual		
Revenues:				
Taxes:				
Property taxes	\$ 26,258,000	26,253,955	(4,045)	25,416,779
Supplemental taxes	-	14,316	14,316	38,940
Change in unavailable taxes	-	1,141	1,141	34,883
Outer island property taxes	46,000	45,895	(105)	47,027
Payments in lieu of taxes	33,000	37,806	4,806	32,123
Excise taxes	1,749,000	2,439,774	690,774	2,057,140
Total taxes	28,086,000	28,792,887	706,887	27,626,892
Licenses and permits:				
Town clerk licenses and fees	15,296	14,651	(645)	10,711
Snowmobile and boat registrations	1,098	1,020	(78)	755
Automobile registrations	21,406	40,554	19,148	25,319
Building permits	75,000	133,108	58,108	75,553
Electrical permits	21,634	33,379	11,745	19,894
Plumbing permits	18,789	27,156	8,367	15,458
Other permits	1,751	623	(1,128)	586
Total licenses and permits	154,974	250,491	95,517	148,276
Intergovernmental:				
State Revenue Sharing	500,000	1,033,072	533,072	746,067
Homestead and BETE reimbursements	739,639	744,959	5,320	529,471
D.O.T. block grant	71,480	66,876	(4,604)	71,480
Municipal shared services	201,577	201,577	-	165,876
Federal grants	-	13,262	13,262	-
Other state aid	-	22,135	22,135	38,820
Total intergovernmental	1,512,696	2,081,881	569,185	1,551,714
Charges for services:				
Recreation programs	929,770	516,559	(413,211)	640,263
Val Halla golf programs	617,745	883,991	266,246	617,986
Police permits and services	29,246	11,612	(17,634)	41,975
Fire services	18,000	4,015	(13,985)	16,452
Ambulance and medical services	160,000	156,160	(3,840)	178,855
Public services revenue	25,592	27,687	2,095	31,610
Waste disposal	303,292	441,875	138,583	371,909
Library income	4,500	1,480	(3,020)	4,172
Total charges for services	2,088,145	2,043,379	(44,766)	1,903,222

TOWN OF CUMBERLAND, MAINE
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

	2021			2020 Actual
	Final Budget	Actual	Variance positive (negative)	
Revenues, continued:				
Other:				
Growth permits and fees	\$ 76,117	117,359	41,242	83,949
Interest and lien costs	30,000	29,330	(670)	46,433
Miscellaneous	26,298	41,845	15,547	45,115
Total other	132,415	188,534	56,119	175,497
Total revenues	31,974,230	33,357,172	1,382,942	31,405,601
Expenditures:				
Current:				
General government:				
Administration	616,244	572,407	43,837	657,212
Assessor	112,471	112,909	(438)	106,756
Town clerk	275,187	238,757	36,430	270,627
Technology	212,517	315,663	(103,146)	260,813
Elections	14,241	12,591	1,650	13,732
Planning	73,137	60,298	12,839	61,013
Legal services	47,500	62,604	(15,104)	58,928
Total general government	1,351,297	1,375,229	(23,932)	1,429,081
Public safety:				
Police	1,494,752	1,369,057	125,695	1,405,780
Fire	1,067,962	1,005,652	62,310	1,006,084
Code enforcement	143,113	148,524	(5,411)	138,488
Harbor master	25,226	16,941	8,285	14,454
Animal control	35,412	6,202	29,210	38,423
Total public safety	2,766,465	2,546,376	220,089	2,603,229
Public services:				
Public works	1,260,713	1,097,898	162,815	1,128,256
Waste disposal	592,696	596,593	(3,897)	578,397
Parks	315,855	354,073	(38,218)	298,869
West Cumberland Hall and Historical Society building	15,768	4,072	11,696	10,301
Total public services	2,185,032	2,052,636	132,396	2,015,823

TOWN OF CUMBERLAND, MAINE
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

	2021		Variance positive (negative)	2020 Actual
	Final Budget	Actual		
Expenditures, continued:				
Current, continued:				
Recreation:				
Val Halla golf course	\$ 760,025	791,263	(31,238)	766,095
Recreation programs	903,618	796,935	106,683	980,304
Total recreation	1,663,643	1,588,198	75,445	1,746,399
Prince Memorial Library	508,800	502,901	5,899	510,580
Health and public assistance:				
Senior services	30,105	13,103	17,002	18,799
Health services	3,875	1,310	2,565	17,652
General assistance	35,000	43,835	(8,835)	67,116
Total health and public assistance	68,980	58,248	10,732	103,567
Unclassified:				
Conservation Commission	13,000	18,131	(5,131)	3,144
Cemetery Association	26,700	27,575	(875)	26,700
Fire hydrant charges	81,686	84,100	(2,414)	82,012
Street lighting	-	-	-	40,911
Contingencies	100,000	74,176	25,824	8,803
Municipal building maintenance	80,160	79,203	957	93,000
Abatements	1	10,625	(10,624)	38,817
Total unclassified	301,547	293,810	7,737	293,387

TOWN OF CUMBERLAND, MAINE
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

	2021			2020 Actual
	Final Budget	Actual	Variance positive (negative)	
Expenditures, continued:				
Current, continued:				
Insurance	\$ 252,823	327,072	(74,249)	247,388
MSAD #51	20,104,804	20,104,804	-	18,937,757
County tax	938,569	938,569	-	910,761
Debt service:				
Principal	814,626	814,626	-	707,778
Interest	552,694	551,471	1,223	402,666
TAN interest	-	-	-	22,279
Total debt service	1,367,320	1,366,097	1,223	1,132,723
Budgeted transfers to capital reserve funds	180,000	180,000	-	796,061
Total expenditures	31,689,280	31,333,940	355,340	30,726,756
Excess (deficiency) of revenues over (under) expenditures	284,950	2,023,232	1,738,282	678,845
Other financing sources (uses):				
Transfers in	210,000	210,000	-	79,324
Transfers to General Fund reserves	(80,000)	(270,000)	(190,000)	(75,000)
Transfers out	(142,600)	(1,345,440)	(1,202,840)	(90,000)
Total other financing sources (uses)	(12,600)	(1,405,440)	(1,392,840)	(85,676)
Net change in fund balance	272,350	617,792	345,442	593,169
Fund balance, beginning of year - budgetary basis		3,076,468		2,483,299
Fund balance, end of year - budgetary basis	\$	3,694,260		3,076,468
Reconciliation to GAAP:				
Change in reserves		186,988		(40,304)
Fund balance, beginning of year - GAAP basis		3,282,135		2,729,270
Fund balance, end of year - GAAP basis	\$	4,086,915		3,282,135

TOWN OF CUMBERLAND, MAINE
General Fund Reserves
Schedule of Revenues, Expenditures and Changes in Fund Balances
For year ended June 30, 2021

		Balance beginning of year	Charges for Services	Expenditures	Transfers in (out)	Balance end of year
100	Assessor's reserve	-	-	-	170,000	170,000
106	Circuit breaker	\$ 63,634	-	62,531	55,000	56,103
208	HR reserve	74,195	-	31,030	45,000	88,165
255	Fuel	67,838	116,622	106,073	-	78,387
Total		\$ 205,667	116,622	199,634	270,000	392,655

ALL OTHER GOVERNMENTAL FUNDS

TOWN OF CUMBERLAND, MAINE
All Other Governmental Funds
Combining Balance Sheet
June 30, 2021

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	-	50,636	50,636
Investments	-	-	191,854	191,854
Accounts receivable	-	20,599	-	20,599
Prepaid expenditures	-	13,411	-	13,411
Interfund loans receivable	170,028	1,983,992	15	2,154,035
Total assets	\$ 170,028	2,018,002	242,505	2,430,535
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	1,470	339,691	947	342,108
Accrued payroll	706	-	-	706
Interfund loans payable	-	157,245	-	157,245
Total liabilities	2,176	496,936	947	500,059
Fund balances:				
Nonspendable	-	12,297	99,241	111,538
Restricted	116,365	-	142,317	258,682
Committed	51,834	1,779,692	-	1,831,526
Unassigned	(347)	(270,923)	-	(271,270)
Total fund balances	167,852	1,521,066	241,558	1,930,476
Total liabilities and fund balances	\$ 170,028	2,018,002	242,505	2,430,535

TOWN OF CUMBERLAND, MAINE
All Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2021

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:				
Intergovernmental	\$ 157,400	237,000	-	394,400
Licenses, permits and fees	-	125,573	-	125,573
Charges for services	17,159	-	-	17,159
Donations	31,045	108,775	-	139,820
Investment income (loss)	575	17,202	(2,221)	15,556
Other	6,572	57,113	-	63,685
Total revenues	212,751	545,663	(2,221)	756,193
Expenditures:				
Current:				
General government	121,937	7,143	-	129,080
Public safety	19,763	-	-	19,763
Public services	-	84,809	-	84,809
Library	17,744	-	-	17,744
Health and public assistance	19,548	-	49,829	69,377
Capital outlay	33,063	1,325,967	-	1,359,030
Debt service	-	207,238	-	207,238
Total expenditures	212,055	1,625,157	49,829	1,887,041
Excess (deficiency) of revenues over (under) expenditures	696	(1,079,494)	(52,050)	(1,130,848)
Other financing sources (uses):				
Sale of assets	-	375,429	-	375,429
Transfers from other funds	-	2,576,915	-	2,576,915
Transfers to other funds	-	(951,475)	-	(951,475)
Total other financing sources (uses)	-	2,000,869	-	2,000,869
Net change in fund balances	696	921,375	(52,050)	870,021
Fund balances, beginning of year	167,156	599,691	293,608	1,060,455
Fund balances, end of year	\$ 167,852	1,521,066	241,558	1,930,476

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for resources obtained and expended for specified purposes that are restricted by law or committed by administrative action.

Special Revenue Funds have been established for the following purposes:

Fire Grant Fund - To account for donations, grant funds and other dedicated fire related revenues and expenditures.

Police Fund - To account for donations, grant funds and other dedicated police related revenues and expenditures.

Elections Fund – To account for grant proceeds and related expenditures for a municipal election grant.

Twin Brook Fund - To account for donations collected and funds expended to maintain the cross-country ski trails at the Twin Brooks recreational area.

Other Special Revenues - To account for donations and other restricted resources and expenditures related to the community band and other special programs.

Library Fund - To account for donations, grant funds and other dedicated library related revenues and expenditures.

Fuel Assistance Fund - To account for donations and other revenue sources used to assist citizens with fuel purchases during the colder months of the year.

TOWN OF CUMBERLAND, MAINE
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021
(with comparative totals for June 30, 2020)

	Fire Grant Fund	Police Fund	Elections Fund	Twin Brook Fund	Other Special Revenues	Library Fund	Fuel Assistance Fund	Totals	
								2021	2020
ASSETS									
Interfund loans receivable	1,045	20,459	-	3,674	28,183	48,944	67,723	170,028	172,414
Total assets	\$ 1,045	20,459	-	3,674	28,183	48,944	67,723	170,028	172,414
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	1,392	-	-	-	-	78	-	1,470	1,493
Accrued payroll	-	-	-	-	-	706	-	706	115
Interfund loans payable	-	-	-	-	-	-	-	-	3,650
Total liabilities	1,392	-	-	-	-	784	-	2,176	5,258
Fund balances:									
Restricted	-	20,459	-	-	28,183	-	67,723	116,365	114,661
Committed	-	-	-	3,674	-	48,160	-	51,834	56,145
Unassigned	(347)	-	-	-	-	-	-	(347)	(3,650)
Total fund balances (deficit)	(347)	20,459	-	3,674	28,183	48,160	67,723	167,852	167,156
Total liabilities and fund balances	\$ 1,045	20,459	-	3,674	28,183	48,944	67,723	170,028	172,414

TOWN OF CUMBERLAND, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2021
(with comparative totals for June 30, 2020)

	Fire Grant Fund	Police Fund	Elections Fund	Twin Brook Fund	Other Special Revenues	Library Fund	Fuel Assistance Fund	Totals	
								2021	2020
Revenues:									
Intergovernmental	\$ -	2,400	155,000	-	-	-	-	157,400	-
Charges for services	11,875	-	-	-	166	5,118	-	17,159	33,020
Donations	4,495	-	-	-	-	1,500	25,050	31,045	36,025
Investment income	-	-	-	-	-	575	-	575	287
Other revenue	-	332	-	-	-	6,240	-	6,572	4,799
Total revenues	16,370	2,732	155,000	-	166	13,433	25,050	212,751	74,131
Expenditures:									
Current:									
General government	-	-	121,937	-	-	-	-	121,937	-
Public safety	13,067	6,696	-	-	-	-	-	19,763	19,360
Recreation	-	-	-	-	-	-	-	-	575
Library	-	-	-	-	-	17,744	-	17,744	20,886
Health and public assistance	-	-	-	-	-	-	19,548	19,548	25,798
Capital outlay	-	-	33,063	-	-	-	-	33,063	-
Total expenditures	13,067	6,696	155,000	-	-	17,744	19,548	212,055	66,619
Net change in fund balances	3,303	(3,964)	-	-	166	(4,311)	5,502	696	7,512
Fund balances (deficits), beginning of year	(3,650)	24,423	-	3,674	28,017	52,471	62,221	167,156	159,644
Fund balances (deficits), end of year	\$ (347)	20,459	-	3,674	28,183	48,160	67,723	167,852	167,156

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities other than those employed in the delivery of services accounted for in Enterprise Funds.

The funds were established for the following purposes:

Town Building Reserves - To account for funds used for major repairs and maintenance or improvements to Town buildings.

Land Acquisition Fund - To account for funds set aside for the purchase of land.

Tennis Court Fund - To account for funds used to reconstruct the tennis courts.

Route 1 Parking Reserve - To account for funds set aside as a reserve for major or non-routine maintenance of the Route 1 parking lot.

Road Improvements - To account for funds set aside as a reserve for road resurfacing and reconstruction projects.

Equipment Reserves Fund - Reserve fund for the purchases of miscellaneous equipment.

Village Green - To account for lien release payments received and the amount due to the Town for the long-term lease of the former Drowne Road School.

Solar Power Field - To account for the Town's investment in solar energy infrastructure.

Street Light Upgrades - To account for funds set aside for the upgrade of Town street lights.

TOWN OF CUMBERLAND, MAINE
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2021
(with comparative totals for June 30, 2020)

	Town Building Reserves	Land Acquisition Fund	Tennis Court Fund	Rt 1 Parking Reserve	Road Improvements	Equip. Reserves Fund	Village Green	Solar Power Field	Street Light Upgrades	Totals	
										2021	2020
ASSETS											
Accounts receivable	\$ 9,805	-	-	-	-	-	9,884	910	-	20,599	22,604
Prepaid expenditures	840	1,114	-	-	-	11,457	-	-	-	13,411	-
Interfund loans receivable	1,181,499	-	13,077	20,258	129,997	532,449	-	106,712	-	1,983,992	1,169,986
Total assets	\$ 1,192,144	1,114	13,077	20,258	129,997	543,906	9,884	107,622	-	2,018,002	1,192,590
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts payable	47,254	1,114	-	-	251,851	17,829	-	19,935	1,708	339,691	483,477
Interfund loans payable	-	-	-	-	-	-	9,884	-	147,361	157,245	109,422
Total liabilities	47,254	1,114	-	-	251,851	17,829	9,884	19,935	149,069	496,936	592,899
Fund balances (deficits):											
Nonspendable	840	-	-	-	-	11,457	-	-	-	12,297	-
Committed	1,144,050	-	13,077	20,258	-	514,620	-	87,687	-	1,779,692	1,127,478
Unassigned	-	-	-	-	(121,854)	-	-	-	(149,069)	(270,923)	(527,787)
Total fund balances (deficits)	1,144,890	-	13,077	20,258	(121,854)	526,077	-	87,687	(149,069)	1,521,066	599,691
Total liabilities and fund balances	\$ 1,192,144	1,114	13,077	20,258	129,997	543,906	9,884	107,622	-	2,018,002	1,192,590

TOWN OF CUMBERLAND, MAINE
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2021
(with comparative totals for June 30, 2020)

	Town Building Reserves	Land Acquisition Fund	Tennis Court Fund	Rt 1 Parking Reserve	Road Improvements	Equip. Reserves Fund	Village Green	Solar Power Field	Street Light Upgrades	Totals	
										2021	2020
Revenues:											
Intergovernmental	\$ -	-	-	-	237,000	-	-	-	-	237,000	125,000
Licenses, permits and fees	-	-	-	-	-	125,573	-	-	-	125,573	124,976
Donations	-	108,775	-	-	-	-	-	-	-	108,775	-
Investment income	-	-	-	-	-	17,202	-	-	-	17,202	92,923
Other revenue	8,108	39,591	-	-	-	1,860	-	-	7,554	57,113	38,489
Total revenues	8,108	148,366	-	-	237,000	144,635	-	-	7,554	545,663	381,388
Expenditures:											
Current:											
General government	409	6,734	-	-	-	-	-	-	-	7,143	21,329
Public services	-	-	1,476	-	-	-	-	83,333	-	84,809	33,247
Capital outlay	342,874	-	-	-	554,620	269,156	-	-	159,317	1,325,967	2,343,602
Debt service	-	159,444	-	-	-	47,794	-	-	-	207,238	-
Total expenditures	343,283	166,178	1,476	-	554,620	316,950	-	83,333	159,317	1,625,157	2,398,178
Excess (deficiency) of revenues over (under) expenditures	(335,175)	(17,812)	(1,476)	-	(317,620)	(172,315)	-	(83,333)	(151,763)	(1,079,494)	(2,016,790)
Other financing sources (uses):											
Sale of assets	-	370,429	-	-	-	5,000	-	-	-	375,429	719,997
Transfer from other funds	1,428,648	-	10,000	-	648,000	241,000	-	204,267	45,000	2,576,915	1,766,905
Transfer to other funds	-	(951,475)	-	-	-	-	-	-	-	(951,475)	(445,844)
Total other financing sources (uses)	1,428,648	(581,046)	10,000	-	648,000	246,000	-	204,267	45,000	2,000,869	2,041,058
Net change in fund balances	1,093,473	(598,858)	8,524	-	330,380	73,685	-	120,934	(106,763)	921,375	24,268
Fund balances (deficits), beginning of year	51,417	598,858	4,553	20,258	(452,234)	452,392	-	(33,247)	(42,306)	599,691	575,423
Fund balances (deficits), end of year	\$ 1,144,890	-	13,077	20,258	(121,854)	526,077	-	87,687	(149,069)	1,521,066	599,691

NONMAJOR GOVERNMENTAL FUNDS

PERMANENT FUNDS

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Prince Fund - To support Greely High School. It is applied to MSAD #51 annual assessment.

Cumberland School Fund - To support the schools. It is applied to MSAD #51's annual assessment.

Paul Merrill Fund – To support the Library.

Sweetser Fund - To purchase non-fiction books for the Library.

Historical Society Fund - To maintain and support the Cumberland Historical Society.

TOWN OF CUMBERLAND, MAINE
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2021

	Cumberland School Fund	Prince Fund	Paul Merrill Fund	Sweetser Fund	Historical Society Fund	Totals
ASSETS						
Cash and cash equivalents	\$ -	-	-	-	50,636	50,636
Investments	57,744	55,901	78,209	-	-	191,854
Interfund loans receivable	-	-	-	-	15	15
Total assets	57,744	55,901	78,209	-	50,651	242,505
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	-	-	-	932	15	947
Total liabilities	-	-	-	932	15	947
Fund balances:						
Nonspendable - principal	2,225	2,165	56,187	34,714	3,950	99,241
Restricted - accumulated earnings	55,519	53,736	22,022	(35,646)	46,686	142,317
Total fund balances (deficit)	57,744	55,901	78,209	(932)	50,636	241,558
Total liabilities and fund balances	\$ 57,744	55,901	78,209	-	50,651	242,505

TOWN OF CUMBERLAND, MAINE
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2021

	Cumberland School Fund	Prince Fund	Paul Merrill Fund	Sweetser Fund	Historical Society Fund	Totals
Revenues:						
Investment income (loss)	\$ (689)	(667)	(933)	-	68	(2,221)
Total revenues	(689)	(667)	(933)	-	68	(2,221)
Expenditures:						
Current:						
Health and public assistance	-	-	-	49,829	-	49,829
Total expenditures	-	-	-	49,829	-	49,829
Net change in fund balances	(689)	(667)	(933)	(49,829)	68	(52,050)
Fund balances, beginning of year	58,433	56,568	79,142	48,897	50,568	293,608
Fund balances (deficit), end of year	\$ 57,744	55,901	78,209	(932)	50,636	241,558

**FIDUCIARY FUNDS -
PRIVATE-PURPOSE TRUST FUNDS
CUSTODIAL FUND**

TOWN OF CUMBERLAND, MAINE
Fiduciary Funds - Private-purpose Trust
Combining Statement of Fiduciary Net Position
June 30, 2021

	John M. and Lillian R. Kimball Award Trust	Eliphalet Greely Fund	Scholar- ship Fund	Derrah Scholar- ship Fund	Lynne Pickard Scholar- ship	Carle Henry Music Scholar- ship	Louis Lambert Scholar- ship	Roy O'Looke Scholar- ship	Jessica Parker Fund	Tom Pollis Scholar- ship	Totals
ASSETS											
Investments	\$ 17,747	89,936	481	5,557	-	-	4,505	53	1,253	42,760	162,292
Due from general fund	-	-	463	-	-	-	-	-	-	-	463
Total assets	17,747	89,936	944	5,557	-	-	4,505	53	1,253	42,760	162,755
LIABILITIES											
Accounts payable	500	-	513	1,000	-	-	500	-	-	-	2,513
Due to general fund	-	-	-	-	463	-	-	-	-	-	463
Total liabilities	500	-	513	1,000	463	-	500	-	-	-	2,976
NET POSITION											
Held in trust	17,247	89,936	431	4,557	(463)	-	4,005	53	1,253	42,760	159,779
Total net position	\$ 17,247	89,936	431	4,557	(463)	-	4,005	53	1,253	42,760	159,779

TOWN OF CUMBERLAND, MAINE
Fiduciary Funds - Private-purpose Trust
Combining Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2021

	John M. and Lillian R. Kimball Award Trust	Eliphalet Greely Fund	Scholar- ship Fund	Derrah Scholar- ship Fund	Lynne Pickard Scholar- ship	Carle Henry Music Scholar- ship	Louis Lambert Scholar- ship	Roy O'Looke Scholar- ship	Jessica Parker Fund	Tom Pollis Scholar- ship	Totals
Additions:											
Donations	\$ -	-	-	5,050	-	-	-	-	-	-	5,050
Investment income (loss)	(222)	(1,073)	(44)	507	-	25	(65)	(1)	(14)	(511)	(1,398)
Total additions	(222)	(1,073)	(44)	5,557	-	25	(65)	(1)	(14)	(511)	3,652
Deductions:											
Scholarships awarded	500	-	513	1,000	-	-	500	-	-	-	2,513
Total deductions	500	-	513	1,000	-	-	500	-	-	-	2,513
Change in net position	(722)	(1,073)	(557)	4,557	-	25	(565)	(1)	(14)	(511)	1,139
Net position, beginning of year	17,969	91,009	988	-	(463)	(25)	4,570	54	1,267	43,271	158,640
Net position, end of year	\$ 17,247	89,936	431	4,557	(463)	-	4,005	53	1,253	42,760	159,779

STATISTICAL SECTION

This part of the Town of Cumberland, Maine's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Tables
Financial Trends	1-4
<i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	
Revenue Capacity	5-9
<i>These schedules contain information to help the reader assess the Town's most significant local revenue source; property tax.</i>	
Debt Capacity	10-13
<i>These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	14-15
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	
Operating Information	16-19
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

Table 1

TOWN OF CUMBERLAND, MAINE
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

		Fiscal Year									
		2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021
Governmental activities:											
Net investment in capital assets	\$	14,008,107	14,926,352	17,201,613	17,444,794	24,607,681	26,426,553	28,666,371	30,529,130	30,955,865	33,046,297
Restricted		693,885	629,042	375,206	514,636	730,607	325,714	355,130	387,279	408,269	357,923
Unrestricted		2,205,304	3,066,957	2,943,496	3,195,467	1,346,278	1,360,414	2,136,421	1,528,681	1,973,590	3,880,870
Total governmental activities net position	\$	16,907,296	18,622,351	20,520,315	21,154,897	26,684,566	28,112,681	31,157,922	32,445,090	33,337,724	37,285,090
Business-type activities:											
Net investment in capital assets	\$	4,129,831	4,002,886	3,873,747	3,633,799	1,781,340	1,752,539	1,814,746	1,994,078	2,012,859	1,967,112
Unrestricted		(1,126,224)	(670,882)	183,177	840,271	1,098,893	1,313,059	1,347,219	598,617	528,000	665,717
Total business-type activities net position		3,003,607	3,332,004	4,056,924	4,474,070	2,880,233	3,065,598	3,161,965	2,592,695	2,540,859	2,632,829
Primary government:											
Net investment in capital assets	\$	18,137,938	18,929,238	21,075,360	21,078,593	26,389,021	28,179,092	30,481,117	32,523,208	32,968,724	35,013,409
Restricted		693,885	629,042	375,206	514,636	730,607	325,714	355,130	387,279	408,269	357,923
Unrestricted		1,079,080	2,396,075	3,126,673	4,035,738	2,445,171	2,673,473	3,483,640	2,127,298	2,501,590	4,546,587
Total primary government net position	\$	19,910,903	21,954,355	24,577,239	25,628,967	29,564,799	31,178,279	34,319,887	35,037,785	35,878,583	39,917,919

*In FY 2016, the Town ceased reporting the Val Halla golf course as an enterprise fund. All amounts are now reported in the General Fund and Governmental Activities.

Table 2

TOWN OF CUMBERLAND, MAINE
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 2,999,452	3,341,630	2,712,115	2,576,262	2,947,324	3,791,286	3,600,128	3,347,435	4,067,516	4,366,616
Public safety	2,095,961	2,176,839	2,282,922	2,514,371	2,636,327	2,742,321	2,760,514	2,962,840	2,980,552	2,610,953
Public services	1,424,931	1,500,458	1,660,289	2,862,022	4,902,734	3,687,941	3,391,362	4,533,495	3,966,961	3,448,537
Recreation	866,166	913,637	991,973	948,009	1,855,156	1,905,086	2,000,118	2,116,841	2,020,170	1,806,704
Education and libraries	12,787,351	13,649,666	14,159,614	14,795,916	16,075,925	16,579,156	17,762,502	19,278,276	19,548,696	20,713,580
Health and public assistance	748,016	755,562	668,729	86,796	83,022	236,687	179,542	178,167	192,281	191,604
Interest on debt	557,285	616,399	526,065	605,148	486,383	486,260	638,207	594,936	676,119	707,710
Total governmental activities expenses	21,479,162	22,954,191	23,001,707	24,388,524	28,986,871	29,428,737	30,332,373	33,011,990	33,452,295	33,845,704
Business-type activities:										
Senior Housing	234,753	283,930	227,347	292,029	305,163	296,036	295,442	300,636	313,281	298,133
Sewer System	797,545	824,941	823,999	843,432	838,334	891,253	975,371	1,684,199	1,222,227	1,090,820
Val Halla Golf and Recreation Center	822,688	788,704	844,772	944,462	-	-	-	-	-	-
Total business-type activities expenses	1,854,986	1,897,575	1,896,118	2,079,923	1,143,497	1,187,289	1,270,813	1,984,835	1,535,508	1,388,953
Total primary government expenses	\$ 23,334,148	24,851,766	24,897,825	26,468,447	30,130,368	30,616,026	31,603,186	34,996,825	34,987,803	35,234,657
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 341,769	399,286	361,850	360,104	584,060	761,633	426,981	425,366	398,101	569,427
Public safety	257,097	299,106	288,322	410,695	311,392	334,833	304,185	315,351	255,050	183,994
Public services	5,544	24,885	2,300	320,850	444,332	453,460	523,150	677,927	675,008	711,757
Recreation	671,796	669,344	714,346	768,827	1,478,213	1,531,982	1,672,990	1,657,575	1,258,249	1,400,550
Education and libraries	146,298	156,665	158,260	167,135	24,971	28,515	29,459	36,593	24,223	13,004
Health and public assistance	279,185	278,811	283,564	-	-	-	-	-	-	-
Operating grants and contributions	96,300	198,433	200,114	172,205	125,782	143,168	165,973	111,406	146,325	290,718
Capital grants and contributions	1,669,298	937,223	614,019	309,461	3,205,460	841,007	2,057,401	972,642	163,489	1,482,888
Total governmental activities program revenues	3,467,287	2,963,753	2,622,775	2,509,277	6,174,210	4,094,598	5,180,139	4,196,860	2,920,445	4,652,338
Business-type activities:										
Charges for services:										
Senior Housing	\$ 291,798	281,864	289,816	318,745	315,803	328,939	335,360	335,360	341,327	345,551
Sewer System	877,309	848,214	890,012	918,929	955,624	1,043,742	1,031,894	1,079,880	1,141,887	1,135,475
Val Halla Golf and Recreation Center	662,322	614,556	608,525	625,406	-	-	-	-	-	-
Total business-type activities program revenues	1,831,429	1,744,634	1,788,353	1,863,080	1,271,427	1,372,681	1,367,254	1,415,240	1,483,214	1,481,026
Total primary government program revenues	\$ 5,298,716	4,708,387	4,411,128	4,372,357	7,445,637	5,467,279	6,547,393	5,612,100	4,403,659	6,133,364
Net (expense)/revenue:										
Governmental activities	\$ (18,011,875)	(19,990,438)	(20,378,932)	(21,879,247)	(22,812,661)	(25,334,139)	(25,152,234)	(28,815,130)	(30,531,850)	(29,193,366)
Business-type activities	(23,557)	(152,941)	(107,765)	(216,843)	127,930	185,392	96,441	(569,595)	(52,294)	92,073
Total primary government net expense	\$ (18,035,432)	(20,143,379)	(20,486,697)	(22,096,090)	(22,684,731)	(25,148,747)	(25,055,793)	(29,384,725)	(30,584,144)	(29,101,293)

*In FY 2016, the Town ceased reporting the Val Halla golf course as an enterprise fund. All amounts are now reported in the General Fund and Governmental Activities.

TOWN OF CUMBERLAND, MAINE
Changes in Net Position, Continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 17,427,641	18,737,957	19,558,835	20,441,626	21,743,533	22,104,213	23,028,076	24,553,518	25,502,152	26,297,601
TIF District taxes	940,566	1,006,641	1,102,803	1,251,165	1,555,973	1,690,373	2,029,016	2,221,671	2,359,331	2,484,224
Excise taxes	1,364,192	1,460,329	1,633,132	1,693,482	1,856,148	1,959,451	2,120,226	2,162,878	2,057,140	2,439,774
Outer island property taxes	39,814	40,465	41,566	41,867	39,889	43,352	43,774	44,041	47,027	45,895
Payment in lieu of taxes	-	22,500	23,112	28,656	29,608	29,804	30,688	31,918	32,123	37,806
Unrestricted grants and contributions	791,033	829,482	603,229	611,559	620,550	694,761	830,008	959,020	1,275,538	1,778,031
Investment earnings	6,030	3,076	247	5,897	6,456	17,122	42,277	69,631	106,058	15,556
Miscellaneous	44,206	85,842	143,972	304,127	470,847	223,178	73,410	59,621	45,115	41,845
Gain (loss) on sale of assets	(258,405)	-	-	-	-	-	-	-	-	-
Transfers	212,861	(480,799)	(830,000)	(627,451)	1,721,844	-	-	-	-	-
Total governmental activities	20,567,938	21,705,493	22,276,896	23,750,928	28,044,848	26,762,254	28,197,475	30,102,298	31,424,484	33,140,732
Business-type activities:										
Investment income (loss)	-	539	2,685	6,538	77	(27)	(74)	325	458	(103)
Gain on sale of assets	291,147	-	-	-	-	-	-	-	-	-
Transfers	(212,861)	480,799	830,000	627,451	(1,721,844)	-	-	-	-	-
Total business-type activities	78,286	481,338	832,685	633,989	(1,721,767)	(27)	(74)	325	458	(103)
Total primary government	\$ 20,646,224	22,186,831	23,109,581	24,384,917	26,323,081	26,762,227	28,197,401	30,102,623	31,424,942	33,140,629
Change in Net Position										
Governmental activities	2,556,063	1,715,055	1,897,964	1,871,681	5,232,187	1,428,115	3,045,241	1,287,168	892,634	3,947,366
Business-type activities	54,729	328,397	724,920	417,146	(1,593,837)	185,365	96,367	(569,270)	(51,836)	91,970
Total primary government	\$ 2,610,792	2,043,452	2,622,884	2,288,827	3,638,350	1,613,480	3,141,608	717,898	840,798	4,039,336

Table 3

TOWN OF CUMBERLAND, MAINE
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund											
Nonspendable	\$	1,503,847	1,161,834	477,451	5,849	116,294	42,039	55,286	21,854	15,630	64,628
Assigned		-	-	-	-	371,748	365,419	449,964	227,770	192,753	363,514
Unassigned		727,371	1,433,829	1,191,089	2,060,936	2,023,066	2,028,570	2,084,824	2,479,646	3,073,752	3,658,773
Total general fund	\$	2,231,218	2,595,663	1,668,540	2,066,785	2,511,108	2,436,028	2,590,074	2,729,270	3,282,135	4,086,915
All Other Governmental Funds											
Nonspendable, reported in:											
Capital projects	\$	-	-	-	-	10,100	-	-	-	-	12,297
Permanent funds		99,241	99,241	99,241	99,241	99,241	99,241	99,241	99,241	99,241	99,241
Restricted, reported in:											
Permanent funds		175,263	172,751	174,474	172,839	174,914	174,361	172,276	181,519	194,367	142,317
Capital projects		419,381	322,607	49,438	242,556	420,343	-	-	-	-	-
Special revenue funds		-	34,443	52,053	-	36,109	52,112	83,613	106,519	114,661	116,365
Committed, reported in:											
Special revenue funds		19,689	65,313	97,335	87,761	57,872	71,998	60,776	54,960	56,145	51,834
Capital projects funds		-	-	-	850	733,735	7,054,109	1,890,462	575,423	6,730,250	1,810,833
Assigned, reported in:											
Capital projects funds		500,744	889,318	1,592,351	1,922,955	-	-	-	-	-	-
Debt service fund		-	-	-	392,130	474,937	655,469	737,940	712,115	697,791	587,791
Unassigned, reported in:											
Special revenue funds		(636)	-	(4,140)	-	-	-	-	(1,835)	(3,650)	(347)
Capital projects funds		(143,779)	(48,802)	(44,296)	(6,226)	(1,234,150)	(1,133,133)	(963,613)	(1,501,258)	(1,900,527)	(1,198,957)
Total all other governmental funds	\$	1,069,903	1,534,871	2,016,456	2,912,106	773,101	6,974,157	2,080,695	226,684	5,988,278	1,621,374
Total governmental funds	\$	3,301,121	4,130,534	3,684,996	4,978,891	3,284,209	9,410,185	4,670,769	2,955,954	9,270,413	5,708,289

Table 4

TOWN OF CUMBERLAND, MAINE
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 19,721,213	21,327,892	22,081,219	23,526,104	25,298,238	25,809,867	27,161,299	28,960,212	29,986,223	31,277,111
Licenses and permits	132,652	178,099	161,923	159,680	168,174	207,889	151,495	282,018	273,252	376,064
Intergovernmental	888,833	984,143	1,211,643	1,016,858	1,353,722	1,629,296	1,118,956	2,183,602	1,676,714	2,476,281
Charges for services	1,325,445	1,364,425	1,215,255	1,388,081	2,256,124	2,297,259	2,526,783	2,552,962	2,080,755	2,177,160
Donations	-	-	-	-	-	-	-	-	-	139,820
Investment income (loss)	-	-	-	-	-	-	-	69,631	106,058	15,556
Other	761,626	1,355,486	671,631	735,520	444,437	652,584	554,952	217,104	256,810	252,219
Total revenues	22,829,769	25,210,045	25,341,671	26,826,243	29,520,695	30,596,895	31,513,485	34,265,529	34,379,812	36,714,211
Expenditures										
General government	1,050,648	1,197,680	1,260,888	1,405,149	1,738,077	1,893,954	2,113,523	2,196,286	2,341,618	2,508,192
Public safety	1,875,363	1,929,209	2,042,544	2,274,019	2,403,779	2,486,136	2,507,112	2,540,652	2,622,589	2,566,139
Public services	875,317	943,702	898,293	1,749,724	1,839,511	2,081,177	2,502,789	2,235,968	2,188,130	2,243,518
Recreation	723,597	768,969	850,481	835,482	1,600,021	1,660,102	1,751,478	1,882,453	1,746,974	1,588,198
Education and libraries	12,710,146	13,572,445	14,083,574	14,718,516	15,999,440	16,501,645	17,684,884	19,198,802	19,469,223	20,625,449
Health and public assistance	745,484	752,371	665,538	85,348	81,574	235,239	178,094	176,719	190,833	190,156
Unclassified	1,377,654	1,479,000	1,536,203	1,270,640	1,299,214	1,284,793	1,322,558	1,400,947	1,451,536	1,559,451
Capital outlay	1,668,130	1,384,048	2,072,124	4,434,772	5,089,978	4,581,440	6,649,863	4,436,464	4,130,597	7,155,862
Debt service:										
Principal	1,186,508	1,300,312	1,010,161	1,001,602	997,192	1,034,696	939,915	1,283,555	1,290,776	1,634,085
Interest	576,657	596,465	537,403	479,821	541,061	436,216	729,185	650,215	697,584	810,714
Total expenditures	22,789,504	23,924,201	24,957,209	28,255,073	31,589,847	32,195,398	36,379,401	36,002,061	36,129,860	40,881,764
Excess (deficiency) of revenues over (under) expenditures	40,265	1,285,844	384,462	(1,428,830)	(2,069,152)	(1,598,503)	(4,865,916)	(1,736,532)	(1,750,048)	(4,167,553)
Other financing sources (uses)										
Transfers in	1,570,437	1,330,538	1,978,779	2,163,184	1,763,157	2,228,086	1,439,468	1,717,940	1,911,229	2,886,915
Transfers out	(1,357,576)	(1,811,337)	(2,808,779)	(2,790,635)	(1,785,458)	(2,228,086)	(1,439,468)	(1,717,940)	(1,911,229)	(2,886,915)
Sale of assets	-	-	-	-	396,861	115,717	36,500	11,718	719,997	375,429
Payment to refunded bond escrow agent	(299,971)	-	-	(2,931,919)	-	-	-	-	-	-
Bonds and notes issued	-	-	-	5,730,000	-	7,300,000	90,000	10,000	6,616,000	-
Premiums on bonds issued	-	-	-	601,379	-	308,762	-	-	728,510	-
Financed purchase proceeds	-	24,368	-	-	-	-	-	-	-	230,000
Total other financing sources (uses)	(87,110)	(456,431)	(830,000)	2,772,009	374,560	7,724,479	126,500	21,718	8,064,507	605,429
Net change in fund balances	\$ (46,845)	829,413	(445,538)	1,343,179	(1,694,592)	6,125,976	(4,739,416)	(1,714,814)	6,314,459	(3,562,124)
Debt service as a percentage of noncapital expenditures	8.16%	8.19%	6.40%	6.14%	5.88%	5.17%	5.53%	5.86%	5.96%	7.47%

Table 5

TOWN OF CUMBERLAND, MAINE
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(dollar amounts expressed in thousands)

Fiscal Year	Real estate	Personal property	Excise tax	Total
2012	\$ 18,117	202	1,364	19,683
2013	19,457	227	1,460	21,144
2014	20,345	265	1,633	22,243
2015	21,492	270	1,693	23,455
2016	22,918	404	1,856	25,178
2017	23,324	439	1,959	25,722
2018	24,717	250	2,120	27,087
2019	26,438	283	2,163	28,884
2020	27,525	286	2,057	29,868
2021	28,440	298	2,440	31,178

Note: The table does not include outer island taxes, supplemental taxes, payments in lieu of taxes or interest and costs.

Table 6

TOWN OF CUMBERLAND, MAINE
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(dollar amounts expressed in thousands)

Fiscal Year Ended June 30		Real Property Residential and Commercial Property (1)	Personal Property (1)	Less: Tax Exempt Real Property (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate (1)	Estimated Actual Taxable Value (2)	Assessed Value as a Percentage of Actual Value
2012	\$	1,220,096	12,754	73,421	1,159,429	4.07	1,068,500	108.5%
2013		1,249,248	13,723	73,589	1,189,382	4.41	1,056,700	112.6%
2014		1,270,281	15,590	73,494	1,212,377	4.59	1,057,800	114.6%
2015		1,305,746	15,495	76,970	1,244,271	5.13	1,099,350	113.2%
2016		1,341,466	22,333	81,519	1,282,280	5.39	1,144,550	112.0%
2017		1,362,438	24,069	85,265	1,301,242	5.31	1,171,250	111.1%
2018		1,403,144	13,298	85,299	1,331,143	5.26	1,264,650	105.3%
2019		1,424,708	14,364	81,340	1,357,732	5.28	1,328,750	102.2%
2020		1,464,931	14,404	82,308	1,397,027	5.74	1,406,550	99.3%
2021		1,432,258	16,482	36,346	1,412,394	5.46	1,503,000	94.0%

(1) Source - Cumberland Assessor's office

(2) Source - Maine Revenue Services

Note: The table does not include outer island taxes, payments in lieu of taxes or interest and costs.

Table 7

TOWN OF CUMBERLAND, MAINE
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Town Direct and Overlapping Rates*</u>					
	<u>Direct</u>			<u>Overlapping</u>		<u>Total rate</u>
	<u>Town rate</u>		<u>Total direct rate</u>	<u>Education rate</u>	<u>County rate</u>	
	<u>Operating</u>	<u>Debt service</u>				
2012	3.91	0.16	4.07	11.19	0.54	15.80
2013	4.23	0.18	4.41	11.59	0.55	16.55
2014	4.43	0.16	4.59	11.83	0.58	17.00
2015	4.93	0.20	5.13	11.70	0.57	17.40
2016	4.94	0.45	5.39	12.13	0.58	18.10
2017	4.83	0.48	5.31	12.34	0.60	18.25
2018	4.74	0.52	5.26	12.93	0.61	18.80
2019	4.75	0.53	5.28	13.77	0.65	19.70
2020	5.21	0.53	5.74	13.46	0.65	19.85
2021	4.49	0.97	5.46	14.23	0.66	20.35

* Tax rates are based upon \$1,000 of assessed value

SOURCE: Cumberland assessor's office

Table 8

TOWN OF CUMBERLAND, MAINE
Principal Property Taxpayers
Current Year and Nine Years Ago

<u>Taxpayer</u>	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Central Maine Power Company	\$ 49,347,300	1	3.49%	\$ 11,311,400	1	0.98%
Summit Natural Gas	14,426,100	2	1.02%			
C and A Holdings, LLC	7,408,000	3	0.52%			
Ocean View at Cumberland, LLC	7,344,500	4	0.52%			
LGC North America dba Maine Standards Company, LLC	4,870,400	5	0.34%			
Mirza, Zareen Taj	4,487,400	6	0.32%			
Maritime & Northeast Pipeline	3,936,700	7	0.28%	3,936,700	4	0.34%
Lemole, Emily Jane A-Trustee	3,858,100	8	0.27%	3,837,300	5	0.33%
Spectrum Northeast, LLC	3,638,700	9	0.26%	2,880,600	8	0.25%
BBW Real Estate LLC	3,432,900	10	0.24%	3,188,600	7	0.28%
Spears Hill, LLC				6,051,200	2	0.52%
Martin Joseph R.				5,027,200	3	0.43%
Mathias, Glenn				3,251,900	6	0.28%
Forum Trust LLC				2,862,500	9	0.25%
Piaso, Shirley A.				2,855,100	10	0.25%
Totals	\$ 102,750,100		7.27%	\$ 45,202,500		3.91%

SOURCE: Cumberland assessor's office

Table 9

TOWN OF CUMBERLAND, MAINE Property Tax Levies and Collections Last Ten Fiscal Years (dollar amounts expressed in thousands)							
Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2012	\$ 18,319	17,942	97.94%	373	18,315	99.98%	
2013	19,684	19,385	98.48%	295	19,680	99.98%	
2014	20,610	20,329	98.64%	277	20,606	99.98%	
2015	21,650	21,398	98.84%	247	21,645	99.98%	
2016	23,209	23,014	99.16%	189	23,203	99.97%	
2017	23,748	23,607	99.41%	133	23,740	99.97%	
2018	25,025	24,861	99.34%	105	24,966	99.76%	
2019	26,747	26,604	99.47%	142	26,746	100.00%	
2020	27,731	27,493	99.14%	136	27,629	99.63%	
2021	28,742	28,621	99.58%	-	28,621	99.58%	

Note: excludes supplemental taxes.

Table 10

TOWN OF CUMBERLAND, MAINE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds*	Notes Payable*	Financed Purchases	General Obligation Bonds*	Notes Payable*	Financed Purchases			
2012	\$ 14,766,489	579,134	160,147	822,853	185,428	108,116	16,622,167	5.216%	2,305
2013	13,583,751	496,400	131,840	727,496	168,858	86,210	15,194,555	4.246%	2,113
2014	12,691,163	413,667	66,179	632,139	151,734	65,756	14,020,638	3.503%	1,896
2015	15,308,444	330,934	13,843	1,344,984	-	44,587	17,042,792	3.341%	2,257
2016	14,387,387	248,201	31,624	1,225,197	-	-	15,892,409	3.070%	2,045
2017	21,031,901	165,468	3,896	1,105,409	-	-	22,306,674	4.229%	2,816
2018	20,134,447	168,233	-	975,621	-	-	21,278,301	3.913%	2,606
2019	12,494,264	6,490,089	-	825,833	-	-	19,810,186	3.643%	2,427
2020	18,784,967	6,195,222	-	651,047	-	-	25,631,236	4.714%	3,140
2021	17,803,769	5,508,931	182,206	586,616	-	-	24,081,522	4.429%	2,950

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

(1) Based on population as provided by the U.S. Bureau of the Census, Greater Portland Council of Governments

* Bonds and notes were classified based on GASB 88 definitions beginning in FY 2019.

Table 11

TOWN OF CUMBERLAND, MAINE
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2012	\$ 15,589,342	1.46%	2,162
2013	14,311,247	1.35%	1,990
2014	13,323,302	1.26%	1,802
2015	16,653,428	1.51%	2,206
2016	15,612,584	1.36%	2,009
2017	22,137,310	1.89%	2,795
2018	21,110,068	1.67%	2,586
2019	13,320,097	1.00%	1,632
2020	19,436,014	1.38%	2,381
2021	18,390,385	1.22%	2,253

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

Table 12

TOWN OF CUMBERLAND, MAINE
Direct and Overlapping Governmental Activities Debt
June 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping debt:			
Cumberland County	\$ 33,370,194	2.83%	943,848
MSAD #51	21,421,316	69.73%	14,936,983
Subtotal, overlapping debt			15,880,831
Direct debt:			
Bonds payable	17,803,769		17,803,769
Notes payable	5,508,931		5,508,931
Subtotal, direct debt			23,312,700
Total direct and overlapping debt			\$ 39,193,531

Note: the County's overlapping debt is determined by the Town's portion of the State's valuation of the county. The MSAD overlapping debt is determined by the relative valuations of participating members.

Table 13

TOWN OF CUMBERLAND, MAINE
Legal Debt Margin Information
Last Ten Fiscal Years
(dollar amounts expressed in thousands)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assessed value per State	\$ 1,068,500	1,056,700	1,057,800	1,099,350	1,144,550	1,171,250	1,264,650	1,328,750	1,406,550	1,503,000
Total debt limit - all purposes - 15% of assessed value	\$ 160,275	160,275	158,670	164,903	171,683	175,688	189,698	199,313	210,983	225,450
Less outstanding debt applicable to debt limit	16,311	14,939	13,857	16,313	15,229	21,409	20,439	19,025	24,175	22,529
Legal debt margin	<u>\$ 143,964</u>	<u>145,336</u>	<u>144,813</u>	<u>148,590</u>	<u>156,454</u>	<u>154,279</u>	<u>169,259</u>	<u>180,288</u>	<u>186,808</u>	<u>202,921</u>
Total outstanding debt applicable to the limit as a percentage of debt limit	<u>10.18%</u>	<u>9.32%</u>	<u>8.73%</u>	<u>9.89%</u>	<u>8.87%</u>	<u>12.19%</u>	<u>10.77%</u>	<u>9.55%</u>	<u>11.46%</u>	<u>9.99%</u>
The debt limit is restricted by State statute based on the assessed value per the State above and the percentages below.										
Municipal purposes - 7.5%										
Debt limit	\$ 80,138	80,138	79,335	82,451	85,841	87,844	94,849	99,656	105,491	112,725
Less outstanding debt applicable to debt limit	16,310	14,939	13,857	16,313	15,229	21,409	20,439	19,025	24,175	22,529
Debt margin for municipal purposes	<u>\$ 63,828</u>	<u>65,199</u>	<u>65,478</u>	<u>66,138</u>	<u>70,612</u>	<u>66,435</u>	<u>74,410</u>	<u>80,631</u>	<u>81,316</u>	<u>90,196</u>
Outstanding debt applicable to the limit as a percentage of debt limit for municipal purposes	<u>20.35%</u>	<u>18.64%</u>	<u>17.47%</u>	<u>19.79%</u>	<u>17.74%</u>	<u>24.37%</u>	<u>21.55%</u>	<u>19.09%</u>	<u>22.92%</u>	<u>19.99%</u>
School purposes - 10%										
Debt limit	\$ 106,850	106,850	105,780	109,935	114,455	117,125	126,465	132,875	140,655	150,300
Less outstanding debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Debt margin for school purposes	<u>\$ 106,850</u>	<u>106,850</u>	<u>105,780</u>	<u>109,935</u>	<u>114,455</u>	<u>117,125</u>	<u>126,465</u>	<u>132,875</u>	<u>140,655</u>	<u>150,300</u>
Outstanding debt applicable to the limit as a percentage of debt limit for school purposes	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Storm and sanitary sewer purposes - 7.5%										
Debt limit	\$ 80,138	80,138	79,335	82,451	85,841	87,844	94,849	99,656	105,491	112,725
Less outstanding debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Debt margin for sewer purposes	<u>\$ 80,138</u>	<u>80,138</u>	<u>79,335</u>	<u>82,451</u>	<u>85,841</u>	<u>87,844</u>	<u>94,849</u>	<u>99,656</u>	<u>105,491</u>	<u>112,725</u>
Outstanding debt applicable to the limit as a percentage of debt limit for sewer purposes	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Maximum total debt limit - 15%	<u>\$ 160,275</u>	<u>158,505</u>	<u>158,670</u>	<u>164,903</u>	<u>171,683</u>	<u>175,688</u>	<u>189,698</u>	<u>199,313</u>	<u>210,983</u>	<u>225,450</u>

Table 14

TOWN OF CUMBERLAND, MAINE
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income	Per Capita Income Cumberland County (1)	Median Age (2)	High School Completion Rates (4)	School Enrollment (4)	State Unemployment Rate (3)
2011	7,211	\$ 306,200,693	42,463	45.0	96%	1,534	7.6%
2012	7,211	318,661,408	44,048	45.0	96%	1,499	7.5%
2013	7,192	357,866,728	47,015	45.0	95%	1,477	6.9%
2014	7,393	400,232,133	55,503	45.0	93%	1,432	5.5%
2015	7,550	510,047,800	67,556	45.0	97%	1,422	4.7%
2016	7,772	517,622,972	66,601	45.0	97%	1,401	3.9%
2017	7,920	527,479,920	66,601	45.0	97%	1,388	3.2%
2018	8,164	543,730,564	66,601	45.0	97%	1,337	2.9%
2019	8,164	543,730,564	66,601	45.0	95%	1,371	3.2%
2020	8,164	543,730,564	66,601	45.0	95%	1,418	6.7%
2021	8,164	543,730,561	66,601	45.0	95%	1,437	4.8%

Sources:

(1) U.S. Bureau of the Census, Greater Portland Council of Governments

(2) U.S. Census Bureau (2010 Census latest available figures)

(3) Maine Department of Labor (seasonally adjusted)

(4) Maine Department of Education

Table 15

TOWN OF CUMBERLAND, MAINE
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2021</u>			<u>2012</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>	<u>Employees</u>	<u>Rank</u>
MSAD 51	300-450	1	2.5%-6.3%	300-450	1
Town of Cumberland	150-200	2	2.5%-6.3%	150-200	2
Seafax	50-99	3	1.3%-2.5%	50-99	3
AH Grover Inc	20-49	4	.5%-1.3%		
Burger King	20-49	5	.5%-1.3%		
Coastal Inc	20-49	6	.5%-1.3%		
Drowne Road School	20-49	7	.5%-1.3%		
Lucinda's Day Spa	20-49	8	.5%-1.3%	50-99	4
Maine Line Fence Co.	20-49	9	.5%-1.3%	20-49	9
Sevee Maher Engineers	20-49	10	.5%-1.3%	50-99	6
Norton Insurance				50-99	5
Met Life				20-49	7
SHP Management Corp.				20-49	8
Sweetser's				20-49	10

Source: Maine Department of Labor

Table 16

TOWN OF CUMBERLAND, MAINE
Full-time Equivalent Town Government Employees by Function/Program
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
Management	3	3	2	2	2	2	2	2	2	2
Finance/Administration	6	6	8	10	10	10	9	10	10	10
Planning	2	2	2	2	2	3	3	3	3	3
Assessing	1	0	0	0	1	1	1	1	1	1
Public Safety:										
Fire	3	2	3	4	4	4	5	5	5	6
Police	12	12	12	12	12	12	12	12	14	12
Public Services:										
Public Works	9	9	7	7	7	7	7	7	6	6
Parks	3	3	3	3	3	3	3	3	4	4
Recreation & Other:										
Recreation	4	3	4	5	5	5	5	5	4	2
Library	2	2	4	4	4	4	5	5	5	5
Valhalla	3	3	3	3	3	3	3	3	4	5
Total Full-time Employees	48	45	48	52	53	54	55	56	58	56

Source: Town of Cumberland budget documents

Table 17

TOWN OF CUMBERLAND, MAINE
Operating Indicators by Function
Last Ten Calendar Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
Code Enforcement:										
Building permits	314	220	251	268	266	302	302	321	338	377
Sign permits	13	16	9	21	15	18	18	7	6	6
Fire Protection:										
Number of calls answered	931	860	994	1,242	1,279	1,233	1,233	964	962	861
Number of inspections conducted	127	118	192	190	162	83	83	41	53	32
Police Protection:										
Number of law violations:										
Arrests	136	202	220	72	54	99	99	163	187	107
Traffic violations	2,964	2,144	1,393	740	852	2,919	2,919	2,152	3,000	1,841
Parking violations	108	91	43	4	4	2	2	27	35	15
Number of calls for service	11,737	9,090	8,928	6,534	8,216	8,244	8,244	9,106	9,516	8,673
Sewerage System:										
Number of service connections	1,176	1,070	1,108	1,806	1,092	1,136	1,136	1,179	1,213	1,229
Daily average treatment in gallons	253,000	227,000	228,892	234,932	211,973	204,000	204,000	234,157	226,849	235,000

Sources: Town of Cumberland Code Enforcement, Police, and Fire Departments; Portland Water District

Table 18

TOWN OF CUMBERLAND, MAINE
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Public Safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	12	6	6	7	7	7	7	7	7	7
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	10	10	11	11	11	11	11	11	10	10
Public Works:										
Streets (miles)	79	79	79	79	80	80	80	81	81	81
Number of streetlights	203	203	203	203	203	204	204	205	205	205
Parks & Recreation:										
Parks	1	1	1	2	3	3	3	6	6	6
Parks (acreage)	250	250	250	272	487	487	487	1,100	1,152	1,152
Public skating rinks	1	1	1	1	1	1	1	1	1	1
Public tennis courts	4	4	4	4	4	4	4	4	4	4
Public golf courses	1	1	1	1	1	1	1	1	1	1
Sewer:										
Miles of sanitary sewers	20	20	25	25	25	29	29	29	29	29

Sources: Town of Cumberland Code Enforcement, Police, and Fire Departments; Portland Water District

Table 19

TOWN OF CUMBERLAND, MAINE
Miscellaneous Statistics
For the year ended June 30, 2021

Date of incorporation	1821
Form of government	Council/Manager
Number of full-time employees	58
All employees	346
Area in square miles	20
Name of government facilities and services:	
Miles of streets	81
Number of street lights	205
Culture and recreation:	
Parks	6
Park acreage	1,152
Skating rinks	1
Tennis courts	4
Golf course	1
Fire Protection:	
Number of fire personnel and officers	68 (Volunteers)
Police Protection:	
Number of police personnel and officers	15
Number of patrol units	7
Education:	
Number of elementary schools	1
Number of elementary school instructors	159
Number of secondary schools	2
Number of secondary school instructors	74