

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 3, 2024

**Northeast Municipal Advisors LLC
Municipal Advisor**

**NEW ISSUE
S&P Global Ratings: AAA (Stable Outlook)**

In the opinion of Bernstein, Shur, Sawyer & Nelson of Portland, Maine, Bond Counsel (“Bond Counsel”) to the Town of York, Maine (the “Town”), assuming compliance by the Town with certain tax covenants described herein, under existing law, interest on the Series A Bonds (as defined below) is excluded from the gross income of the owners thereof for federal income tax purposes pursuant to section 103 of the United States Internal Revenue Code of 1986, as amended (the “Code”). In addition, such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed under the Code; however, for tax years beginning after December 31, 2022, such interest will be taken into account in determining the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that interest on the Series A Bonds is exempt from taxation within the State of Maine pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended, and under existing statutes, regulations and judicial decisions. **The Series A Bonds will NOT be designated as “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code.** In the opinion of Bond Counsel, under existing statutes, regulations and judicial decisions, interest on the Series B Bonds will be included in the gross income of the owners thereof for federal income tax purposes pursuant to the Code. See “THE BONDS—TAX MATTERS” and “APPENDIX B” herein.

TOWN OF YORK, MAINE

\$10,040,000

2024 GENERAL OBLIGATION BONDS-SERIES A

Dated: Date of Delivery

Due: October 1, as shown below

AND

\$3,750,000

2024 GENERAL OBLIGATION BONDS-SERIES B (FEDERALLY TAXABLE)

Dated: Date of Delivery

Due: October 1, as shown below

The 2024 General Obligation Bonds-Series A (the “Series A Bonds”) and the 2024 General Obligation Bonds-Series B (Federally Taxable) (the Series B Bonds) (collectively, the “Bonds” or the “2024 Bonds”) will be issued by the Town of York, Maine (the “Town” or “Issuer”) as fully registered certificates without coupons and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. See “THE BONDS—BOOK - ENTRY - ONLY SYSTEM” herein.

Principal and semi-annual interest on the Bonds will be paid to DTC by U.S. Bank Trust Company, National Association, Boston, Massachusetts as Paying Agent. Interest on the Bonds will be payable on October 1, 2025 and semi-annually on each April 1 and October 1 thereafter until maturity or redemption prior to maturity.

The Bonds are valid general obligations of the Town and, unless paid from other sources, are payable as to both principal and interest from ad valorem taxes that are subject to limitation unless certain procedural requirements under Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, are met, in which case such ad valorem taxes may then be levied without limit as to rate or amount upon all property within the territorial limits of the Town and taxable by it (see “THE BONDS—SOURCES OF PAYMENT AND REMEDIES – herein), except to the extent that the Town may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality; and except to the extent that the Town has established or may in the future establish municipal development districts either as tax increment financing districts or affordable housing development districts, pursuant to Title 30-A, Chapter 206 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds (See “TOWN FINANCES—TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS” herein). The Town Treasurer has certified that no agreements under Chapter 223, Subchapter V, to share assessed valuation with another municipality, now exist. The Town has established certain tax increment finance districts and elected to retain a portion of the tax increment on the captured assessed value of the property in the districts to pay costs of the development projects described in the development programs adopted with respect to the districts. The opinion of Bond Counsel will indicate that the enforceability of the obligations of the Town, including the Bonds, are subject to and may be limited by bankruptcy, insolvency, moratorium and other laws affecting the rights and remedies of creditors generally, and are subject to general principles of equity. The opinion of Bond Counsel will be dated and given on and will speak as of the date of original delivery of the Bonds to the original purchasers. The Bonds are being issued to provide funds for various capital projects of the Town. See “THE BONDS—AUTHORIZATION AND PURPOSE” herein.

The Bonds are subject to redemption prior to their dates of maturity, at the option of the Town, as more fully set forth herein. See “THE BONDS—OPTIONAL REDEMPTION PRIOR TO MATURITY” herein. The Bonds are offered when, as and if issued, subject to the approval of legality by Bernstein, Shur, Sawyer & Nelson. It is expected that the Bonds will be available for delivery to DTC on or about October 31, 2024.

This Preliminary Official Statement and the information contained herein are subject to change, completion or amendment. The Town will make available its final Official Statement with respect to the Securities. This Preliminary Official Statement is for information purposes only and does not constitute an offer to sell or the solicitation of any offer to buy the Securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

TOWN OF YORK, MAINE

\$10,040,000

2024 GENERAL OBLIGATION BONDS-SERIES A

<u>Oct. 1.</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield/Price</u>	<u>CUSIP</u>	<u>Oct. 1.</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield/Price</u>	<u>CUSIP</u>
2025	\$760,000			987092	2035	\$405,000			987092
2026	760,000			987092	2036	405,000			987092
2027	755,000			987092	2037	405,000			987092
2028	755,000			987092	2038	405,000			987092
2029	750,000			987092	2039	405,000			987092
2030	695,000			987092	2040	165,000			987092
2031	685,000			987092	2041	165,000			987092
2032	680,000			987092	2042	165,000			987092
2033	680,000			987092	2043	165,000			987092
2034	670,000			987092	2044	165,000			987092

AND

\$3,750,000

2024 GENERAL OBLIGATION BONDS-SERIES B (FEDERALLY TAXABLE)

<u>Oct. 1.</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield/Price</u>	<u>CUSIP</u>	<u>Oct. 1.</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield/Price</u>	<u>CUSIP</u>
2025	\$250,000			987092	2033	\$250,000			987092
2026	250,000			987092	2034	250,000			987092
2027	250,000			987092	2035	250,000			987092
2028	250,000			987092	2036	250,000			987092
2029	250,000			987092	2037	250,000			987092
2030	250,000			987092	2038	250,000			987092
2031	250,000			987092	2039	250,000			987092
2032	250,000			987092					

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Issuer and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, any party other than the Issuer. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the condition or affairs of the Issuer since the date hereof.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS ANY INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES, CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NONE OF THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

FOR MAINE RESIDENTS: IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

TABLE OF CONTENTS

<p>CERTIFICATE CONCERNING OFFICIAL STATEMENT 1</p> <p>OFFICIAL STATEMENT 2</p> <p>THE BONDS</p> <ul style="list-style-type: none"> Description of the Bonds 2 Optional Redemption Prior to Maturity 3 General Provisions Regarding Redemption 3 Record Date; Payment 4 Authorization and Purpose 4 Amortization of the Bonds 6 Source of Payment and Remedies 7 Tax Matters 9 Book-Entry-Only System 11 <p>TOWN OF YORK, MAINE</p> <ul style="list-style-type: none"> General 14 History 15 Municipal Services 15 Public Education 17 Retail Sales 18 Building Permits 18 Largest Private Employers 19 Labor Relations 19 Property Taxation 20 Largest Taxpayers-FY 2025 20 Economic Characteristics 21 <p>TOWN FINANCES</p> <ul style="list-style-type: none"> Budgetary Process 22 Capital Improvement Plan 23 Fund Balance Policy 24 Investment Policy 24 Debt Management Policy 24 Post-Issuance Compliance Policy 24 Disclosure Policy 25 Tax Increment Financing District 25 Financial Statements 25 Funds 25 Comparative Balance Sheets 27 Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 28 State Aid 29 <p>INDEBTEDNESS</p> <ul style="list-style-type: none"> Limitations and Exclusions 29 Debt Summary 30 Debt Ratios 31 Debt Service Requirements 32 Overlapping Debt 33 Contingent Debt 33 	<p>RETIREMENT</p> <ul style="list-style-type: none"> Maine Public Employees Retirement System 33 Deferred Compensation Plans 34 Social Security and Medicare 34 Other Post-Employment Benefits 34 <p>ENVIRONMENTAL MATTERS 34</p> <p>LITIGATION 34</p> <p>CONTINUING DISCLOSURE 35</p> <p>CUSIP IDENTIFICATION NUMBERS 35</p> <p>RATING 35</p> <p>MUNICIPAL ADVISOR 35</p> <p>LEGAL MATTERS 35</p> <p>STATUTORY REFERENCES 35</p> <p>CONDITIONS PRECEDENT TO DELIVERY</p> <ul style="list-style-type: none"> Litigation 36 Approval of Legality 36 Certificate with Respect to Official Statement 36 Certificate with Respect to Treasurer 36 <p>APPENDIX A: JUNE 30, 2023 ANNUAL AUDITED FINANCIAL REPORT</p> <p>APPENDIX B: PROPOSED FORM OF LEGAL OPINION</p> <p>APPENDIX C: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT</p>
--	---

[This page left intentionally blank.]

**CERTIFICATE
CONCERNING OFFICIAL STATEMENT**

The information contained herein has been prepared by the Town of York, Maine with the assistance of Northeast Municipal Advisors, LLC, its Municipal Advisor, from the records of the Town of York and from various other public documents and sources which are believed to be reliable. There has been no independent investigation or confirmation of such information by the Municipal Advisor or by Bernstein, Shur, Sawyer & Nelson, Bond Counsel, and such information is not guaranteed as to accuracy or completeness and is not intended to be a representation by the Municipal Advisor or Bond Counsel.

This Official Statement is not to be construed as a contract or agreement between the Town of York and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of York or its agencies and authorities, since the date hereof.

To the best of the knowledge and belief of the Treasurer of the Town, this Official Statement does not contain any untrue statement of material fact and does not omit to state any material fact necessary to make the statements made herein, in light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the Town of York is not guaranteed as to accuracy, completeness or fairness, the Treasurer has no reason to believe that such information is materially inaccurate or misleading. A certificate to this effect, with such if any corrections, changes and additions as may be necessary, will be signed by the Treasurer and furnished at the closing.

This Official Statement is in a form "deemed final" by the Issuer for purposes of Securities and Exchange Commission's Rule 15c2-12(b) [17 C.F.R. §240.15c2-12(b)] except for the omission from the Preliminary Offering Statement of such information as is permitted by such Rule.

Dated: October 3, 2024

Nancy Graves
Town Treasurer
Town of York, Maine

OFFICIAL STATEMENT

This Official Statement is provided for the purpose of presenting certain information relating to the Town of York, Maine (the "Town" or "York" or "Issuer") in connection with the issuance, offer and sale of its \$10,040,000 2024 General Obligation Bonds-Series A and of its \$3,750,000 2024 General Obligation Bonds-Series B (Federally Taxable), (collectively the "Bonds" or the "2024 Bonds").

THE BONDS

DESCRIPTION OF THE BONDS

The Bonds will be issued only as fully-registered bonds without coupons, one certificate per maturity and, when issued, will be registered in the name of Cede & Co., as nominee for DTC (as described in "THE BONDS - BOOK-ENTRY-ONLY SYSTEM" herein). DTC will act as the securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form (without certificates), in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated the date of delivery and will bear interest, payable on October 1, 2025, and semi-annually thereafter on each April 1 and October 1 until maturity or redemption prior to maturity. The Bonds will mature as follows:

\$10,040,000

2024 GENERAL OBLIGATION BONDS-SERIES A

<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		<u>CUSIP</u>	<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		<u>CUSIP</u>
		<u>Rate</u>	<u>Yield/Price</u>				<u>Rate</u>	<u>Yield/Price</u>	
2025	\$760,000			987092	2035	\$405,000			987092
2026	760,000			987092	2036	405,000			987092
2027	755,000			987092	2037	405,000			987092
2028	755,000			987092	2038	405,000			987092
2029	750,000			987092	2039	405,000			987092
2030	695,000			987092	2040	165,000			987092
2031	685,000			987092	2041	165,000			987092
2032	680,000			987092	2042	165,000			987092
2033	680,000			987092	2043	165,000			987092
2034	670,000			987092	2044	165,000			987092

\$3,750,000

2024 GENERAL OBLIGATION BONDS-SERIES B (FEDERALLY TAXABLE)

<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		<u>CUSIP</u>	<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		<u>CUSIP</u>
		<u>Rate</u>	<u>Yield/Price</u>				<u>Rate</u>	<u>Yield/Price</u>	
2025	\$250,000			987092	2033	\$250,000			987092
2026	250,000			987092	2034	250,000			987092
2027	250,000			987092	2035	250,000			987092
2028	250,000			987092	2036	250,000			987092
2029	250,000			987092	2037	250,000			987092
2030	250,000			987092	2048	250,000			987092
2031	250,000			987092	2049	250,000			987092
2032	250,000			987092					

Principal of and interest on the Bonds will be payable in Clearing House Funds to DTC, or its nominee, as registered owner of the Bonds by U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"). Transfer of principal and interest payments to Participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to Beneficial Owners (as defined hereinafter) will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for maintaining, supervising, or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. See "THE BONDS - BOOK-ENTRY-ONLY SYSTEM" herein.

OPTIONAL REDEMPTION PRIOR TO MATURITY

Bonds maturing on or before October 1, 2034 are not subject to optional redemption prior to their stated dates of maturity. Bonds maturing after October 1, 2034 are subject to redemption prior to their stated dates of maturity, at the option of the Town, on or after October 1, 2034 as a whole at any time, or in part in such order of maturity as the Town, in its discretion, may determine, at any time, at the redemption price (expressed as a percentage of the principal of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Period</u>	<u>Redemption Price</u>
October 1, 2034 and thereafter	100

GENERAL PROVISIONS REGARDING REDEMPTION

Notice of Redemption

In the case of every redemption, the Town shall cause notice of such redemption to be given to the registered owner of any Bonds designated for redemption in whole or in part, at his or her address as the same shall last appear upon the registration books kept by the Paying Agent on its behalf by mailing a copy of the redemption notice by first class mail not less than thirty (30) days prior to the redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Bondholder actually receives such notice. The failure of the Town to give notice to a Bondholder or any defect in such notice shall not affect the validity of the redemption of any Bond of any other owner.

Each notice of redemption shall specify the date fixed for redemption, the place or places of payment, that payment will be made upon presentation and surrender of the Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue. If less than all the Bonds outstanding are to be redeemed, the notice of redemption shall specify the numbers of the Bonds or portions thereof (in denominations of \$5,000 or any integral multiple thereof).

The Town shall notify the Securities Depository (see "THE BONDS - BOOK-ENTRY-ONLY SYSTEM" herein) in the same manner as the Bondholders, with a request that the Securities Depository notify its Participants who in turn notify the beneficial owners of such Bonds. Any failure on the part of the Securities Depository, or failure on the part of a nominee of a Beneficial Owner (having received notice from the Town, a Participant or otherwise) to notify the Beneficial Owner so affected, shall not affect the validity of the redemption of such Bond.

Bonds Due and Payable on Redemption Date; Interest Ceases to Accrue

On any redemption date, the principal amount of each Bond to be redeemed, together with the premium, if any, and accrued interest thereon to such date, shall become due and payable. Funds shall be deposited with the Paying Agent to pay, and the Paying Agent is authorized and directed to apply such funds to the payment of the Bonds called for redemption, together with accrued interest thereon to the redemption date and redemption premium, if any. After such redemption date, notice having been given in the manner described above, then, notwithstanding that any Bonds called for redemption shall not have been surrendered, no further interest shall accrue on any of such Bonds. From and after such date of redemption (such notice having been given), the Bonds to be redeemed (whether or not surrendered) shall not be deemed to be outstanding.

Cancellation

All Bonds that have been redeemed shall be canceled by the Paying Agent and either destroyed by the Paying Agent with counterparts of a certificate of destruction evidencing such destruction furnished by the Paying Agent to the Town or returned to the Town at its request.

Partial Redemption of Bonds

Bonds or portions of Bonds to be redeemed in part shall be selected when held by a Securities Depository by lot and when not held by a Securities Depository by the Town by lot or in such other manner as the Town in its discretion may deem appropriate.

RECORD DATE; PAYMENT

The principal of the Bonds is payable upon surrender thereof at the principal corporate trust office of the Paying Agent. Payment of the interest on the Bonds will be made to the person appearing on the registration books of the Paying Agent as the registered owner thereof at the close of business on the fifteenth day of the month preceding each interest payment date for the Bonds, and if such day is not a regular business day of the Paying Agent the next day preceding which is a regular business day of the Paying Agent, by check, wire or draft mailed to each registered owner at such person's address as it appears on the registration books, or at another address as is furnished to the Paying Agent in writing by the owner. Interest which is not timely paid or provided for shall cease to be payable to the registered owner as of the regular record date and shall be payable to the registered owner at the close of business on a special record date to be fixed by the Paying Agent.

AUTHORIZATION AND PURPOSE

The Authority to issue the Bonds is granted under Title 30-A, Section 5772 of the Maine Revised Statutes, as amended, and Article II, Section 15, Bond Issues, Ballots of the Town's Charter (the "Charter"). Section 15 of the Charter authorizes the Selectboard to, by ordinance, propose to finance Capital Projects through the issuance of Bonds and submit such to the qualified voters of the Town at the Budget Referendum, or any Special Budget Referendum. The Bonds being funded in this financing comply with the provisions of the Charter, as amended.

The majority of the voters authorized the issuance of bonds on May 20, 2023, to provide funds for various projects that will be financed, through the proceeds of the Bonds of this financing, by individual articles in the amounts indicated in the following table:

<u>Project</u>	<u>Article No.</u>	<u>Authorized</u>	<u>This Issue</u>
Town Wide Road/Sidewalk Construction and Paving	43	\$1,200,000	\$1,200,000
Long Beach Sidewalk and Seawall Replacement	44	1,100,000	1,100,000
Greenleaf/Parsons Culvert Replacement	45	300,000	300,000
Nubble Road Reconstruction	46	260,000	260,000
F650 Plow Truck	47	195,000	195,000
Street Sweeper	50	290,000	290,000
VES Playground	51	340,000	340,000
YHS Family and Science Rooms Renovations	52	340,000	340,000
YMS Window Replacement	53	300,000	300,000
VES Paving	54	155,000	155,000
CRES Loading Dock	55	45,000	45,000
VES Fencing /Walls	56	<u>40,000</u>	<u>40,000</u>
TOTAL		\$4,565,000	\$4,565,000

The majority of the voters authorized the issuance of bonds on May 18, 2024, to provide funds for various projects that will be financed, through the proceeds of the Bonds of this financing, by individual articles in the amounts indicated in the following table:

<u>Project</u>	<u>Article No.</u>	<u>Authorized</u>	<u>This Issue</u>
Town Wide Road and Sidewalk Construction/Paving	44	\$1,200,000	\$1,200,000
Long Beach Continued Seawall and Sidewalk Replacement	45	1,200,000	1,200,000
Organug Road/Sidewalk/Drainage	46	350,000	350,000
Nubble Road Reconstruction	47	250,000	250,000
York Beach Fire-Ladder Replacement	48	1,200,000	1,200,000
Sewer Expansion	51	1,000,000	1,000,000
YHS Athletic Complex	53	3,750,000	3,750,000
Patrol Plow Truck Replacement	54	<u>275,000</u>	<u>275,000</u>
TOTAL		\$9,225,000	\$9,225,000

AMORTIZATION OF THE SERIES A BONDS

October 1,	Town Wide Paving	Long Beach Seawall and Sidewalk	Road Projects	LBF Ladder Truck	DPW Equip.	Sewer Expan.	School Ten Year Projects	School Five Year Projects	TOTAL
2025	\$160,000	\$115,000	\$120,000	\$80,000	\$100,000	\$50,000	\$115,000	\$20,000	\$760,000
2026	160,000	115,000	120,000	80,000	100,000	50,000	115,000	20,000	760,000
2027	160,000	115,000	120,000	80,000	100,000	50,000	115,000	15,000	755,000
2028	160,000	115,000	120,000	80,000	100,000	50,000	115,000	15,000	755,000
2029	160,000	115,000	120,000	80,000	95,000	50,000	115,000	15,000	750,000
2030	160,000	115,000	120,000	80,000	55,000	50,000	115,000		695,000
2031	160,000	115,000	110,000	80,000	55,000	50,000	115,000		685,000
2032	160,000	115,000	110,000	80,000	55,000	50,000	110,000		680,000
2033	160,000	115,000	110,000	80,000	55,000	50,000	110,000		680,000
2034	160,000	115,000	110,000	80,000	45,000	50,000	110,000		670,000
2035	160,000	115,000		80,000		50,000			405,000
2036	160,000	115,000		80,000		50,000			405,000
2037	160,000	115,000		80,000		50,000			405,000
2038	160,000	115,000		80,000		50,000			405,000
2039	160,000	115,000		80,000		50,000			405,000
2040		115,000				50,000			165,000
2041		115,000				50,000			165,000
2042		115,000				50,000			165,000
2043		115,000				50,000			165,000
2044		115,000				50,000			165,000
TOTAL	\$2,400,000	\$2,300,000	\$1,160,000	\$1,200,000	\$760,000	\$1,000,000	\$1,135,000	\$85,000	\$10,040,000

AMORTIZATION OF THE SERIES B BONDS

October 1,	School Athletic Complex
2025	\$250,000
2026	250,000
2027	250,000
2028	250,000
2029	250,000
2030	250,000
2031	250,000
2032	250,000
2033	250,000
2034	250,000
2035	250,000
2036	250,000
2037	250,000
2038	250,000
2039	250,000
TOTAL	\$3,750,000

SOURCE OF PAYMENT AND REMEDIES

The Bonds are general obligations of the Town of York, Maine and their payment is not limited to a particular fund or revenue source. Municipalities in the State of Maine (the "State" or "Maine") have the inherent right to tax their inhabitants to pay municipal indebtedness. The Bonds are payable as to both principal and interest from limited ad valorem taxes unless the Town follows certain procedural requirements under Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, in which case such ad valorem taxes may be levied without limit as to rate or amount upon all the taxable property within its territorial limits to pay principal and interest on the Bonds, except to the extent that, with respect to the Bonds, the Town may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality, and except to the extent that the Town has in the past established or may in the future establish municipal development districts as tax increment financing districts pursuant to Title 30-A, Chapter 206 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds. The Town has established a tax increment financing ("TIF") district and elected to retain a portion of the tax increment on the captured assessed value of the property in the district to pay costs of development for projects within the district (see "TOWN FINANCES - TAX INCREMENT FINANCING DISTRICT AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS" section herein). Tax Increment financing districts are subject to statutory limits on their size, including the following limitations: (a) total area of a single development district may not exceed 2% of the total acreage of the municipality, (b) the total area of all development districts within a municipality may not exceed 5% of the total acreage of the municipality, and (c) the aggregate original assessed value of all development districts within the municipality as of the April 1st preceding the date of designation of each such development district cannot exceed 5% of the municipality's total value of equalized taxable property, excluding from these limits: (a) any development district involving project costs in excess of \$10,000,000, the geographic area of which consists entirely of contiguous property owned by a single taxpayer with an assessed value in excess of 10% of the municipality's total assessed value; or (b) approved downtown TIF districts; or (c) transit-oriented development districts consisting of certain community wind power generating facilities. The Treasurer has certified that no agreements under Chapter 223, Subchapter V, to share assessed valuation with another municipality, now exist. There is no statutory provision for a lien on any portion of the tax levy to secure bonds or notes, or judgments thereon, in priority to other claims.

In the opinion of Bond Counsel, the Town is subject to suit on the Bonds. The Maine statutes provide that executions against a town shall be issued against the personal property of the residents of that town and real estate within its boundaries, whether or not owned by the town. Only town real estate not used for public purposes, however, is subject to such execution. In addition, the Maine statutes provide that the personal property of the residents and the real estate within the boundaries of any town may be taken to pay any debt of the town. There has been no judicial determination as to whether the statutory remedy of taking property to satisfy debts of or judgments against a municipality is constitutional under current due process and equal protection standards and Bond Counsel expresses no opinion thereon.

Funds to meet Town expenses, including debt service, are not included in the tax levy to the extent they are expected to be met with other non-tax revenues. Amounts necessary to repay sums borrowed temporarily in anticipation of bonds or grants are similarly excluded because they would normally be expected to be paid from the anticipated bond proceeds or grants. Enforcement of a claim for payment of principal of or interest on bonds or notes is subject to the applicable provisions of federal bankruptcy laws and to the provisions of statutes, if any, hereafter enacted by the Congress or the State Legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. **The Bonds are not guaranteed by the State of Maine.**

Limitations on Municipal Property Tax Levy

Effective July 1, 2005, the Maine State Legislature enacted LD 1, codified in part as Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, which, subject to certain procedural overrides, establishes a limit on municipal property tax levies. This limit is referred to as the “Property Tax Levy Limit”. With certain exceptions, a municipality may not adopt a property tax levy that exceeds its Property Tax Levy Limit. The Property Tax Levy Limit is increased from one year to the next by applying a specified growth limitation factor. Therefore, in cases where the amount of the prior year’s Property Tax Levy Limit exceeds the amount of the Town’s actual property tax levy, the Town may carry-forward that difference in establishing its future years’ property tax levy.

The growth limitation factor is the average personal income growth as defined by Title 5 M.R.S.A. § 1531 plus the property growth factor. The property growth factor is a percentage equivalent to a fraction established by a municipality whose denominator is the total valuation of the municipality, and whose numerator is the amount of increase in the assessed value of any real or personal property in the municipality that became subject to taxation for the first time, or taxed as a separate parcel for the first time for the most recent property tax year for which information is available, or that has had an increase in its assessed valuation over the prior year’s valuation as a result of improvements to or expansion of the property. For municipalities that qualify as a result of a relatively larger percentage of personal property, personal property can be incorporated into the property growth factor calculation. In addition, a municipality is required to lower its Property Tax Levy Limit in any year by an amount equal to net new funds provided by the State for existing services funded in whole or in part by the property tax levy.

The Town may increase or exceed the Property Tax Levy Limit by a majority referendum vote of the Town on a separate warrant article that specifically identifies the intent to exceed the Property Tax Levy Limit. In lieu of increasing the Property Tax Levy Limit, the town meeting may vote to exceed the Property Tax Levy Limit for extraordinary circumstances. Exceeding the Property Tax Levy Limit permits the property tax levy to exceed the Property Tax Levy Limit only for the year in which the extraordinary circumstance occurs and does not increase the base for purposes of calculating the Property Tax Levy Limit for future years. Extraordinary circumstances are circumstances outside the control of the Town and include:

- (1) Catastrophic events such as natural disaster, terrorism, fire, war or riot;
- (2) Unfunded or underfunded state or federal mandates;
- (3) Citizens’ initiatives or other referenda;
- (4) Court orders or decrees; or
- (5) Loss of state or federal funding.

Extraordinary circumstances do not include changes in economic conditions, revenue shortfalls, increases in salaries or benefits, new programs or program expansions that go beyond existing program criteria and operation.

The Town has voted to exceed the Property Tax Levy Limit in three of the most recent five years as shown in the table below:

Fiscal Year	2024/2025	2023/2024	2022/2023	2021/2022	2020/2021
State Personal Income Factor	4.69%	4.31%	3.78%	3.30%	2.89%
Town Property Growth Factor	1.24	1.01	1.51	1.05	1.20
Growth Limitation Factor	5.93%	5.32%	5.29%	4.35%	4.09%
Property Tax Levy Limit	\$21,237,547	\$20,048,662	\$19,035,950	\$18,079,543	\$16,715,519
Property Tax Levy	21,409,257	20,496,265	18,250,329	17,512,142	17,214,357
Amount (Above) Below Tax Levy Limit	\$(171,710)	\$(497,603)	\$785,621	\$567,401	\$(498,838)

Source: Town of York, Assessor

TAX MATTERS

The Series A Bonds

In the opinion of Bernstein, Shur, Sawyer & Nelson of Portland, Maine, Bond Counsel, assuming compliance with certain tax covenants, and based on existing statutes, regulations and court decisions, interest on the Series A Bonds is excludable from gross income of the owners of the Bonds for purposes of federal income taxation. Interest on the Series A Bonds is not an item of tax preference for the purpose of the federal alternative minimum tax imposed on individuals and corporations. Such interest will, however, be taken into account in the computation of certain other taxes that may be imposed with respect to corporations, including, without limitation, the foreign branch profits tax. In addition, in the opinion of Bond Counsel, interest payable on the Series A Bonds is exempt from income tax within the State of Maine pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. See "PROPOSED FORM OF LEGAL OPINION" in Appendix B herein.

Bond Counsel's opinion will state that the Code establishes certain requirements regarding use, expenditure and investment of the proceeds of the Series A Bonds and the timely payment of certain investment earnings to the U.S. Treasury that must be met subsequent to the issuance and delivery of the Series A Bonds in order that interest on the Series A Bonds be and remain excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. The Town's failure to comply with such requirements may cause interest on the Series A Bonds to be included in the gross income of the owner thereof retroactive to the date of issuance of the Series A Bonds, regardless of when such noncompliance occurs.

The opinion will further state that Bond Counsel has examined the Arbitrage and Use of Proceeds Certificate of the Town and the Certificate of the Treasurer of the Town ("Tax Certificates") delivered concurrently with the Series A Bonds, which will contain provisions and procedures regarding compliance with the requirements of the Code. The Town, in executing the Tax Certificates, will certify to the effect that the Town will comply with the provisions and procedures set forth therein and do and perform all acts and things necessary or desirable in order to assure that interest paid on the Series A Bonds shall not be included in the gross income of the owner thereof for federal income tax purposes. In rendering its opinion Bond Counsel will rely upon the representations of the Town set forth in the Tax Certificates and assume that the Town will comply with the provisions and procedures set forth in the Tax Certificates.

Ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series A Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The Series A Bonds WILL NOT BE designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Series B Bonds

In the opinion of Bond Counsel, interest payable on the Series B Bonds is exempt from income tax within the State of Maine pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. See "PROPOSED FORM OF LEGAL OPINION" in Appendix B herein.

Original Issue Discount

Certain maturities of the Bonds (the “Discount Bonds”) may be sold at an initial offering price less than the principal amount payable on the Discount Bonds at maturity. The difference between the initial public offering price at which a substantial amount of each of the Discount Bonds is sold and the principal amount payable at maturity of each of the Discount Bonds constitutes original issue discount. Bond Counsel is of the opinion that the appropriate portion of the original issue discount allocable to the original and each subsequent owner of the Discount Bonds will be treated for federal income tax purposes as interest not includable in gross income pursuant to section 103 of the Code to the same extent as stated interest on the Discount Bonds. Pursuant to section 1288 of the Code, original issue discount on the Discount Bonds accrues on the basis of economic accrual. The basis of an initial purchaser of a Discount Bond acquired at the initial public offering price of the Discount Bond will be increased by the amount of such accrued discount. Prospective purchasers of the Discount Bonds should consult their tax advisors with respect to the determination for federal income tax purposes of the original issue discount properly accruable with respect to the Discount Bonds and the tax accounting treatment of accrued interest.

Original Issue Premium

Certain maturities of the Bonds (the “Premium Bonds”) may be sold at an initial offering price in excess of the amount payable at the maturity date. The excess, if any, of the tax basis of the Premium Bonds to a purchaser (other than a purchaser who holds such Premium Bonds as inventory, stock in trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is amortizable bond premium, which is not deductible from gross income for federal income tax purposes. Amortizable bond premium, as it amortizes, will reduce the owner’s tax cost of the Premium Bonds used to determine, for federal income tax purposes, the amount of gain or loss upon the sale, redemption at maturity or other disposition of the Premium Bonds. Accordingly, an owner of a Premium Bond may have taxable gain from the disposition of the Premium Bond, even though the Premium Bond is sold, or disposed of, for a price equal to the owner’s original cost of acquiring the Premium Bond. Bond premium amortizes over the term of the Premium Bonds under the “constant yield method” described in regulations interpreting section 1272 of the Code. Prospective purchasers of the Premium Bonds should consult their tax advisors with respect to the calculation of the amount of bond premium which will be treated for federal income tax purposes as having amortized for any taxable year (or portion thereof) of the owner and with respect to other federal, state and local tax consequences of owning and disposing of the Premium Bonds.

Additional Federal Income Tax Consequences

In the case of certain corporate Holders of the Bonds, interest on the Series A Bonds will be included in the calculation of the alternative minimum tax as a result of the inclusion of interest on the Bonds in “adjusted current earnings” of certain corporations. Such interest will, however, be taken into account in the computation of certain other taxes that may be imposed with respect to corporations, including, without limitation, the foreign branch profits tax. Prospective purchasers of the Series A Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Series A Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty insurance companies, foreign corporations and certain S corporations. Prospective purchasers of the Series A Bonds should consult their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding. The Internal Revenue Service (the “IRS”) has an ongoing program of auditing state and local government obligations, which may include randomly selecting bond issues for audit, to determine whether interest paid to the Holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Series A Bonds will be audited. If an audit is commenced, under current IRS procedures Holders of the Series A Bonds may not be permitted to participate in the audit process and the value and liquidity of the Series A Bonds may be adversely affected.

Changes in Federal Tax Law

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Series A Bonds, gain from the sale or other disposition of the Series A Bonds, the market value of the Series A Bonds or the marketability of the Series A Bonds. For example, the President of the United States has submitted proposals to Congress for legislation that would, among other things, limit the value of tax-exempt interest for higher-income taxpayers. No prediction can be made as to the ultimate outcome of these legislative proposals. If enacted into law, such proposals (or any other proposal involving a piecemeal or comprehensive review of the provisions of the Code, including provisions affecting the federal tax treatment of interest on tax-exempt Series A Bonds, that Congress might consider) could affect the exclusion from gross income of interest on, or the market price or marketability of, tax-exempt bonds (including the Series A Bonds). Prospective purchasers of the Series A Bonds should consult their tax and financial advisors regarding such matters.

Extent of Opinion

Bond Counsel expresses no opinion regarding any tax consequences of holding the Series A Bonds other than its opinion with regard to (a) the exclusion of interest on the Series A Bonds from gross income pursuant to section 103 of the Code, (b) interest on the Series A Bonds not constituting an item of tax preference pursuant to section 57 of the Code, and (c) the exemption of interest on the Bonds from taxation within the State pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including but not limited to those described above) of holding the Bonds.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Securities, each in the aggregate principal amount of such maturity, and each such certificate will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All principal and interest payments on Securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Agent, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Agent, and shall effect delivery of such Securities by causing the Direct Participants to transfer the Participant's interest in the Securities, on DTC's records to Agent. The requirement for physical

delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Securities certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

TOWN OF YORK, MAINE

GENERAL

The Town of York is located in southern Maine on the Atlantic coast approximately ten miles northeast of Portsmouth, New Hampshire, fifty miles southwest of Portland, Maine, and sixty miles north of Boston, Massachusetts. The Town borders the Town of Kittery on the southwest, the Town of Eliot on the west, the Town of South Berwick on the northwest and Town of Ogunquit on the northeast. York is a coastal residential community with urban characteristics along its coastline and predominately rural characteristics inland. The land area of the Town of York encompasses 56 square miles. The Town is located along Interstate 95 and U.S. Route 1. The Town is near the southern end of the Maine Turnpike, which runs 100 miles north to the state capital, Augusta. York has grown from a summer resort community to a predominantly residential bedroom community. The Town is centrally located within a one-hour drive of major employment centers in Portland, Portsmouth, and the northern suburbs of Boston.

Commercial and private aviation is available 45 miles to the north at Portland International Jetport, 60 miles to the south at Logan International Airport in Boston and 15 miles to the south at Pease International Tradeport in New Hampshire. Major seaport facilities are located nearby in Portsmouth, New Hampshire and Portland, Maine.

The Town is governed by a five-member Selectboard and a town meeting pursuant to the provisions of the Town Charter. The Selectboard appoints the Town Manager who is the chief administrative officer of the Town. The Town Manager oversees the provision of municipal services including general administration, police and fire protection, public works, parks and recreation, and community services. The Town Manager annually prepares a five-year Capital Improvement Program which is presented to the Board of Selectmen, the Budget Committee and the voters.

The Town's operating and capital budgets are overseen by an elected seven-member Budget Committee which reviews the budgets and prepares line-item budget articles for consideration by the Town's voters.

Public education is governed by a five-member elected School Committee that appoints the Superintendent of Schools who is the chief administrative officer overseeing the public education of kindergarten through high school.

The York Water District and the York Sewer District provide water and sewer services respectively. Each is independent of the other and of the Town government. York County, which includes 28 cities and towns, provides judicial and administrative services, including a district attorney, courthouse, sheriff, registry of probate, and registry of deeds.

The following is a list of current town officials:

<u>Title</u>	<u>Name</u>	<u>Selection</u>	<u>Term Expires</u>
Selectboard member	Marilyn McLaughlin	Elected	May 2027
Selectboard member	Robert E. Palmer, Jr.	Elected	May 2026
Selectboard member	Todd Frederick	Elected	May 2027
Selectboard member	Michael L. Estes	Elected	May 2025
Selectboard member	Marla W. Johnson	Elected	May 2026
Town Treasurer	Nancy Graves	Elected	May 2025
Town Manager	Peter Joseph	Appointed	April 2026
Finance Director	Wendy Anderson	Appointed	Indefinite
Superintendent of Schools	Tim Doak	Appointed	Contract exp. 6/2027
Business Administrator	Rick Kusturin	Appointed	Contract exp. 6/2026

HISTORY

Agamenticus was the original Abenaki Indian name given to the river which flows through York. The area provided seasonal "quarters" for fishermen until a permanent settlement was established in 1631. Sir Ferdinando Gorges, an English nobleman, can be considered the founder of York. In 1635, he was granted a charter to create his own province of Maine and he chose this primitive fishing village to be its capital. Gorgeana, the first chartered English city in the New World was planned like a prosperous English county seat with a Mayor, twelve aldermen, twenty-four councilmen, two courts, and two to four "sergeants of the white rod" to assist the Mayor.

In 1652, Gorgeana was annexed by the rapidly growing Massachusetts Bay Colony. A board of five selectmen replaced the Gorges government body of almost forty persons. The name was changed to York to celebrate the capture of the English city of that name by the forces of Oliver Cromwell.

York was the county seat for the province of Maine and provincial courts were held here. The gaol or prison was first built in 1653, and the existing building, which dates to the early 1700's, is possibly the oldest remaining public building in the states which were English colonies. During this period, the Port of York was a major shipping center and a Customs District until 1913.

York was a small farming and fishing community until after the Civil War when summer visitors began to board at farmhouses along the shore. During the 1890's, summer hotels and cottages began to dot the beaches. Trains, trolleys, electricity, a public water system, organized fire departments, golf courses and automobiles changed the community to a flourishing summer resort in the early 1900's. Since the 1970's, York has become increasingly a year-round residential community.

MUNICIPAL SERVICES

Public Safety

Police

The Police Department is staffed by 29 full-time sworn officers, comprised of a Chief, a Deputy Chief, 2 Lieutenants, 4 Patrol Sergeants, a Detective Sergeant, a Technical Sergeant, 2 Detectives, 3 Patrol Corporals, 2 School Resource Officers, 11 Patrol Officers and 1 Animal Control Officer. The department also maintains a staff of approximately 12 part-time sworn officer positions for year-round and seasonal work. The clerical and secretarial staff consists of three full-time positions and one part-time position. The Communications Center is staffed by 9 full-time certified Dispatchers and 2 part-time Dispatchers. The Communications Center dispatches Police, Fire, Rescue, and Emergency Services calls for the Town of York, as well as, Emergency Medical Dispatch (EMD) and Emergency Fire Dispatch (EFD) for the town of Kennebunkport. Additionally, the Communications Center takes PSAP (Public Safety Answering Point) calls for Kennebunk, Wells Kittery, Eliot and the Kittery Shipyard. The public safety roster includes a Harbor Master/Clam Warden and 1 part-time Deputy Harbor Master.

Fire

The Town is served by two independent 501(c)(3) corporations, the York Beach Fire Department and York Village Fire Department. The departments operate out of two stations, York Village Fire Station and York Beach Fire Station. The departments are staffed by Town employees consisting of two chiefs, various officers, twelve salaried firefighters and approximately 100 part-time firefighters. Together, both departments have over a dozen vehicles, all in fully-serviceable condition.

Ambulance

Ambulance services are provided on a contract basis by the York Ambulance Association, Inc. a 501(c)(3) corporation. The towns of York, South Berwick and Rollinsford, NH are provided medical and ambulance services by four ambulances. Three of the ambulances are based in York where one is staffed 24/7; a second is staffed during the day with an on-call crew overnight; and the third ambulance is a backup. For fiscal year 2024, the York Ambulance Association, Inc. received \$137,000 from the Town's operating budget to provide the services.

Public Works

The Public Works Department is staffed with a Public Works Director, a Foreman, 15 full-time employees and several part-time employees. The department maintains much of the Town's infrastructure, including sidewalks, streets and drainage. Specific responsibilities of the department include patching of potholes, plowing/snow removal of streets and sidewalks and parking lots. Pavement markings, production of and replacement of signage are also under the jurisdiction of the department. Additionally, the department provides such services as right of way tree trimming, mowing and maintenance of shoulders, litter pick-up, and brush clearing. Curbside trash pick-up and recycling services are contracted to a private company.

York Sewer District

The York Sewer District, which serves the Town of York, was created in 1951 as a quasi-municipal corporation by the State of Maine to provide collection, treatment, and disposal of wastewater received from domestic and commercial sources within York. The District is governed by a five-member Board of Trustees, elected at large, and is independent of the Town and the other districts. The District assesses user charges based on operations and maintenance, debt service, and water consumption. A small number of properties are served by the Ogunquit Sewer District or the Kittery Sewer Department.

York Water District

The York Water District was established in 1929 by the private and special Acts of the Legislature to provide water supply and distribution within the Town of York. It is governed by an elected five-member Board of Trustees and is independent of the Town of York and the other districts.

The District's water supply source, since 1896, is Chase's Pond, located within the Town of York. When the Pond is full it has an estimated storage capacity of one billion gallons, with a safe daily yield of 2.05 million gallons. The average daily use is about half of the safe daily yield.

Additionally, the Kittery Water District and the Kennebunk, Kennebunkport and Wells Water District provide interconnected public water services to portions of the Town of York.

York Public Library

The York Public Library was established in 1916. The current facility was constructed in 2002 at 15 Long Sands Road and offers 24,000 square feet of operating space. The library is organized as a 501(c)(3) corporation and is managed by a nine-member Board of Trustees appointed by members of the York Public Library Association. There are five full-time librarians and support staff, as well as, an active group of volunteers.

Library cards are free of charge to residents and property owners of York and may be purchased by others for a nominal fee. Members have access to over 1 million titles from the library's collection and through the Minerva consortium, and provides access to multiple other services. Over 10,000 people annually visit the facility with many others using online access. The Library receives approximately 71% of its operating budget from the Town's operating budget.

PUBLIC EDUCATION

The Town operates its educational program for grades K through 12 under its own supervision. Article IV of the Town's Charter provides that the Department of Education for the Town be administered by a School Committee, comprised of five members, who are elected by the voters of the Town at-large for three-year staggered terms. The School Committee performs all duties and functions in regard to the care and management of the public schools of the Town. The School Committee prepares and submits its budget to the Town Manager, who includes it in the budget process. The Department has its own fund balance, which may be carried forward to be used for school purposes, but cannot be used for other municipal purposes. The Department's General Fund Balance is included in the Town's financial statements as Restricted for Subsequent Years Expenditures. See also "TOWN FINANCES - BUDGETARY PROCESS" section herein. The School's staff consists of a Superintendent, Assistant Superintendent, Business Administrator, Director of Curriculum, Instruction and Assessment, Director of Special Education, Director of Technology and Library Media Services, Building and Grounds Manager, four Principals, 200 professional staff and 139 full and part-time non-professional staff.

School Facilities

<u>School</u>	<u>Grade</u>	<u>Constructed/ Renovated</u>	<u>Estimated Capacity</u>
Village Elementary School	PreK-1	1974/1991	330
Coastal Ridge Elementary School	2-4	1991	385
Middle School	5-8	1905/1930/1951/2000	800
York High School	9-12	1977/1999/2008/2017	<u>830</u>
		TOTAL	2,345

Source: Town of York, School Department

Enrollments

October 1,	Grade PreK-4	Grade 5-8	Grade 9-12	Total Enrollment
2024	550	473	494	1,518
2023	526	484	504	1,514
2022	562	467	508	1,544
2021	555	490	523	1,568
2020	573	517	521	1,611
2019	579	536	533	1,648
2018	573	560	559	1,692
2017	604	507	555	1,666
2016	625	559	580	1,764
2015	610	525	619	1,754

Source: Town of York, School Department

RETAIL SALES

The table below displays the performance of certain sectors of the economy in the Town of York:

RETAIL SALES BY PRODUCT GROUP AND CONSUMER SALES* (Dollars Expressed in Thousands)

<u>Year</u>	<u>Business/ Operating</u>	<u>Building Supply</u>	<u>Food Store</u>	<u>General Mdse.</u>	<u>Other Retail</u>	<u>Auto/ Transp.</u>	<u>Restaurant/ Lodging</u>	<u>Group Total</u>	<u>Consumer Sales</u>
2023 ⁽¹⁾	16,664	63,691	42,170	4,545	32,674	23,953	182,480	365,610	348,946
2022 ⁽¹⁾			41,085	3,784	31,844		158,723	338,552	
2021 ⁽¹⁾			39,553	3,818	29,247		138,046	298,096	
2020 ⁽¹⁾			35,949	2,506	19,334		76,886	203,764	
2019 ⁽¹⁾			35,893	3,276	19,866		125,134	254,173	
2018 ⁽¹⁾			34,135	3,746	21,516		122,551	244,996	
2017 ⁽¹⁾			31,862	3,448	21,397		108,284	227,067	
2016	11,382	35,301	29,998	3,556	19,554	12,161	89,934	201,886	190,504
2015	10,425	30,550	23,476	2,813	18,804	11,641	86,252	183,961	173,540
2014	10,021	29,697	21,770	2,691	18,387	12,308	80,938	175,812	165,792

⁽¹⁾ The State of Maine has modified the reporting of retail sales data and does not report all categories for all municipalities

* Data accurate as of the date the data was collected. Office of Policy & Management makes adjustments to the data periodically

Source: State of Maine, Office of Policy & Management

BUILDING PERMITS

<u>Calendar Year</u>	<u>Residential</u>		<u>Commercial</u>	
	<u># Permits</u>	<u>Est. Cost of Construction</u>	<u># Permits</u>	<u>Est. Cost of Construction</u>
2024 ⁽¹⁾	527	\$44,708,659	51	\$1,711,465
2023	901	88,488,380	55	17,510,000
2022	878	72,241,716	120	17,898,880
2021	835	56,472,520	120	15,781,402
2020	708	44,289,642	81	3,500,133
2019	786	40,510,287	132	7,613,981
2018	796	40,177,090	118	6,205,784
2017	714	44,437,946	160	11,669,155
2016	623	36,481,818	158	49,361,748
2015	672	34,149,286	137	33,681,699
2014	735	33,279,878	113	2,050,441

⁽¹⁾ Through June 30, 2024

LARGEST PRIVATE EMPLOYERS

<u>Name</u>	<u>Business</u>	<u>Approximate # of Employees⁽¹⁾</u>
York Hospital	Hospital	1,031
Cliff House	Resort/Hotel	390
Hannaford Brothers	Grocery Store	284
Goldenrod	Restaurant	252
Stonewall Kitchen	Food Product Manufacturer	234
Stage Neck Inn	Hotel/Motel/Restaurant	143
Eldredge Lumber	Building Products	135
Anchorage Motor Inn/Sun and Surf	Hotel/Motel	130
York Harbor Inn	Hotel/Motel	129
Union Bluff	Hotel	100
Sentry Hill	Congregate Care Facility	90
York's Wild Kingdom	Zoo/Amusement Park	87

⁽¹⁾ Identifies Full, Part-time and Seasonal Employees

Source: Town of York

LABOR RELATIONS

The Town employs approximately 564 people of which 376 are full-time and 188 are part-time employees. Of these, 349 are employed by the School Department with 310 being full-time and 39 being part-time employees. The following lists the various bargaining units, and the status of the current contract. Employees not included in bargaining units in the table below are not represented by unions.

Bargaining Unit	Dates of Contracts		Covered Employees
	Effective	Expiration	
York Teachers Association	09/01/24	08/31/27	184
York Educational Support Professional Association	07/01/22	06/30/25	118
York DPW Association	07/01/22	06/30/25	17
Police Dispatch Unit NEPBA Local 640	07/01/22	06/30/25	9
Maine Association of Police	07/01/23	06/30/25	25
Fire Fighters Association Local 3622	07/01/22	06/30/25	8

Source: Town of York and York School Department

PROPERTY TAXATION

Fiscal Yr. End June 30,	Equalized State Valuation (000)	Assessed Valuation (000)	Tax Rate (000)	Tax Levy (000)	Collected @ Year End (000)	% Collected after Supplements and Abatements	
						A/O Year End	A/O 6/30/24
2024	\$6,981,850	\$6,948,313	\$8.45	\$58,898	\$57,811	98.15%	98.15%
2023	5,946,500	6,565,682	8.55	56,137	55,439	98.76	99.76
2022	5,164,400	5,551,713	9.95	54,732	53,959	98.59	98.59
2021	4,886,600	4,845,543	11.10	53,245	52,424	98.45	99.83
2020	4,752,100	4,620,795	11.15	51,174	50,246	98.31	99.80
2019	4,473,800	4,445,463	11.15	49,226	48,429	98.50	99.97
2018	4,267,300	4,268,495	10.95	46,474	45,656	98.24	99.75
2017	4,039,100	4,078,219	11.15	45,269	44,332	97.93	99.69
2016	3,976,700	3,964,520	11.00	43,471	42,593	97.98	99.63
2015	3,967,100	3,915,251	10.70	41,761	40,884	97.90	99.56

Source: Town of York, Finance Department

The principal tax of the Town is the tax on real and personal property. There is no limit as to rate or amount. A single tax applies for each fiscal year to the assessed value of the taxable real or personal property. The Town's Tax Collector receives the tax commitment from the Town Assessor, with assessed values as of April 1 of each year. Tax bills are mailed after adoption of the Budget Referendum. For fiscal 2024/2025, the tax due dates are October 4, 2024 and February 7, 2025. All taxes paid after the due date are subject to interest, at the rate of 8.5% per annum.

Collection of real estate taxes is ordinarily enforced in the Town by the "tax lien" procedure as provided in the Maine Revised Statutes, as amended, to the collection of delinquent real estate taxes. Real estate tax liens are recorded against the individual property at the County Registry of Deeds. This lien has priority over all mortgages, liens, attachments and encumbrances of any nature, subject to any paramount federal tax lien and subject to bankruptcy and insolvency laws. If the account is not satisfied within 18 months, the property becomes tax acquired and may be disposed of by the Town.

LARGEST TAXPAYERS-FY2025

<u>Name</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Real Estate Tax</u>	<u>Net Levy %</u>
Cliff House Acquisitions	Resort Hotel	\$40,980,300	\$344,235	.53%
Central Maine Power	Utility	26,547,600	223,000	.35
The ECP One LLC	Resort Hotel	15,988,300	134,302	.21
BFG ME NH LLC	Self Storage	16,234,400	136,369	.21
142 York St LLC	Residential Sub.	15,747,900	132,282	.21
Giri York Union Property Inc	Resort Hotel	14,185,600	119,159	.18
Victoria Court Realty LLC	Retirement	12,403,100	104,186	.16
Stage Neck Inn, Inc.	Resort Hotel	12,157,100	102,120	.16
487 Shore Road LLC	Residence	11,747,100	98,676	.15
Hannaford Brothers Co	Grocery Store	10,356,300	86,993	.16
Totals		<u>\$176,347,700</u>	<u>\$1,481,321</u>	<u>2.30%</u>

Source: Town of York, Assessing Department

ECONOMIC CHARACTERISTICS

Population Statistics

Year	Town of	-----% Change-----		
	York	Town	State	USA
1960	4,663	-	6.1	18.5
1970	5,690	22.0	2.4	13.4
1980	8,465	48.8	13.4	11.4
1990	9,818	16.0	9.2	9.8
2000	12,854	30.9	3.8	13.1
2010	12,529	(2.5)	4.2	9.7
2020	13,851	10.6	0.3	2.6

Source: U.S. Census 1960-2020

Demographic Statistics

	Town of	York	State of	
	York	County	Maine	USA
Median age (years)	53.5	45.3	44.7	38.8
% school age	15.8	14.1	16.4	19.2
% working age	51.4	60.7	60.1	58.4
% 65 and over	34.2	20.5	24.7	16.8

Source: U.S. Census 2020

Income

	Town of	York	State of	
	York	County	Maine	USA
Median household income	\$114,375	\$73,875	\$64,767	\$69,717
% below poverty level-families	4.2	14.1	11.5	12.8
Per capita income	\$53,333	\$40,554	\$38,483	\$40,260

Source: U.S. Census 2020

Housing

	Town of	York	State of	
	York	County	Maine	USA
% owner occupied	80.6	73.9	72.3	64.0
Owner occ. med. Value-house	\$429,800	\$252,300	\$190,400	\$217,500
Occupied housing units	5,341	88,924	582,437	140,438,736

Source: U.S. Census 2020

Unemployment

Year	Town of	County of	State of	
	York	York	Maine	USA
2023	2.4%	2.6%	2.9%	3.6%
2022	2.5	2.6	2.8	3.6
2021	4.0	4.5	4.6	8.3
2020	4.7	5.4	5.4	8.1
2019	2.3	2.7	3.0	3.7
2018	2.6	3.0	3.4	3.3
2017	2.7	3.0	3.4	4.4
2016	3.0	3.4	3.7	4.9
2015	3.1	3.8	4.3	5.2
2014	4.7	4.8	5.7	5.8

Source: Maine Department of Labor, Center for Workforce Research & Information

TOWN FINANCES

BUDGETARY PROCESS

Article II, Section 7 of the Town's Charter provides for a budget process. The fiscal year (or "budget year") of the Town begins on the first day of July and ends on the thirtieth day of June of the following year. The Charter provides that the Town Manager submit a municipal budget to the Budget Committee at least 120 days prior to the beginning of each municipal fiscal year. Pursuant to Article II, Section 5 of the Charter, the School Committee will submit the school budget to the Town Manager, at least 120 days before the beginning of each municipal fiscal year. The municipal budget provides a complete financial plan of all Town funds and activities for the upcoming municipal fiscal year exclusive of the School Department. The School budget contains a complete financial plan for all school funds and activities for the upcoming school fiscal year. The Budget Committee has the prerogative to modify the expenditures of the proposed budget. A general summary of the municipal, and school budget, is published and one or more public hearings are held by the Budget Committee. The Budget Committee then reviews the budget and recommends it with or without change. The budget becomes effective only after it is adopted pursuant to a Budget Referendum or a Special Budget Referendum by a majority vote of the voters. Upon adoption of the budget, a property tax levy is then established and filed by the Town Assessor.

The following table sets forth the trends in the General Fund's budget for the Town for the current and last four fiscal years:

	Fiscal Year Ending June 30,				
	2025	2024	2023	2022	2021
REVENUES					
Taxes	\$68,811,440	\$63,282,799	\$60,058,400	\$58,300,701	\$56,115,043
Intergovernmental	4,741,322	4,511,384	4,158,116	3,687,593	3,379,185
Charges for Services	1,315,000	875,000	1,546,707	1,914,946	815,339
Licenses, Permits and Fees	328,500	326,700	348,700	322,500	324,000
Miscellaneous	647,836	257,569	155,000	215,131	334,619
Utilization of Fund Balance	1,300,000	1,000,000	--	--	535,139
TOTAL REVENUES	\$77,144,098	\$70,253,452	\$66,266,923	\$64,440,871	\$61,503,325
EXPENDITURES					
General Government	\$4,940,247	\$4,750,443	\$4,361,078	\$3,762,584	\$3,722,885
Public Safety	10,546,213	9,546,401	8,657,851	8,097,086	7,967,469
Public Works and Sanitation	7,240,449	6,287,404	5,853,029	5,625,205	5,599,624
Parks and Recreation	2,414,425	2,148,195	1,850,586	1,719,231	1,801,449
Library	846,199	790,400	746,509	715,210	685,102
Human Services	245,200	241,500	224,850	151,695	147,105
Education	44,381,393	40,076,447	38,694,412	37,871,215	35,925,088
County Tax	2,738,948	2,503,040	2,347,482	2,304,540	2,382,261
Debt Service	3,791,024	3,506,622	2,999,126	3,194,762	2,972,342
Capital Outlays	--	403,000	407,000	515,000	130,000
Miscellaneous	--	--	125,000	105,000	170,000
TOTAL EXPENDITURES	\$77,144,098	\$70,253,452	\$66,266,923	\$64,440,871	\$61,503,325

CAPITAL IMPROVEMENT PLAN

Article II Section 9 of the Town's Charter provides that the Town of York have a Capital Improvement Program (the "CIP"). The CIP is a five-year plan which includes the Capital Budget for projects over the next five fiscal years. The present values of the Town's assets are evaluated, a useful life expectancy is estimated and replacement, if necessary is projected. The table below reflects a summary of the current proposed CIP, which is funded from the issuance of General Obligation Bonds, appropriation of Fund Balance and other sources.

Fiscal Year Ending June 30,

Projects	2025	2026	2027	2028	2029
Vehicles					
Beach/Village Fire	\$2,200,000		\$1,200,000		\$1,200,000
Parks and Rec./DPW	345,000	\$395,000	\$755,000	350,000	
School	85,000	54,000	55,000		
Code	45,000	45,000		80,000	
Police	130,000	130,000	160,000	160,000	175,000
Properties					
Police HVAC	300,000		50,000	75,000	
Village Elementary		175,000			
York Middle School			528,000		
York High School	6,100,000	2,907,000	400,000		
DPW Salt Shed				900,000	
DPW Fuel Facility				350,000	
Mt. A		75,000		400,000	
36 Main St.	17,000				
Bog Rd. Field Septic		400,000			
Nubble Light Facilities	20,000	15,000	25,000	85,000	30,000
Sohier Park	35,000	2,000,000			
Bog Rd-Courts		250,000			
Town Dock Floats		200,000			
Village Fire		70,000			
DPW HVAC		75,000			
810 US Route 1		150,000			
Roads/Utilities					
Mountain Road	125,000				
Route 1 Corridor Study		50,000			
Road Paving/Sidewalk	1,200,000	900,000	1,200,000	1,200,000	1,200,000
Seawall	1,200,000	2,500,000			
Cape Neddick Bridge	75,000		2,300,000		
Nubble Rd/Drain/Side.	250,000	300,000			
Public Sewer	1,500,000				
Organug Rd Project	350,000				
Ocean Ave Seawall		1,000,000			
Equipment/Other					
Town IT	40,000	80,000	200,000	650,000	62,000
Code	250,000				
Planning			200,000		
Beach/Village Fire		40,000	80,000	400,000	
Parks and Rec.		25,000		20,000	
DPW		120,000			
Police		850,000	150,000	150,000	
TOTAL	\$14,267,000	\$12,806,000	\$7,303,000	\$4,670,000	\$3,067,000

FUND BALANCE POLICY

The Selectboard adopted a Fund Balance Policy, on July 7, 2003 and amended it on January 24, 2011, on May 23, 2016, and on September 27, 2021. The Fund Balance Policy states the Town shall maintain an Unrestricted Fund Balance of between 14-17% of the audited General Fund expenditures. If the Unrestricted Fund Balance falls below the 14% level, the Town shall develop a plan to restore the Unrestricted Fund Balance back to the target range over a period of no longer than two years. If the Unrestricted Fund Balance exceeds the 17% level, the excess funds shall be utilized for capital improvements; to reduce taxes; other one-time expenditures as identified by the Selectboard and approved by the voters.

INVESTMENT POLICY

On May 9, 2016, the Selectboard adopted a revised Investment Policy that provides for the management of town funds in accordance with State of Maine Statutes. Pursuant to the Investment Policy, and under applicable Maine law [Title 30-A, Section 5706 et seq. of the Maine Revised Statutes, as amended (the “Act”)], all investments of the Town must be made with the judgment and care that persons of prudence, discretion and intelligence, under circumstances then prevailing, exercise in the management of their own affairs, not for speculation, but for investment considering: (1) safety of principal and maintenance of capital; (2) maintenance of sufficient liquidity to meet all operating and cash requirements with which a fund is charged, that is reasonably expected; (3) return of income commensurate with avoidance of unreasonable risk. The Investment Policy states that all investments shall be made with the following criteria in order of priority—Safety, Liquidity, Diversity, and Yield. Investments are to follow the general guiding principles of judgment and care by a person utilizing prudence, discretion and diligence in the safeguarding of the Town’s capital. Under the Act, the Town’s investment practice is to maintain a cash and investment pool that is available for use by all funds and consists primarily of short-term investments. The Town is not invested in any obligations typically referred to as derivatives, meaning obligations created from, or whose value depends on or is derived from the value of one or more underlying assets or indexes of assets in which the municipality owns no direct interest. The revised Investment Policy requires that no one banking institution carry more than 70% of the town’s funds and that all funds must be fully insured or collateralized.

DEBT MANAGEMENT POLICY

On July 10, 2017, the Selectboard adopted a Debt Management Policy that provides for guidance in managing the Town’s debt level by evaluating the needs for capital investments weighed against the Town’s capacity and willingness to incur long-term debt. Maine law limits the overall long-term debt outstanding to not more than 15% of the State Equalized Valuation. The Town’s policy limits itself to not more than 5% of the State Equalized Valuation.

POST-ISSUANCE COMPLIANCE POLICY

The Selectboard adopted a Post-Issuance Compliance Policy on August 26, 2013 to ensure that the Town complies with all applicable provisions of the IRS Tax Code and tax-exempt obligations continuing disclosure requirements. Recordkeeping, reporting and record retention are the responsibility of the Finance Director, who shall consult with the Town’s bond counsel, financial advisor, and other professionals, as needed, to ensure that all requirements of the policy are adhered to. On January 23, 2017, the Board of Selectmen amended the Post-Issuance Compliance Policy to include remedial procedures in the event of a violation of the applicable rules for tax-exempt bonds.

DISCLOSURE POLICY

On January 23, 2017, the Selectboard adopted a Disclosure Policy to ensure the Town complies with all applicable law and existing contracts when preparing and distributing disclosure documents in connection with securities offerings, including the timely update and filing of continuing disclosure documents. Administration of the policy is the responsibility of the Disclosure Coordinator who consults with the Disclosure Working Group, which consists of the Town finance director, treasurer, town manager, municipal advisor, bond counsel, disclosure counsel, and School Department director of finance and operations. The policy was subsequently amended on October 22, 2018.

TAX INCREMENT FINANCING DISTRICT

A tax increment financing district in the York Beach area was established in 2008 with the tax increment to be used for the betterment of public infrastructure within the district. In FY10, the first year of implementation, \$113,928 in new tax increment was collected and \$15,000 was expended in planning and design services. For FY11 through FY15, there was a reduction in valuation, therefore no tax increment was generated, but approximately \$34,000 was expended on engineering and related expenses and \$30,000 was expended on infrastructure from the accumulated fund balance. In FY16, \$1,824 in new tax increment was collected resulting in a year end fund balance of \$15,662. In FY17, there was a reduction in valuation, therefore no tax increment was generated. In FY18, the tax increment collected totaled \$118,729. In FY19 through FY24, there were smaller increases in valuation of the TIF District than in the Town as a whole, therefore, there was no tax increment generated.

On November 18, 2019, the Selectboard directed the Town Manager to initiate the process to amend the expiration date of the TIF District and to develop a plan to use the remaining TIF funds for sidewalk and pedestrian improvements in and near the TIF District. Initial planning was undertaken but no further action has been taken nor is any anticipated at this time.

FINANCIAL STATEMENTS

Title 30-A, Chapter 223, Subchapter VIII of the Maine Revised Statutes, as amended, and Article 11, Section 18 of the Town's Charter provide for independent annual audits of the Town's accounts and establishes procedures for such audits.

The June 30, 2023 Financial Report, audited by Runyon, Kersteen and Ouellette, Certified Public Accountants of South Portland, Maine is presented as APPENDIX A to this Official Statement.

FUNDS

The accounts of the Town are organized on the basis of funds or groups of accounts each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses. The following fund types and account groups are used by the Town:

Government Fund Types

Government Funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the Town's governmental fund types:

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

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

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by other funds).

Fiduciary Fund Types

Trust Funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations, other governmental units, and/or other funds. These include expendable and nonexpendable funds. Nonexpendable funds are accounted for and reported as proprietary funds since capital maintenance is critical. Expendable funds are accounted for and reported as governmental funds.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve a measurement focus or present results of operations.

Proprietary Fund Types

The **Enterprise Fund** is used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs of providing services on a continuing basis be financed or recovered primarily through user charges; or (b) where the Town desires periodic determination of revenues, expenditures and/ or net income.

Account Groups

The **General Long-term Debt Account Group** is established to account for all long-term debt of the Town.

The **General Fixed Asset Account Group** is established to account for all fixed assets of the Town.

**TOWN OF YORK
COMPARATIVE BALANCE SHEETS**

**GENERAL FUND
(As of June 30)**

	2023	2022	2021	2020	2019
ASSETS					
Cash and Investments	\$40,100,808	\$30,777,186	\$24,956,564	\$18,721,116	\$15,249,655
Taxes Receivable	1,042,067	1,153,305	1,304,968	1,089,006	1,315,144
Accounts Receivable	347,532	203,295	233,917	197,376	373,583
Leases Receivable	494,509	513,596	--	--	--
Prepaid Expenses	33,731	74,915	21,349	29,438	44,781
Interfund Loans Rec.	2,481,920	--	--	--	--
TOTAL ASSETS	\$44,500,567	\$32,722,317	\$26,516,798	\$20,036,936	\$16,983,163
LIABILITIES					
Accounts Payable	\$1,687,180	\$1,401,990	\$1,783,284	\$1,037,622	\$1,448,379
Other Accrued Liabilities	937,013	557,689	361,138	540,536	897,486
Accrued Payroll	2,789,466	2,322,214	2,636,966	2,501,587	1,656,275
Due to Other Funds	15,222,385	6,778,659	3,482,918	2,494,818	2,156,664
Deferred Revenues	1,114,329	1,182,060	967,200	910,565	869,000
TOTAL LIABILITIES	\$21,750,373	\$12,242,712	\$9,231,506	\$7,485,128	\$7,027,804
FUND BALANCES					
Non-spendable	\$33,731	\$74,935	\$21,349	\$29,438	\$44,781
Restricted	6,414,962	5,468,970	3,951,191	1,998,749	622,406
Assigned	2,923,796	3,232,338	4,334,318	2,257,221	1,302,597
Unassigned	13,377,705	11,703,362	8,978,434	8,266,400	7,985,575
TOTAL FUND BALANCES	\$22,750,194	\$20,479,605	\$17,285,292	\$12,551,808	\$9,955,359
TOTAL LIABILITIES AND FUND BALANCES	\$44,500,567	\$32,722,317	\$26,516,798	\$20,036,936	\$16,983,163

Prepared from Town of York, Annual Audited Financial Statements

**TOWN OF YORK
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

**GENERAL FUND
(For the Year Ended June 30)**

	2023	2022	2021	2020	2019
REVENUES					
General Property Taxes	\$59,777,685	\$58,454,323	\$56,728,905	\$54,552,121	\$52,789,098
Intergovernmental	8,485,502	8,045,021	7,325,043	6,393,038	5,417,530
Charges for Services	1,889,195	1,556,008	1,514,755	1,287,536	1,365,245
Licenses, Permits and Fees	417,082	418,045	425,939	351,440	366,879
Miscellaneous	1,551,376	997,637	909,108	944,118	979,683
TOTAL REVENUES	\$72,120,840	\$69,471,034	\$66,903,750	\$63,528,253	\$61,001,837
EXPENDITURES					
General Government	\$4,780,217	\$4,560,986	\$4,296,655	\$3,879,395	\$3,707,710
Public Safety	8,909,615	8,236,244	7,736,385	7,428,373	7,102,089
Public Works and Sanitation	5,789,070	5,502,826	5,142,119	5,241,188	5,145,868
Parks and Recreation	2,130,768	1,805,581	1,670,292	1,701,986	1,781,465
Education	36,912,619	35,427,545	33,890,749	33,450,325	33,249,980
Maine PERS on-behalf payments	3,289,437	3,078,830	3,059,842	2,948,489	2,418,743
County Tax	2,347,482	2,504,540	2,382,261	2,327,506	2,276,680
Unclassified	922,341	1,094,520	841,971	799,822	758,980
Debt Service	3,857,503	4,079,775	2,819,491	2,705,370	2,583,823
Capital Outlay	939,916	286,797	399,065	235,689	375,502
TOTAL EXPENDITURES	\$69,878,968	\$66,387,644	\$62,239,230	\$60,718,143	\$59,400,840
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$2,241,872	\$3,083,390	\$4,664,520	\$2,810,110	\$1,600,997
OTHER FINANCING SOURCES (USES)					
Proceeds from capital lease obligation	--	--	--	--	10,513
Operating Transfers In	128,890	383,231	850,754	127,860	165,897
Operating Transfers Out	(100,173)	(272,308)	(781,750)	(341,521)	(214,918)
TOTAL OTHER FINANCING SOURCES (USES)	\$28,717	\$110,923	\$68,964	(\$213,661)	(\$38,508)
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$2,270,589	\$3,194,313	\$4,733,484	\$2,596,449	\$1,562,489
FUND BALANCES – JULY 1	20,479,605	17,285,292	12,551,808	9,955,359	8,392,870
FUND BALANCES - JUNE 30	\$22,750,194	\$20,479,605	\$17,285,292	\$12,551,808	\$9,955,359

Prepared from Town of York, Annual Audited Financial Statements

STATE AID

The State of Maine provides aid to the Town in a number of areas including education, welfare reimbursement, road maintenance and revenue sharing. The amount of aid in each category is based upon a number of formulas, many of which change annually, and dependent upon provisions of State law and/or appropriation by the State legislature. School Aid includes general purpose aid, financing costs relating to certain school construction projects and categorical aid but does not include funds received for Adult Education, Pre-School and other special grants. The following table displays State Aid received by the Town of York for the most current nine fiscal years and projected for FY25.

Fiscal Year Ended <u>June 30</u>	State Revenue <u>Sharing</u>	School Aid	Other State Aid	Total State Aid
2025	\$1,420,629	\$3,103,581	\$323,518	\$4,860,469
2024	1,385,000	3,015,727	722,313	5,123,040
2023	1,396,150	3,042,304	757,611	5,196,065
2022	1,211,866	2,912,095	842,230	4,966,191
2021	778,715	2,678,936	807,550	4,265,201
2020	561,678	2,213,967	668,904	3,444,549
2019	367,289	2,092,933	538,565	2,988,787
2018	342,864	1,433,251	542,567	2,318,682
2017	314,505	1,201,693	496,495	2,012,693
2016	306,748	1,129,733	444,902	1,881,383

INDEBTEDNESS

LIMITATIONS AND EXCLUSIONS

In accordance with Title 30-A, Section 5702 of the Maine Revised Statutes, as amended, "No municipality shall incur debt which would cause its total debt outstanding at any time, exclusive of debt incurred for school purposes, for storm or sanitary sewer purposes, for energy facility purposes or for municipal airport purposes to exceed 7 1/2% of its last full state valuation, or any lower percentage or amount that a municipality may set. A municipality may incur debt for school purposes to an amount outstanding at any time not exceeding 10% of its last full state valuation, or any lower percentage or amount that a municipality may set, for storm and sewer purposes to an amount outstanding at any time not exceeding 7 1/2% of its last full state valuation, or any, lower percentage or amount that a municipality may set, and for municipal airport and special district purposes to an amount outstanding at any time not exceeding 3% of its last full state valuation, or any lower percentage or amount that a municipality may set; provided, however, that in no event shall any municipality incur debt which would cause its total debt outstanding at any time to exceed 15% of its last full state valuation, or any lower percentage or amount that a municipality may set."

Title 30-A, Section 5703 of the Maine Revised Statutes, as amended, provides that the limitations on municipal debt contained in Section 5702 do not apply "... to any funds received in trust by any municipality, any loan which has been funded or refunded, notes issued in anticipation of federal or state aid or revenue sharing money, tax anticipation loans, notes maturing in the current municipal year, indebtedness of entities other than municipalities, indebtedness of any municipality to the Maine School Building Authority, debt issued under Chapter 235 and Title 10, chapter 110, subchapter IV, obligations payable from revenues of the current municipal year or from other revenues previously appropriated by or committed to the municipality, and the state reimbursable portion of school debt."

The Town of York's 2024 Equalized State Valuation ("ESV") is \$6,981,850,000. The 15% debt limit is \$1,047,277,500. As of June 30, 2024, the Town's long-term debt outstanding was \$37,233,000 or 0.36% of the 2024 ESV.

DEBT SUMMARY

The following tables set forth the bonded debt of the Town as of June 30, 2024:

Bonded Debt Outstanding:

2012 General Obligation Bonds	1,314,000
2013 General Obligation Bonds	684,000
2015 General Obligation Bonds	390,000
2016 General Obligation Bonds	6,870,000
2017 General Obligation Bonds	1,935,000
2018 General Obligation Bonds	1,420,000
2019 General Obligation Bonds	3,090,000
2020 General Obligation Bonds	3,435,000
2021 General Obligation Bonds	8,560,000
2022 General Obligation Bonds	<u>9,535,000</u>
Total Outstanding Bonded Debt	\$37,233,000

AMOUNT (000)

FISCAL YEAR	2012	2013	2015	2016	2017	2018	2019	2020	2021	2022	TOTAL
2025	150	70	90	785	365	220	335	385	1,160	595	\$4,155
2026	150	70	30	785	365	215	335	375	1,165	595	4,085
2027	150	70	30	770	365	215	335	250	1,170	585	3,940
2028	145	70	30	755	360	210	330	250	935	585	3,670
2029	145	70	30	755	70	210	330	250	925	570	3,355
2030	145	70	30	755	65	70	205	250	915	570	3,075
2031	145	70	30	755	65	70	205	250	910	570	3,070
2032	145	65	30	755	65	70	205	175	680	570	2,760
2033	139	65	30	755	65	70	205	175	140	570	2,214
2034		64	30		30	70	205	175	140	485	1,199
2035			30		30		80	175	140	485	940
2036					30		80	175	140	485	910
2037					30		80	110	140	485	845
2038					30		80	110		485	705
2039							80	110		380	570
2040								110		380	490
2041								110		380	490
2042										380	380
2043										380	380
TOTAL	\$1,314	\$684	\$390	\$6,870	\$1,935	\$1,420	\$3,090	\$3,435	\$8,560	\$9,535	\$37,233

DEBT RATIOS

The following table sets forth the ratio of bonded debt to equalized state valuation and per capita debt ratios for the ten most recent fiscal years:

Fiscal Yr. End June 30,	Population	Equalized State Valuation (000)	Assessed Valuation (000)	Total G.O. Debt (000)	G.O. Debt as % Eq. Val.	Debt Per Capita
2024	13,851	\$6,981,850	\$6,948,313	\$37,233	0.53%	\$2,688.11
2023	13,851	5,946,500	6,565,682	41,699	0.81	3,010.76
2022	13,851	5,164,400	5,551,713	35,670	0.69	2,575.45
2021	13,290	4,886,600	4,845,543	41,555	0.85	3,126.79
2020	13,290	4,752,100	4,620,795	37,254	0.76	2,803.16
2019	13,290	4,473,800	4,445,463	36,373	0.77	2,736.87
2018	12,777	4,267,300	4,268,495	37,033	0.83	2,898.41
2017	12,777	4,039,100	4,078,219	36,994	0.87	2,895.36
2016	12,529	3,976,700	3,964,520	34,506	0.85	2,754.01
2015	12,529	3,967,100	3,915,251	25,557	0.64	1,858.25
2014	12,529	3,885,750	3,855,034	28,640	0.73	2,285.98
2013	12,529	3,928,900	3,849,714	29,971	0.78	2,392.13

DEBT SERVICE REQUIREMENTS

Fiscal Year June 30,	CURRENT DEBT			THIS ISSUE-Series A and B (Pro Forma)			Grand Total
	Principal	Interest	P&I	Principal	Interest	P&I	
2025	\$4,155,000	\$930,179	\$5,085,179				\$5,085,179
2026	4,085,000	806,928	4,891,928	\$1,010,000	\$628,406	\$1,638,406	6,530,334
2027	3,940,000	694,390	4,634,390	1,010,000	405,813	1,415,813	6,050,203
2028	3,670,000	602,888	4,272,888	1,005,000	373,731	1,378,731	5,651,619
2029	3,355,000	503,913	3,858,913	1,005,000	341,718	1,346,718	5,205,631
2030	3,075,000	409,425	3,484,425	1,000,000	309,775	1,309,775	4,794,200
2031	3,070,000	322,345	3,392,345	945,000	278,656	1,223,656	4,616,001
2032	2,760,100	277,137	3,037,237	935,000	248,431	1,183,431	4,220,668
2033	2,214,000	259,192	2,473,192	930,000	218,413	1,148,413	3,621,605
2034	1,199,000	214,582	1,413,582	930,000	188,462	1,118,462	2,532,044
2035	940,000	181,638	1,121,638	920,000	158,650	1,078,650	2,200,288
2036	910,000	152,925	1,062,925	655,000	132,112	787,112	1,850,037
2037	845,000	124,885	969,885	655,000	108,713	763,713	1,733,598
2038	705,000	99,090	804,090	655,000	85,313	740,313	1,544,403
2039	570,000	77,165	647,165	655,000	61,913	716,913	1,364,078
2040	490,000	57,710	547,710	655,000	38,512	693,512	1,241,222
2041	490,000	39,175	529,175	165,000	24,131	189,131	718,306
2042	380,000	22,800	402,800	165,000	18,769	183,769	586,569
2043	380,000	7,600	387,600	165,000	13,406	178,406	566,006
2044				165,000	8,044	173,044	173,044
2045				165,000	2,681	167,681	167,681
TOTAL	\$37,233,100	\$5,783,967	\$43,017,067	\$13,790,000	\$3,645,649	\$17,436,649	\$60,453,716

OVERLAPPING DEBT

The Town is subject to an annual assessment of its proportional share of the County of York's (the "County") expenses, including, debt repayment, as determined by the percentage of the Town's Equalized State Valuation to the County's Equalized State Valuation. At January 1, 2024 the Town's Equalized State Valuation of \$5,164,400,000 was 12.57% of the County's Equalized State Valuation of \$41,072,960,000. The County had outstanding long-term debt in the amount of \$-0- as of June 30, 2024; therefore, the Town's share is \$-0-.

CONTINGENT DEBT

The Town does not have any obligations which it is responsible for on a contingent basis.

RETIREMENT

Maine Public Employees Retirement System – Consolidated Plan

Description of Plan- the Town contributes to the Maine Public Employees Retirement System ("MPERS"), a cost-sharing multiple-employer public employee retirement system established by the Maine State Legislature. The MPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The MPERS issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to Maine State Retirement System, 46 State House Station, Augusta, Maine 04333-0046 or by calling 1-800-451-9800.

Funding Policy- Plan members are currently required to contribute 7.60-9.70% of their annual covered salary depending upon the plan that they are in and the Town of York is required to contribute an actuarially determined rate. The contribution rates of plan members and the Town of York are established and may be amended by the Maine State Retirement System Board of Trustees. The Town's contribution to the MPERS Consolidated Plan for the year ended June 30, 2024 was \$910,376 and for the year ended June 30, 2023 was \$785,365.

Teacher Group - Description of Plan- All school teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's Teacher Group. The teacher's group is a cost sharing plan with a special funding situation, established by the Maine State Legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Teacher's Group. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333-0046 or by calling 1-800-451-9800.

Funding Policy- Plan members are required to contribute 7.65% of their compensation to the retirement system. State statute requires the State of Maine's Department of Education to contribute a portion of the employer share. The contribution from the School Department for the year ended June 30, 2024 was \$823,507 and for the year ended June 30, 2023 was \$674,481.

Please see Appendix A, Annual Audited Financial Statements, pages 42-46, *Maine Public Employees Retirement System*, for a full description of the benefits provided and the actuarial determined liability of the Town as of June 30, 2023.

Deferred Compensation Plans

The Town offers its employees both a 401a deferred compensation and a plan created in accordance with Internal Revenue Code (IRC) Section 457 (the “Plans”). The Plans permit participating employees to defer a portion of their salary until future years. The Town’s contribution to the Plans for the year ended June 30, 2024 was \$137,060 and for the year ended June 30, 2023 was \$105,281.

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

Please see Appendix A, Annual Audited Financial Statements, page 54-55, *Deferred Compensation Retirement Plans*, for a full description of the benefits provided of the Town as of June 30, 2023.

Social Security and Medicare

The Town participates in Social Security and Medicare (Federal Insurance Contributions Act). The Town contributed \$1,497,881 as its share of Social Security and Medicare for all Town and School employees for the fiscal year ended June 30, 2024 and \$1,361,550 for the year ended June 30, 2023.

Other Post-Employment Benefits

In addition to pension benefits as described above, the Town provides certain Town and School retirees with the ability to participate in its group term life insurance and health insurance programs. The Town retirees pay the monthly premiums for both programs. For those covered School retirees the group life premiums are paid for by the State of Maine and the health premiums paid for by the retirees.

Please see Appendix A, Annual Audited Financial Statements, pages 46-54, *Other Postemployment Benefits*, for a full description of the benefits provided and the actuarial determined liability of the Town as of June 30, 2023.

ENVIRONMENTAL MATTERS

The Town is subject to a wide variety of federal and state laws and regulations relating to land use, water resources, sewage disposal, the use, storage, discharge, emission and disposal of wastes and other environmental matters. While the Town believes that its properties and operations are presently in material compliance with all land use and environmental laws, failure to comply with such laws could result in the imposition of severe penalties or restrictions on operations by government agencies or courts that could adversely affect the Town. The Town is not subject to any pending or threatened proceedings or actions involving environmental matters that, if adversely decided, would have a material adverse impact upon the Town's financial condition or ability to pay debt service on the Bonds as and when due.

LITIGATION

In the opinion of Town officials there is no litigation pending against the Town which, either individually or in the aggregate, would result in judgments that would have a materially adverse effect on the Town's financial position or its ability to meet its debt service obligations.

CONTINUING DISCLOSURE

In order to assist the underwriter of the Bonds in complying with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended and as officially interpreted from time to time (the "Rule"), which provides that underwriters may not purchase or sell municipal securities unless the issuer of the municipal securities undertakes to provide continuing disclosure with respect to those securities, subject to certain exemptions, the Town will covenant for the benefit of the owners of the Bonds to provide certain financial information and operating data related to the Rule by not later than 270 days after the end of the fiscal year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events all as necessary to maintain continuing disclosure consistent with the terms of the Rule. The covenants will be contained in the "Continuing Disclosure Certificate" (the "Certificate"), the proposed form of which is provided in APPENDIX C to be executed by the signers of the Bonds, dated as of the date of the Bonds, and incorporated by reference in the Bonds.

During the most recent five years, the Town has complied with the Rule regarding the timely provision of the Town's Annual Reports and Annual Comprehensive Financial Reports.

CUSIP IDENTIFICATION NUMBERS

CUSIP identification numbers will be printed on the Bonds. All expenses in relation to the printing, of CUSIP numbers on the Bonds will be paid for by the Town provided, however, that the Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATING

The Town has been assigned a AAA rating with a Stable Outlook on the Bonds from Standard and Poor's Global Ratings ("S&P"). The Town has furnished the rating agency certain information and materials, some of which may not have been included in this Official Statement. Generally, a rating agency bases any rating established by it on such information and materials and also on such investigation, studies and assumptions as it may undertake. The rating reflects only the views of the rating agency, in this case S&P, which is published at such time as the rating is assigned and is subject to withdrawal or revision, which could affect the market price of the Bonds. S&P should be contacted directly for its rating on the Bonds and for its explanation of its rating. A rating is not a recommendation to buy, sell or hold the Bonds or to oppose any such acts.

MUNICIPAL ADVISOR

Northeast Municipal Advisors, LLC has acted as Municipal Advisor to the Town of York, Maine with respect to the issuance of the Bonds pursuant to Municipal Securities Rulemaking Board Rule G-23. Northeast Municipal Advisors, LLC **will not** submit a bid for, or participate in any underwriting of, the Bonds.

LEGAL MATTERS

Legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Bernstein, Shur, Sawyer and Nelson of Portland, Maine, Bond Counsel to the Town and their approving opinion will be delivered with the Bonds in substantially the form attached hereto as APPENDIX B – "PROPOSED FORM OF LEGAL OPINION".

STATUTORY REFERENCES

All quotations from and summaries and explanations of laws herein do not purport to be complete, and reference is made to said laws for full and complete statements of their provisions.

CONDITIONS PRECEDENT TO DELIVERY

The following, among, other things, are conditions precedent to the delivery of the Bonds to the Underwriter thereof:

LITIGATION

Upon delivery of the Bonds, the Town shall deliver or cause to be delivered a certificate of the Treasurer, and attested to by the Town Clerk, dated the date of delivery, to the effect that there is no litigation pending or, to the knowledge of such officers, threatened, affecting the validity of the Bonds or the power of the Town to levy and collect taxes to pay them, and that neither the corporate existence of the Town, nor the title of any of said officers to their respective offices, is being, contested.

APPROVAL OF LEGALITY

The legality of the Bonds will be approved by Bernstein, Shur, Sawyer and Nelson of Portland, Maine, Bond Counsel. The approving opinion of such counsel with respect to the Bonds will be delivered at the time of original delivery of the Bonds and a copy of the opinion will be provided to the Underwriter. Bond Counsel are not passing upon and do not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as their opinion) and make no representations that they have independently verified the same. See also APPENDIX B - "PROPOSED FORM OF LEGAL OPINION" herein.

CERTIFICATE WITH RESPECT TO OFFICIAL STATEMENT

At the time of the original delivery of and payment for the Bonds, the Town will deliver a certificate of the Treasurer addressed to the Underwriter of the Bonds, to the effect that the Treasurer has examined this Official Statement and the financial and other data contained therein and that, to the best of the Treasurer's knowledge and belief, both as of its date and as of the date of delivery of the Bonds, the Official Statement does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from the sources other than the Town is not guaranteed as to accuracy, completeness or fairness, the Treasurer has no reason to believe that such information is materially inaccurate or misleading.

CERTIFICATE WITH RESPECT TO TREASURER

At the time of the original delivery of and payment for the Bonds, the Town will deliver a certificate of the Treasurer of the Town which certifies that no agreements under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality nor any municipal development districts under Title 30-A, Chapter 207 of the Maine Revised Statutes, as amended, now exist.

APPENDIX A

TOWN OF YORK, MAINE

**ANNUAL AUDITED
FINANCIAL REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2023**

[This page left intentionally blank.]

TOWN OF YORK, MAINE

Annual Financial Report

For the Fiscal Year Ended June 30, 2023

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

Table of Contents

	<u>Statement</u>	<u>Page</u>
Independent Auditor's Report		1-3
Management's Discussion and Analysis		4-13
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	1	17
Statement of Activities	2	18
Fund Financial Statements:		
Balance Sheet - Governmental Funds	3	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	4	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5	21
Statement of Net Position - Proprietary Funds	6	22
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	7	23
Statement of Cash Flows - Proprietary Funds	8	24
Statement of Fiduciary Net Position - Fiduciary Funds	9	25
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	10	26
Notes to Basic Financial Statements		27-55
Required Supplementary Information		56-61
Notes to Required Supplementary Information		62-63
Combining and Individual Fund Financial Statements and Schedules:	<u>Exhibit</u>	<u>Page</u>
General Fund:		
Comparative Balance Sheets	A - 1	67
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	A - 2	68-70
Capital Project Funds:		
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	B	73
Other Governmental Funds:		
Combining Balance Sheet	C - 1	77
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	C - 2	78
Nonmajor Special Revenue Funds - Town Programs:		
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	D	81
Nonmajor Proprietary Funds:		
Combining Statement of Net Position	E - 1	85
Combining Statement of Revenues, Expenses, and Changes in Net Position	E - 2	86
	<u>Schedule</u>	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund Reserves	1	89

Independent Auditor's Report

Selectboard
Town of York, Maine

Report on the Audit of the Financial Statements

Opinions

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 York, Maine as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of York, Maine's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of York, Maine, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison for the General Fund, and the schedules related to the net pension liabilities and OPEB liabilities, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of York, Maine's basic financial statements. The combining and individual fund financial statements and schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2024, on our consideration of the Town of York, 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 York, 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 York, Maine's internal control over financial reporting and compliance.



February 7, 2024
South Portland, Maine

TOWN OF YORK, MAINE
Management's Discussion and Analysis
June 30, 2023

Our discussion and analysis of the Town of York, Maine's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2023. Please read it in conjunction with the Town's financial statements, which begin on page 17.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 17 and 18) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 19. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

REPORTING THE TOWN AS A WHOLE

The Statement of Net Position and the Statement of Activities

Our analysis of the Town as a whole begins on page 17. One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in it. You can think of the Town's net position - the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources - as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's infrastructure, to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

Governmental activities - Most of the Town's basic services are reported here, including the police, fire, general administration, roads, parks, and beaches. Property taxes, auto excise taxes, franchise fees, fines, parking revenues, state revenue sharing, and state and federal grants finance most of these activities.

Business-type activities - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Recreation, Sohier Park, Center for Active Living (formerly Senior Center), Mt. Agamenticus, Goodrich Park, and Outside Duty activities are reported here.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

REPORTING THE TOWN'S MOST SIGNIFICANT FUND FINANCIAL STATEMENTS

Our analysis of the Town's major funds begins on page 19. The fund financial statements provide detailed information about the most significant funds - not the Town as a whole.

Some funds are required to be established by State law and by bond covenants. However, the Board of Selectmen establishes many other funds to help it control and manage money for particular purposes.

- **Governmental funds** - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation on page 21.

- **Proprietary funds** - When the Town charges customers for the services it provides, these services are generally 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 fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

Reporting the Town's Fiduciary Responsibilities

We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Governmental Activities

To aid in the understanding of the Statement of Activities, we have provided further explanation here. Of particular interest is the format that is significantly different from a typical Statement of Revenues, Expenditures, and Changes in Fund Balance. You will notice that expenses are listed in the first column, with revenues from that particular program reported to the right. The result is a net (expense)/revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

General Government	Charges for plumbing permits, shore land permits, cable TV franchise fees, gas tax refund, reimbursements, clerk fees, parking meter and permit receipts, parking ticket receipts and shellfish licenses.
Public Safety	Mooring receipts, police reports, dispatch services agreement with Ogunquit, PSAP (Public Safety Answering Point) fees from other surrounding towns, grants and dog license fees.
Public Works	Urban/Rural Initiative Program, FEMA reimbursements, other state grants to improve certain street intersections.
Recreation & Public Assistance	Recreation, General Assistance.
Education & Libraries	Food service, grants, state subsidy, library revenues.

THE TOWN AS A WHOLE

For the year ended June 30, 2023, net position changed as follows:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 42,507,527	33,496,095	2,409,742	2,130,196	44,917,269	35,626,291
Capital and other assets	<u>89,573,670</u>	<u>86,928,169</u>	<u>946,117</u>	<u>928,063</u>	<u>90,519,787</u>	<u>87,856,232</u>
Total assets	132,081,197	120,424,264	3,355,859	3,058,259	135,437,056	123,482,523
Deferred outflows of resources	<u>3,797,744</u>	<u>3,601,633</u>	-	-	<u>3,797,744</u>	<u>3,601,633</u>
Long-term liabilities	55,039,921	46,261,463	-	-	55,039,921	46,261,463
Other liabilities	<u>7,953,825</u>	<u>6,588,472</u>	<u>137,408</u>	<u>96,144</u>	<u>8,091,233</u>	<u>6,684,616</u>
Total liabilities	62,993,746	52,849,935	137,408	96,144	63,131,154	52,946,079
Deferred inflows of resources	<u>2,846,411</u>	<u>6,400,337</u>	<u>635,158</u>	<u>685,391</u>	<u>3,481,569</u>	<u>7,085,728</u>
Net investment in capital assets	52,955,493	50,159,383	946,117	928,063	53,901,610	51,087,446
Restricted	7,697,395	6,380,653	-	-	7,697,395	6,380,653
Unrestricted	<u>9,385,896</u>	<u>8,235,589</u>	<u>1,637,176</u>	<u>1,348,661</u>	<u>11,023,072</u>	<u>9,584,250</u>
Total Net Position	\$ 70,038,784	64,775,625	2,583,293	2,276,724	72,622,077	67,052,349

These numbers reflect an increase in net position of 8.13% percent for governmental activities and an increase of 13.47% for business-type activities (see page 22-24 for details).

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

Function/Program	Expenses		Revenues		Net Expenses	
	2023	2022	2023	2022	2023	2022
General Government	\$ 7,199,617	5,983,216	590,449	922,709	6,609,168	5,060,507
Public Safety	9,586,206	8,853,235	976,956	941,582	8,609,250	7,911,653
Public Works	7,337,895	7,167,912	1,882,388	692,273	5,455,507	6,475,639
Parks & Recreation	2,249,698	1,926,697	167,345	140,320	2,082,353	1,786,377
Public Assistance	132,064	104,225	25,111	8,259	106,953	95,966
Education & Libraries	43,955,416	40,904,561	9,475,812	8,784,259	34,479,604	32,120,302
Capital Maintenance	201,753	802,135	-	-	201,753	802,135
Interest on Long-Term Debt	566,800	2,136,661	-	-	566,800	2,136,661
Total Government Activities	\$ 71,229,449	67,878,642	13,118,061	11,489,402	58,111,388	56,389,240

The net expense is the financial burden that was placed on the taxpayers by each of these functions. Approximately \$13.1 million worth of activity was paid by grants, user fees, parking tickets and meter revenues and fees other than taxes.

Public Safety revenues derive from dispatching services provided to neighboring towns as well as public safety grants.

Rural roads subsidies and grants make up the bulk of the Public Works revenues, in addition to reimbursements for some paving projects, mostly from the local water and sewer districts.

General Government expenses increased by \$1.2 million primarily due to the increase in the Town's accrued OPEB liability, with its related deferred inflows and outflows of resources, the changes in which are recognized in current year expenses. In addition, there were increases in the county tax assessment and the accrual of sick and vacation time due to employees in future years.

Education and Libraries' share of expenses is still the largest percentage at 61.71%, followed by Public Safety at 13.46%, Public Works at 10.30%, and General Government at 10.11%.

By ordinance, building permit fees are used to greatly reduce the impact on taxpayers by the Community Development Department (Code, Planning, and Geographic Information Services). Several full-time positions in that department are funded by fees, saving taxpayers money, while delivering desired services in the area of inspections and GIS mapping and data collection.

THE TOWN'S FUNDS

The following schedule presents a summary of General Fund revenues for the fiscal year ended June 30, 2023 with a comparison to 2022:

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

Revenues	FY2023	Percent of	FY2022	Percent of
Taxes	\$ 59,777,685	82.88%	58,454,323	84.14%
Intergovernmental	8,485,502	11.77%	8,045,021	11.58%
Charges for Services	1,889,195	2.62%	1,556,008	2.24%
Licenses and Permits	417,082	0.58%	418,045	0.60%
Other	1,551,376	2.15%	997,637	1.44%
Total Revenues	\$ 72,120,840	100.00%	69,471,034	100.00%

Revenues from all sources increased 3.81% from the previous year. Tax revenues increased 2.26%. Intergovernmental increased by 5.48%.

The following schedule presents a summary of General Fund expenditures for the fiscal year ended June 30, 2023:

Expenditures	FY 2023	Percent of	FY 2022	Percent of
General Government	\$ 4,780,217	6.84%	4,560,986	6.87%
Public Safety	8,909,615	12.75%	8,236,244	12.41%
Public Works	5,789,070	8.28%	5,502,826	8.29%
Parks & Recreation	2,130,768	3.05%	1,805,581	2.72%
Public Assistance	132,064	0.19%	104,225	0.16%
Education & Library	37,659,128	53.89%	36,152,755	54.46%
Maine PERS on Behalf	3,289,437	4.71%	3,078,830	4.64%
County Tax	2,347,482	3.36%	2,304,540	3.47%
Unclassified	43,768	0.06%	275,085	0.41%
Capital Outlay	939,916	1.35%	286,797	0.43%
Interest on Long Term Debt	667,659	0.96%	616,942	0.93%
Principal Payments on LT				
Debt and Bond Costs	3,189,844	4.56%	3,462,833	5.22%
Total Expenditures	\$ 69,878,968	100.00%	66,387,644	100.00%

Overall, expenditures increased 5.3%. The General Government expenditures increase is typical of inflation and personnel-related cost increases. In addition, funding for Education and Library increased by 4.2%.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues were up overall compared to the prior fiscal year, with the largest increases in property taxes, state revenue sharing, and education subsidy. In total, revenues exceeded the budget by \$1.2 million as many revenues exceeded expectations.

Expenditures came in under budget primarily due to school department expenditures that were \$1,781,793 under budget primarily due to a special education expenditures that were well under budget. In addition, public safety, public works, general government, and unclassified expenditures were all under budget.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

The Town recorded an increase in fund balance of \$2,270,589, of which \$946,648 of the increase belonged to the School Department.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the Town had \$163,058,721 million invested in capital assets for its governmental activities and \$1,515,223 in business-type activities, including substantial funding for paving and construction of town roads. The usual additions included road construction projects, police vehicles and the plow truck fleet as well as design and installation of an improved seawall at Long Sands Beach.

With the assistance of a Capital Planning Committee, (which includes staff and board members), a five-year capital plan is revised annually as necessary and submitted to the Board of Selectmen for its approval and sent on to the voters at the Budget Referendum in May of each year. It has been established that the Town has focused on school buildings for the last twenty years and the municipal buildings are in need of attention. Projects on the five-year capital plan include a Town Hall addition and improvements, bridge replacement at the Chases Pond/Cape Neddick River overcrossing, a renovation of the Center for Active Living (formerly the Senior Center), and major drainage along with road construction.

This year's major additions included:

Dept	Category	Asset Name	Date Acquired	Cost
Public Works	Infrastructure	Connector Road and Intersection	05/31/21	\$2,821,450.03
Public Works	Infrastructure	Southside Road	11/30/22	550,000.00
Education	Land Improvements	YHS Tennis Courts	01/31/23	349,905.09
Public Works	Infrastructure	Woodbridge Road Sidewalks	08/31/21	143,257.43
Public Works	Infrastructure	Bell Marsh	08/31/22	125,000.00
Public Works	Vehicles	Upgrades - International HV507 Plow Truck	11/30/22	91,989.00
Public Works	Infrastructure	Mill Ln Stream Crossing #2	08/31/22	87,705.23
IT	Equipment	Upgrades to Library Broadcasting System	04/13/23	79,568.40
IT	Equipment	IT Upgrades	06/08/23	74,367.08
Public Works	Infrastructure	Mill Ln Stream Crossing #1	08/31/22	67,491.20
Public Safety	Vehicles	2023 F-250 Crew Cab	05/15/23	61,967.00
Public Safety	Vehicles	2023 Ford Explorer	06/02/23	58,085.00
Parks	Building Imps.	Improvements to Boat Ramp, Boat House, Nubble Stairs	09/22/22	53,555.00
Education	Equipment	CRES Intercom System	11/30/22	53,500.00

Long-term Obligations

The taxpayers approved all of the municipal and school projects put before them on the ballot.

At year-end, the Town had \$55,039,921 in outstanding debt and other liabilities, representing a net increase of \$9,135,913.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

Governmental Activities

	2023	2022
Bonds and Notes Payable	\$ 41,014,100	35,694,100
Premium on Bonds	2,020,400	1,877,935
Financed Purchases	2,021,464	2,260,471
Net Pension Liability (Asset)	3,179,967	(298,780)
Other Post-Employment Benefits	5,057,870	4,969,811
Accrued Compensated Absences	1,746,120	1,400,471
	\$ 55,039,921	45,904,008

Bonds Issued December 30, 2022

Town Hall Renovation	\$ 6,346,000
Long Beach Culvert	570,000
Seawall	1,300,000
Nubble Road	200,000
Berwick/Ogunquit Culvert	250,000
Trailer 25 Ton	40,000
Road & Sidewalk Paving	1,100,000
High St/Moulton Lane	200,000
Lindsay Road	75,000
Police Emergency Vehicle	55,000
	\$ 10,136,000

The bonds listed above are for new projects and are included in the total issuance of \$10,136,000.

Pursuant to GASB 75, actuaries have calculated the Town's liability with respect to Other Postemployment Benefits. The Town offers limited postemployment benefits, including life insurance (for Maine State Retirees) and the privilege of remaining on the Town's and School Department's health insurance plans. The Town and School Department do not fund this liability, but rather is on a pay-as-you-go basis.

Tax Increment Financing

A tax increment financing district in the York Beach area was established in 2006 with the tax increment to be used for the betterment of public infrastructure within the district. In FY10, the first year of the implementation, \$113,928 in new tax increment was collected and \$15,000 was expended in planning and design services. For FY11 through FY15, there was a reduction in valuation and no tax increment was generated, but approximately \$34,000 was expended on engineering and related expenses and \$30,000 was expended on infrastructure from the accumulated fund balance.

In FY16, \$1,824 in new tax increment was collected resulting in a fund balance of \$15,662. In FY17, there was a reduction in valuation and no tax increment was generated. In FY18, the tax increment generated totaled \$118,729. In FY20 through FY 23, no tax increment was generated.

Business-type Activities

The Town operates a number of enterprise funds, designed to be mostly self-sustaining through user fees and grants. All funds are designed to maintain some activity or capital assets and are not intended to amass large net position.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

Business-type Activities - Enterprise Funds

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Center for Active Living	Totals
Total operating revenues	\$ 600,814	104,024	855,601	203,428	6,239	73,245	1,843,351
Operating expenses:							
Cost of goods	-	3,859	384,753	-	-	43,878	432,490
Salaries and benefits	238,661	60,248	131,802	147,086	-	15,728	593,525
Training, meetings, and travel	6,371	146	1,111	-	-	2,765	10,393
Equipment and maintenance	2,619	2,450	5,101	2,759	1,122	6,764	20,815
Office expenses	25,805	2,621	6,112	-	-	14,432	48,970
Supplies	90,776	7,309	11,922	-	-	-	110,007
Contracts	160,072	12,866	23,055	-	2,700	10,373	209,066
Utilities	-	4,469	240	-	485	-	5,194
Fuel	-	-	-	-	-	2,682	2,682
Depreciation	1,765	-	17,369	-	-	-	19,134
Total operating expenses	526,069	93,968	581,465	149,845	4,307	96,622	1,452,276
Interest revenue	-	23,527	-	-	502	-	24,029
Transfers out	-	-	(108,535)	-	-	-	(108,535)
Change in net position	74,745	33,583	165,601	53,583	2,434	(23,377)	306,569
Total net position, beginning of year	612,425	50,391	1,428,380	86,565	20,445	78,518	2,276,724
Total net position, end of year	\$ 687,170	83,974	1,593,981	140,148	22,879	55,141	2,583,293

The Town's Enterprise Funds

The **Recreation Enterprise** is funded primarily by user fees with a heavy participation by sponsors, local businesses who sponsor teams participating in the various programs. With the exception of the 1.5 full time positions that are funded by the General Fund, this program is self-sustaining with respect to all the other costs such as instructors, coaches, supplies, and transportation.

It is the goal of the administration to make programs as affordable and accessible to as many citizens as are interested, made possible, in part by some generous donors who sponsor scholarships. The Recreation Department offers programs for all ages – children through senior citizens, including soccer, tai chi, photography, dance, and everything in between.

The **Mt. Agamenticus Enterprise Fund** was established to maintain the summit of Mt. Agamenticus which includes an education center in the lodge, viewing areas, trails, and grounds. Revenues are generated through tower rentals, donations, and viewer fees. Mount A's trails are for hikers, bikers, and other recreational activities such as snowshoeing. Select trails are open to equestrians and ATV riders.

The **Sohier Park Enterprise Fund** was established to maintain Sohier Park and the Cape Neddick Light Station viewable from the beaches (also known as the Nubble Lighthouse). The gift shop in the park sells trinkets and collectibles and generates sufficient revenue to maintain the park and make substantial repairs to the light station, the island, and Sohier Park.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

Net income from the Gift Shop receipts is transferred to a Sohier Park Maintenance Reserve Fund, which is responsible for the repairs and maintenance of the park and the Light Station. This important national landmark and nearby park are maintained with no taxpayer dollars except for capital improvements, which included a recent roof replacement for the light keeper's house.

Improved systems and focused management have resulted in substantial revenue increases, allowing for more funding of park improvements and maintenance.

The Grant House at Goodrich Park is a wonderful community building restored by a volunteer group. It currently houses the Parks and Recreation offices and is used by community groups for meetings. The revenue from the upstairs apartment offsets some of the costs of maintaining the Grant House and Barn.

An account for **Outside Duty** was established to handle the demand for police and fire services outside the normal responsibilities. Outside entities such as the water and sewer districts might hire an officer to handle traffic around the job site. Billing rates are set to cover the costs of the officer, some administration of the program and the use of a cruiser or fire truck, if necessary. The revenues generated by administration and vehicle usage are transferred to the public safety accounts, to offset those expenses.

The **Center for Active Living Enterprise Fund**, formerly **Senior Center Enterprise Fund** includes a Senior Transportation program which was established in 2004 in response to a need. The Town partially funded the program through tax appropriations and donations covered the rest. That program and its funding was eliminated, but there are trips offered to citizens and other smaller programs available that are funded by the user. A very generous donation was received in FY13 to cover a bus to provide transportation for many of the trips which makes a difference in what is offered and how it is funded.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The economy continues to be experiencing an upturn in terms of development. State funding has increased and returned to levels we saw in 2010-2012. York is not as susceptible to fluctuations as are some communities, but nevertheless, oil prices and other economic factors can have an impact on the Town's citizens. Balancing that concern with the need for major building and infrastructure improvements tasks the Town's management to be creative and frugal in its budgeting and proposals.

The Assessor continues to use his extensive resources to keep values within the 90-110% range as dictated by state statute. All classes of real estate remain strong and steady. Tourism continues to be a major industry in the Town of York.

TOWN OF YORK, MAINE
Management's Discussion and Analysis, Continued

Fiscal Year	Taxable Valuation	% Change in Valuation	Tax Rate/1000	% Change in Tax Rate	Annual Commitment	% Change in Annual Budget
2007	\$3,794,235,030	9.47%	\$8.14	-3.78%	\$30,736,026	4.82%
2008	\$3,988,361,710	5.12%	\$8.10	-0.49%	\$32,160,100	4.63%
2009	\$4,100,916,830	2.82%	\$8.26	1.98%	\$33,722,498	4.86%
2010	\$4,037,653,357	-1.54%	\$8.58	3.87%	\$34,485,161	2.26%
2011	\$3,967,061,240	-1.78%	\$9.10	6.06%	\$35,961,240	4.28%
2012	\$3,909,591,408	-1.45%	\$9.35	2.75%	\$36,406,723	1.24%
2013	\$3,849,714,344	-1.53%	\$9.96	6.52%	\$38,245,119	5.05%
2014	\$3,855,034,616	0.14%	\$10.43	4.72%	\$39,974,697	4.52%
2015	\$3,915,250,959	0.16%	\$10.70	2.59%	\$41,746,976	4.43%
2016	\$3,964,520,605	1.26%	\$11.00	2.80%	\$43,471,673	4.13%
2017	\$4,078,218,785	2.87%	\$11.15	1.36%	\$45,268,871	4.13%
2018	\$4,268,495,853	4.67%	\$10.95	-1.79%	\$46,474,724	2.66%
2019	\$4,414,502,840	3.31%	\$11.15	1.83%	\$49,221,706	5.92%
2020	\$4,589,610,340	3.82%	\$11.15	0.00%	\$51,174,155	3.97%
2021	\$4,796,904,610	4.52%	\$11.10	-0.45%	\$53,245,641	4.05%
2022	\$5,500,701,250	14.67%	\$9.95	-10.36%	\$54,731,977	2.80%
2023	\$6,565,682,310	19.36%	\$8.55	-14.07%	\$56,136,583	2.57%

Those closest to the water see that property valuation translates to larger tax bills, yet there are segments of the population for which tax bills decrease each year. After several years of declining total valuation, this year again shows some signs of recovery of values which had declined modestly compared to some areas of the country.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager's Office at 186 York Street, York, Maine, or by phone at (207) 363-1000.

[This page left intentionally blank.]

BASIC FINANCIAL STATEMENTS

[This page left intentionally blank.]

TOWN OF YORK, MAINE
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 40,981,556	1,200	40,982,756
Receivables:			
Accounts	969,274	64,675	1,033,949
Intergovernmental	498,109	-	498,109
Taxes	1,042,067	-	1,042,067
Leases	494,509	666,931	1,161,440
Prepaid expenses	33,731	319	34,050
Inventory	28,182	136,716	164,898
Internal balances	(1,539,901)	1,539,901	-
Capital assets not being depreciated	20,917,201	750,000	21,667,201
Capital assets being depreciated, net	68,656,469	196,117	68,852,586
Total assets	132,081,197	3,355,859	135,437,056
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	3,053,763	-	3,053,763
Deferred outflows of resources related to OPEB	743,981	-	743,981
Total deferred outflows of resources	3,797,744	-	3,797,744
LIABILITIES			
Accounts payable and other liabilities	4,047,390	112,241	4,159,631
Accrued payroll	2,861,766	25,167	2,886,933
Accrued interest	171,424	-	171,424
Unearned revenue	873,245	-	873,245
Noncurrent liabilities:			
Due within one year	3,098,099	-	3,098,099
Due in more than one year	51,941,822	-	51,941,822
Total liabilities	62,993,746	137,408	63,131,154
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	483,770	635,158	1,118,928
Deferred charge on refunding	673,277	-	673,277
Deferred inflows of resources related to pensions	1,332,133	-	1,332,133
Deferred inflows of resources related to OPEB	357,231	-	357,231
Total deferred inflows of resources	2,846,411	635,158	3,481,569
NET POSITION			
Net investment in capital assets	52,955,493	946,117	53,901,610
Restricted for:			
Permanent fund principal - nonexpendable	20,529	-	20,529
Permanent fund earnings - expendable	30	-	30
Education	7,504,886	-	7,504,886
Town programs	171,950	-	171,950
Unrestricted	9,385,896	1,637,176	11,023,072
Total net position	\$ 70,038,784	2,583,293	72,622,077

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Activities
For the year ended June 30, 2023

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total
					Governmental activities	Business-type activities	
Primary government:							
Governmental activities:							
General government	\$ 7,199,617	494,066	96,383	-	(6,609,168)	-	(6,609,168)
Public safety	9,586,206	941,162	35,794	-	(8,609,250)	-	(8,609,250)
Public works	7,337,895	1,079,614	-	802,774	(5,455,507)	-	(5,455,507)
Parks and recreation	2,249,698	166,945	400	-	(2,082,353)	-	(2,082,353)
Public assistance	132,064	-	25,111	-	(106,953)	-	(106,953)
Libraries	746,509	-	-	-	(746,509)	-	(746,509)
Education	43,208,907	547,303	8,928,509	-	(33,733,095)	-	(33,733,095)
Capital maintenance	201,753	-	-	-	(201,753)	-	(201,753)
Interest on debt	566,800	-	-	-	(566,800)	-	(566,800)
Total governmental activities	71,229,449	3,229,090	9,086,197	802,774	(58,111,388)	-	(58,111,388)
Business-type activities:							
Recreation	526,069	600,814	-	-	-	74,745	74,745
Mt. Agamenticus	93,968	52,025	51,999	-	-	10,056	10,056
Sohier Park	581,465	824,319	31,282	-	-	274,136	274,136
Outside Duty	149,845	203,428	-	-	-	53,583	53,583
Goodrich Park	4,307	6,239	-	-	-	1,932	1,932
Center for active living	96,622	68,923	4,322	-	-	(23,377)	(23,377)
Total business-type activities	1,452,276	1,755,748	87,603	-	-	391,075	391,075
Total primary government	\$ 72,681,725	4,984,838	9,173,800	802,774	(58,111,388)	391,075	(57,720,313)
General revenues:							
Property taxes, levied for general purposes					\$ 56,237,545	-	56,237,545
Motor vehicle excise taxes					3,990,265	-	3,990,265
Grants and contributions not restricted to specific programs:							
Homestead exemption					395,059	-	395,059
BETE reimbursements					51,840	-	51,840
State Revenue Sharing					1,396,150	-	1,396,150
Other governmental					169,834	-	169,834
Unrestricted investment earnings					899,561	24,029	923,590
Miscellaneous revenues					125,758	-	125,758
Transfers					108,535	(108,535)	-
Total general revenues and transfers					63,374,547	(84,506)	63,290,041
Change in net position					5,263,159	306,569	5,569,728
Net position - beginning					64,775,625	2,276,724	67,052,349
Net position - ending					\$ 70,038,784	2,583,293	72,622,077

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Balance Sheet
Governmental Funds
June 30, 2023

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 40,100,808	564,954	315,794	40,981,556
Receivables:				
Accounts	347,532	-	621,742	969,274
Intergovernmental	-	-	498,109	498,109
Taxes	1,042,067	-	-	1,042,067
Leases	494,509	-	-	494,509
Prepaid expenditures	33,731	-	-	33,731
Inventory	-	-	28,182	28,182
Interfund loans receivable	2,481,920	10,536,779	879,491	13,898,190
Total assets	44,500,567	11,101,733	2,343,318	57,945,618
LIABILITIES				
Accounts payable	1,687,180	1,301,655	121,542	3,110,377
Accrued payroll	2,789,466	-	72,300	2,861,766
Other liabilities	937,013	-	-	937,013
Interfund loans payable	15,222,385	-	215,706	15,438,091
Unearned revenue	-	-	873,245	873,245
Total liabilities	20,636,044	1,301,655	1,282,793	23,220,492
DEFERRED INFLOWS OF RESOURCES				
Related to leases	483,770	-	-	483,770
Unavailable revenue - property taxes	630,559	-	-	630,559
Total deferred inflows of resources	1,114,329	-	-	1,114,329
FUND BALANCES				
Nonspendable	33,731	-	48,711	82,442
Restricted	6,414,962	-	1,210,461	7,625,423
Committed	-	9,800,078	878,520	10,678,598
Assigned	2,923,796	-	-	2,923,796
Unassigned	13,377,705	-	(1,077,167)	12,300,538
Total fund balances	22,750,194	9,800,078	1,060,525	33,610,797
Total liabilities, deferred inflows of resources, and fund balances	\$ 44,500,567	11,101,733	2,343,318	

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.	89,573,670
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.	630,559
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	(41,014,100)
Financed purchases	(2,021,464)
Premium on bonds	(2,020,400)
Deferred charge on refunding	(673,277)
Accrued interest	(171,424)
Accrued compensated absences	(1,746,120)
Other post-employment benefits liability	(5,057,870)
Net pension liability	(3,179,967)
Deferred inflows and outflows of resources related to pensions	1,721,630
Deferred inflows and outflows of resources related to OPEB	386,750
	(53,776,242)
Net position of governmental activities	\$ 70,038,784

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2023

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 59,777,685	-	495,865	60,273,550
Licenses and permits	417,082	-	-	417,082
Intergovernmental	8,485,502	-	2,890,772	11,376,274
Charges for services	1,889,195	-	450,654	2,339,849
Donations	25,400	-	330,346	355,746
Interest income	898,955	-	606	899,561
Other	627,021	-	140,730	767,751
Total revenues	72,120,840	-	4,308,973	76,429,813
Expenditures:				
Current:				
General government	4,780,217	-	-	4,780,217
Public safety	8,909,615	-	35,794	8,945,409
Public works	5,789,070	-	105,122	5,894,192
Parks and recreation	2,130,768	-	-	2,130,768
Public assistance	132,064	-	-	132,064
Library	746,509	-	-	746,509
Education	36,912,619	-	3,082,680	39,995,299
County tax	2,347,482	-	-	2,347,482
MEPERS on behalf payments	3,289,437	-	-	3,289,437
Unclassified	43,768	-	24,855	68,623
Capital outlay	939,916	5,171,506	772,818	6,884,240
Debt service (excluding education debt):				
Bond issuance costs	45,000	45,755	-	90,755
Principal	3,144,844	-	-	3,144,844
Interest	667,659	149,828	-	817,487
Total expenditures	69,878,968	5,367,089	4,021,269	79,267,326
Excess (deficiency) of revenues over (under) expenditures	2,241,872	(5,367,089)	287,704	(2,837,513)
Other financing sources (uses):				
Bond proceeds	-	10,136,000	-	10,136,000
Premium on bond proceeds	-	283,716	-	283,716
Transfers in	128,890	-	100,173	229,063
Transfers out	(100,173)	-	(20,355)	(120,528)
Total other financing sources (uses)	28,717	10,419,716	79,818	10,528,251
Net change in fund balances	2,270,589	5,052,627	367,522	7,690,738
Fund balances, beginning of year	20,479,605	4,747,451	693,003	25,920,059
Fund balances, end of year	\$ 22,750,194	9,800,078	1,060,525	33,610,797

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2023

Net change in fund balances - total governmental funds (from Statement 4)	\$	7,690,738
<p>Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. These are the amounts related to capital assets:</p>		
Capital outlay	6,754,365	
Depreciation expense	(3,693,145)	
Net book value of disposed assets	(58,264)	3,002,956
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in unavailable tax revenues.</p>		
		(45,740)
<p>Expenses in the statement of activities that do not consume current financial resources are not reported as expenses in the funds. These are the changes in other liabilities:</p>		
Net pension liability	(3,478,747)	
Deferred inflows and outflows of resources related to the net pension liability	3,710,174	
Other post-employment benefits liability	(88,059)	
Deferred inflows and outflows of resource related to the net OPEB liability	(64,570)	
Accrued compensated absences	(345,649)	
Accrued interest payable	23,072	(243,779)
<p>The issuance of financed purchase agreements provide current financial resources to governmental funds, but financed purchases increases long-term liabilities in the statement of net position. Repayment of financed purchase 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 related to financed purchases:</p>		
Financed purchase principal payments	239,007	239,007
<p>The bond issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond 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:</p>		
Bond proceeds	(10,136,000)	
Premium on bond issuance	(283,716)	
Amortization of deferred charge on refunding	82,442	
Bond and note principal payments	4,816,000	
Amortization of bond premium	141,251	(5,380,023)
Change in net position of governmental activities (see Statement 2)		\$ 5,263,159

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2023

Business-type Activities - Enterprise Funds		Nonmajor Enterprise Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$	1,200
Accounts receivable		64,675
Inventory		136,716
Prepaid expenses		319
Interfund loan receivable		1,539,901
Total current assets		1,742,811
Noncurrent assets:		
Lease receivables		666,931
Land		750,000
Capital assets being depreciated		765,223
Accumulated depreciation		(569,106)
Total noncurrent assets		1,613,048
Total assets		3,355,859
LIABILITIES		
Accounts payable		112,241
Accrued payroll		25,167
Total liabilities		137,408
DEFERRED INFLOWS OF RESOURCES		
Related to leases		635,158
Total deferred inflows of resources		635,158
NET POSITION		
Net investment in capital assets		946,117
Unrestricted		1,637,176
Total net position	\$	2,583,293

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2023

Business-type Activities - Enterprise Funds		Nonmajor Enterprise Funds
Operating revenues:		
User fees	\$	801,696
Sponsorships and memberships		70,819
Gift shop sales		832,195
Rental income		50,288
Donations		88,353
Total operating revenues		1,843,351
Operating expenses:		
Cost of goods sold		432,490
Salaries and benefits		593,525
Training, meetings, and travel		10,393
Maintenance		20,815
Office expenses		48,970
Supplies		110,007
Contracts		209,066
Utilities		5,194
Fuel		2,682
Depreciation expense		19,134
Total operating expenses		1,452,276
Net operating income (loss)		391,075
Non-operating revenues (expense):		
Interest revenue		24,029
Total nonoperating revenues (expenses)		24,029
Net income (loss) before transfers		415,104
Transfers:		
Transfers out		(108,535)
Total transfers		(108,535)
Change in net position		306,569
Total net position, beginning of year		2,276,724
Total net position, end of year		\$ 2,583,293

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2023

Business-type Activities - Enterprise Funds		Nonmajor Enterprise Funds
Cash flows from operating activities:		
Receipts from customers and users	\$	1,848,722
Payments to suppliers		(882,465)
Payments to employees		(585,817)
Net cash provided by (used in) operating activities		380,440
Cash flows from capital and related financing:		
Purchase of capital assets		(37,188)
Net cash provided by (used in) capital financing activities		(37,188)
Cash flows from non-capital financing activities:		
Transfers to other funds		(108,535)
Increase in interfund loans		(260,428)
Interest on leases		24,029
Net cash provided by (used in) non-capital financing activities		(344,934)
Change in cash and cash equivalents		(1,682)
Cash and cash equivalents, beginning of year		2,882
Cash and cash equivalents, end of year	\$	1,200
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$	391,075
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense		19,134
Change in assets:		
Accounts receivable		(29,115)
Inventory		(26,171)
Lease receivable		34,486
Change in liabilities:		
Accounts payable		33,556
Accrued payroll		7,708
Deferred inflows related to leases		(50,233)
Net cash provided by (used in) operating activities		380,440

See accompanying notes to basic financial statements.

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

	Private- purpose Trust Funds	
	Larry A. D'Entremont Scholarship	York Mentor Scholarship
ASSETS		
Cash and cash equivalents	\$ 5,000	-
Total assets	5,000	-
LIABILITIES		
Accounts payable	-	-
Total liabilities	-	-
NET POSITION		
Restricted for individuals and organizations	\$ 5,000	-

TOWN OF YORK, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2023

	Private- purpose Trust Funds	
	Larry A. D'Entremont Scholarship	York Mentor Scholarship
Additions:		
Interest	\$ 1	-
Total additions	1	-
Deductions:		
Scholarships awarded	1,000	-
Other	-	9,097
Total deductions	1,000	9,097
Net increase (decrease) in fiduciary net position	(999)	(9,097)
Net position, beginning of year	5,999	9,097
Net position, end of year	\$ 5,000	-

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of York 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

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, there are no potential component units that should be included as part of this reporting entity.

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. 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. 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.

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.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 Capital Projects Fund accounts for the bond proceeds, bond premiums, and other revenues dedicated to capital projects and the acquisition of assets, as well as the related capital expenditures.

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.

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, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Cash Equivalents - 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.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Inventory - Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are generally recorded as expenditures when consumed rather than when purchased.

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 estimated acquisition cost at the date of donation. 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	15-20 years
Buildings and improvements	20-50 years
Equipment	3-15 years
Vehicles	3-15 years
Infrastructure	5-60 years

Deferred Outflows and Inflows of Resources - In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds report deferred inflow of resources related to leases and unavailable revenue from property taxes. The enterprise funds also report deferred inflows of resources related to leases. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The governmental activities have deferred outflows and inflows that relate to the deferred charge on refunding, the net pension liability, and OPEB liabilities, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the 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. The deferred charge on refunding resulted from the difference between the carrying value of refunding debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 on a pro-rated basis. Accumulated vacation and sick time has been recorded as a liability in the government-wide statements.

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 are capitalized and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

Leases - The Town of York is a lessor for non-cancellable leases for buildings, land, and communication tower space. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental and enterprise financial statements.

At the commencement of a lease, the Town of York initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The Town of York uses its estimate incremental borrowing rate as the discount rates for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town of York monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

TOWN OF YORK, 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 the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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.

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

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources 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 has 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 Town voters have the responsibility for committing fund balance amounts by vote and likewise would be required to modify or rescind those commitments by a similar vote. For assigned fund balance amounts, the Town Manager has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year end. The Selectboard approves the assigned amounts either before or after year end.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

Net Position - The net position amount represents the difference between assets, deferred outflows of resources, and 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 and capital 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, 2023:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets	\$ 163,058,721	1,515,223
Accumulated depreciation	(73,485,051)	(569,106)
Unspent bond proceeds	9,111,064	-
Unamortized bond premium	(2,020,400)	-
Deferred charge on refunding	(673,277)	-
Bonds and notes payable	(41,014,100)	-
Financed purchases	(2,021,464)	-
<u>Net investment in capital assets</u>	<u>\$ 52,955,493</u>	<u>946,117</u>

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 - Comparative data for the prior year have 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.

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

BUDGETARY VERSUS GAAP BASIS OF ACCOUNTING

As required by generally accepted accounting principles (GAAP), the Town has recorded a revenue and an expenditure for Maine Public Employees Retirement contributions made by the State of Maine on behalf of the School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$3,289,437. These amounts have been included as an intergovernmental revenue and as a retirement expenditure in the General Fund on Statement 4. There is no effect on the fund balance at the end of the year.

In addition, the Town did not budget for prepaid debt service expenditures and the activity in the reserve funds. The amounts have been shown as adjustments on the Required Supplementary Budget to Actual schedule and Exhibit A-2 to reconcile fund balance on the budgetary basis with fund balance on a GAAP basis. The prepaid debt service has been included in debt service expenditures on Statement 4. The reserve fund activity has been included in various General Fund revenues and expenditures on Statement 4.

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), except as noted above under “Budgetary versus GAAP Basis of Accounting”. The level of control (level at which expenditures may not exceed budget) is the Department, with the exception of the School Department, in which the level of control is at the cost center. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. The Town Manager is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter the total expenditures must be approved by the Selectboard. 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. Deficit Fund Balances

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

Town programs:		School special revenues:	
FEMA 4367 spring grant	\$ 916,262	CRF #2	55
Mill Ln stream crossing #1	67,491	Adult Ed Connect ME grant	91
Mill Ln stream crossing #2	87,705	Unified sports grant	2,513
Vaccine clinic	3,050		

Future revenues or transfers from the General fund will cover these deficits.

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

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

C. Excess of Expenditures over Appropriations

For the year ended June 30, 2023, expenditures exceeded appropriations in the following areas:

Fire department	\$ 9,724	Short Sands Park	22,219
Center for active living	13,555	Debt service	150,172
Veteran affairs	118		
Education:			
System administration	29,504		
School administration	20,267		
Transportation	59,220		

Expenditures in excess of appropriations will lapse to fund balance.

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, 2023, the Town had bank balances of \$41,713,450. None of the Town's bank balances were exposed to custodial credit risk as they were covered by FDIC or additional insurance purchased on behalf of the Town by the respective banking institutions.

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. Each property must be reviewed no less than once every four years.

Property taxes were levied August 16, 2022 on the assessed values of real property as of April 1, 2022. This assessed value of \$6,565,682,310 was 100% of the estimated market value and 127% of the 2022 state valuation of \$5,164,400,000.

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 \$392,691 for the year ended June 30, 2023.

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.

Property taxes levied during the year ended were recorded as receivables at the time the levy was made. The receivables collected during the year ended 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 deferred inflows of resources.

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

PROPERTY TAX, CONTINUED

The following summarizes the periods ended June 30, 2023 and 2022 levies:

	<u>2023</u>	<u>2022</u>
Assessed value	\$ 6,565,682,310	5,500,701,250
Tax rate (per \$1,000)	8.55	9.95
Commitment	56,136,584	54,731,977
Supplemental taxes assessed	24,457	55,085
	56,161,041	54,787,062
Less:		
Collections and abatements	55,476,245	54,032,436
Receivable at June 30	\$ 684,796	754,626
Due date(s)	09/27/2022 02/04/2023	9/27/2021 02/04/2022
Interest rate charged on delinquent taxes	4.00%	6.00%
Collection rate	98.78%	98.62%

CAPITAL ASSETS

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

	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023
Governmental Activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 9,358,775	4,584,290	4,212,921	9,730,144
Land	11,187,057	-	-	11,187,057
Total capital assets not being depreciated	20,545,832	4,584,290	4,212,921	20,917,201
Capital assets being depreciated:				
Land improvements	1,295,114	349,905	-	1,645,019
Buildings and improvements	64,996,438	88,844	-	65,085,282
Equipment	6,892,491	395,364	-	7,287,855
Vehicles	11,458,042	435,868	147,791	11,746,119
Infrastructure	51,264,230	5,113,015	-	56,377,245
Total capital assets being depreciated	135,906,315	6,382,996	147,791	142,141,520

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

CAPITAL ASSETS, CONTINUED

	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023
Governmental Activities:				
Less accumulated depreciation:				
Land improvements	\$ 415,014	73,503	-	488,517
Buildings and improvements	28,622,521	1,569,326	-	30,191,847
Equipment	4,770,181	267,287	-	5,037,468
Vehicles	7,934,207	644,328	89,527	8,489,008
Infrastructure	28,139,510	1,138,701	-	29,278,211
Total accumulated depreciation	69,881,433	3,693,145	89,527	73,485,051
Total capital assets being depreciated, net	66,024,882	2,689,851	58,264	68,656,469
Governmental activities capital assets, net	\$ 86,570,714	7,274,141	4,271,185	89,573,670

	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 750,000	-	-	750,000
Total capital assets not being depreciated	750,000	-	-	750,000
Capital assets being depreciated:				
Buildings and improvements	645,559	10,093	-	655,652
Equipment	-	21,900	-	21,900
Vehicles	82,476	5,195	-	87,671
Total capital assets being depreciated	728,035	37,188	-	765,223
Less accumulated depreciation:				
Buildings and improvements	467,496	17,874	-	485,370
Equipment	-	740	-	740
Vehicles	82,476	520	-	82,996
Total accumulated depreciation	549,972	19,134	-	569,106
Total capital assets being depreciated, net	178,063	18,054	-	196,117
Business-type activities capital assets, net	\$ 928,063	18,054	-	946,117

Depreciation expense was charged as follows:

Governmental activities:	
General government	\$ 80,136
Public safety	582,533
Public works, including depreciation of general infrastructure assets	1,443,703
Parks and recreation	118,930
Education	1,467,843
Total depreciation expense – governmental activities	\$ 3,693,145

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

CAPITAL ASSETS, CONTINUED

Business-type activities:

Recreation	\$ 1,765
Sohier Park	17,369
Total depreciation expense – business-type activities	\$ 19,134

INTERFUND LOAN BALANCES/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 receivables, payables, at June 30, 2023 were as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>
General Fund	\$ 2,481,920	15,222,385
Capital Projects	10,536,779	-
Other Governmental Funds:		
Town programs	254,771	-
Adult education	26,170	-
School lunch	598,550	-
School special revenues fund	-	212,380
Clark Emerson permanent fund	-	3,326
Total Other Governmental Funds	879,491	215,706
Enterprise Funds:		
Recreation	711,276	-
Mt. Agamenticus	50,442	-
Sohier Park	609,177	-
Outside Duty	80,379	-
Goodrich Park	25,054	-
Center for active living	63,573	-
Total Enterprise Funds	1,539,901	-
Totals	\$ 15,438,091	15,438,091

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

	General Fund	Town Programs	School Special Revenue Funds	Clark Emerson Permanent Fund	Sohier Park Enterprise Fund	Total
\$	128,890	(20,000)	-	(355)	(108,535)	-
	(100,173)	99,367	806	-	-	-
\$	28,717	79,367	806	(355)	(108,535)	-

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

CHANGES IN LONG-TERM LIABILITIES

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

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
General obligation bonds	\$ 31,675,000	10,136,000	4,286,000	37,525,000	2,295,000
Notes payable	4,019,100	-	530,000	3,489,100	405,000
Premium on bonds	1,877,935	283,716	141,251	2,020,400	148,344
Financed purchases	2,260,471	-	239,007	2,021,464	249,755
Net pension liability (asset)	(298,780)	3,478,747	-	3,179,967	-
Other postemployment benefits	4,969,811	88,059	-	5,057,870	-
Accrued compensated absences	1,400,471	345,649	-	1,746,120	-
Total long-term liabilities	\$ 45,904,008	14,332,171	5,196,258	55,039,921	3,098,099

LONG-TERM DEBT

Bonds and Notes Payable

Bonds and notes payable at June 30, 2023 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>
Bonds and notes payable:					
Governmental activities:					
2010 Refunding Notes	\$ 8,624,500	7/1/2010	7/1/2030	2.0-3.8%	696,000
2013 Town and School Notes	3,644,100	8/1/2012	8/1/2033	1.0-2.4%	1,464,100
2014 Town and School Notes	2,574,000	11/1/2013	11/1/2033	2.0-4.10%	849,000
2015 Town and School Notes	1,085,000	2/1/2015	2/1/2035	2.0-3.25%	480,000
General Obligation Bonds	12,032,000	7/14/2016	10/1/2032	2.0-2.25%	7,650,000
General Obligation Bonds	5,738,000	8/10/2017	8/1/2037	2.0-3.0%	2,310,000
General Obligation Bonds	3,233,000	12/12/2018	8/1/2033	3.0%	1,775,000
General Obligation and Refunding Bonds	5,061,000	12/30/2019	8/1/2039	2.0-2.5%	3,860,000
General Obligation Bonds Series A	3,456,000	12/14/2020	10/1/2040	1.0-2.0%	2,755,000
General Obligation Bonds Series B	1,200,000	12/14/2020	10/1/2040	2.0-2.25%	1,080,000
General Obligation Bonds	4,432,000	09/01/2021	07/01/2036	2.0-5.0%	3,570,000
2021 Refunding Bonds	6,640,000	09/01/2021	07/01/2036	2.0-5.0%	4,990,000
General Obligation Bonds	10,136,000	12/30/2022	07/01/2042	3.0-4.0%	9,535,000

Total governmental activities bonds payable **\$ 41,014,100**

Financed purchases:

Governmental activities:

School energy improvements	\$ 1,288,466	3/11/2013	3/21/2029	4.88%	552,727
School Honeywell improvements	1,198,024	9/11/2014	3/11/2030	3.37%	613,368
School energy upgrades	1,436,052	9/11/2013	3/11/2031	5.36%	855,369

Total governmental activities financed purchases **\$ 2,021,464**

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

LONG-TERM DEBT, CONTINUED

Financed purchases are secured by the underlying assets in the agreements.

In accordance with 30 MRSA, Section 5061, as amended, 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, 2023, the Town's outstanding debt did not exceed these limits.

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

	Bonds and Notes		Financed Purchases	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 2,700,000	773,503	249,755	91,663
2025	4,305,000	1,017,644	260,916	80,158
2026	4,185,000	889,394	272,510	68,121
2027	4,040,000	764,091	284,547	55,531
2028	3,775,000	654,987	297,052	42,366
2029-2033	14,895,100	1,917,312	656,684	47,978
2034-2038	4,724,000	772,334	-	-
2039-2043	2,390,000	204,450	-	-
Totals	\$ 41,014,100	6,993,715	2,021,464	385,817

LEASES

The Town is currently in the extension phase of leases related to space for communication equipment on its Mt. Agamenticus fire tower, a Town-owned building on Main Street, and a communication site ground lease on Mt. Agamenticus. The Town also has a lease for a communication facility on Longbeach Avenue, a lease for office space in a Town-owned building on Route One, and an apartment lease at Goodrich Park. The leases have varying monthly payments.

The Town of York recognized the following amounts in the current fiscal year related to these leases:

	Lease revenue	Interest revenue	Receivable	Deferred inflow	Remaining terms
Mt. A enterprise fund	\$ 44,049	23,527	656,628	622,680	2, 3, and 15 years
Goodrich Park enterprise fund	6,239	502	10,303	12,478	2 years
General Fund	21,991	17,710	494,509	483,770	4, 15, and 18 years

The deferred inflows of resources related to these leases will be recognized as revenue over the lease term.

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

COMMITMENTS AND CONTINGENCIES

As of June 30, 2023, the Town has commitments for various, ongoing construction projects, including the reconstruction of various roads, the renovation of town hall, the ongoing improvements at Mt. Agamenticus, and various building improvements.

The York Town and School Department participate in a number of federally assisted grant programs. Although the programs have been audited in compliance with the Single Audit Act, as amended, these programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for, or including, the year ended June 30, 2023, have not yet been completed. Accordingly, the York Town and School Department's compliance with applicable grant requirements will be established at some future date. The amount, if any, of the expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Department expects such amounts, if any, to be immaterial.

FUND BALANCE

At June 30, 2023, portions of the Governmental Funds fund balances consisted of the following:

	General <u>Fund</u>	Capital <u>Projects</u>	Other Governmental <u>Funds</u>
Nonspendable:			
Prepaid expenditures	\$ 33,731	-	-
School lunch inventory	-	-	28,182
Permanent fund principal	-	-	20,529
Total nonspendable	33,731	-	48,711
Restricted:			
School general fund (excluding prepaids)	5,959,773	-	-
School department capital reserves	455,189	-	-
School lunch program	-	-	612,490
School special revenues (grants and donations)	-	-	111,545
Adult education grants	-	-	35,697
Student activity funds	-	-	278,749
Town programs	-	-	171,950
Permanent fund income	-	-	30
Total restricted	6,414,962	-	1,210,461
Committed:			
Adult education general program	-	-	4,118
Town and school projects	-	9,800,078	-
Town programs	-	-	874,402
Total committed	-	9,800,078	878,520

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

FUND BALANCE, CONTINUED

Assigned:

Town budget carry forwards:

Public safety:

YBFD engine 1 refurbishment \$ 60,000 - -

Public Works

Design Charette - Gerod 125,000 - -

General government:

IT network upgrades 64,865 - -

Contingency 200,000 - -

Town reserves:

General government:

Accounting software 258,981 - -

National opioid settlement 169,834 - -

CEO 1,299,449 - -

Academic reimbursement 15,270 - -

L. Dodge donation 25,000 - -

Sustainability 9,919 - -

Comp & climate action plan 1,564 - -

Unemployment 24,062 - -

Public safety:

Animal welfare 22,916 - -

Fire dept. facilitation 13,993 - -

Public works:

Long sands beach 5,200 - -

Building 213,297 - -

Sewer project 30,000 - -

Capital equipment 37,953 - -

Chase pond/CN river bridge design 150,000 - -

36 Main St. planning/design 65,000 - -

Mt. A. surveying 8,024 - -

LS Bathhouse fundraising 21,251 - -

Hoist repair 14,909 - -

Sohier Park Building 65,980 - -

Construction settlement 21,329 - -

Total assigned 2,923,796 - -

Unassigned 13,377,705 - (1,077,167)

Total fund balance \$ 22,750,194 9,800,078 1,060,525

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

TAX INCREMENT FINANCING DISTRICT

Under Maine law, the Town has established a Tax Increment Financing District (TIF) to finance improvements within the Town of York. The District specifically encompasses the downtown residential and commercial areas of York Beach, as well as the surrounding open areas. The purpose of the District is to fund certain improvements to the York Beach area, including drainage and flood control infrastructure, sidewalk improvements, and area traffic designs. TIF improvements are to be funded through a combination of municipal bonds, federal grants, and the incremental value multiplied by the tax rate. The incremental value is determined by the increase in the TIF district valuation over the prior fiscal year as a percentage of the prior year valuation, reduced by the total increase in valuation of the entire Town as a percentage of the Town's prior year valuation. For the year ended June 30, 2023, there were no taxes raised and there were no TIF related expenditures.

NET PENSION LIABILITY (ASSET)

General Information about the Pension Plan

The Town contributes to two defined benefit pension plans, (1) the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and (2) the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan). As of the year ended June 30, 2023, the Town had the following balances reported in the government-wide financial statements:

	Net Pension <u>Liability (Asset)</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Pension <u>Expense</u> (Gain)
PLD Plan	\$ 3,035,871	2,333,127	1,274,172	876,888
SET Plan	144,096	720,636	57,961	3,208,954
Total	\$ 3,179,967	3,053,763	1,332,133	4,085,842

Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at www.maineopers.org.

Benefits Provided - The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2015). For SET members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

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

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

NET PENSION LIABILITY (ASSET), CONTINUED

PLD Plan - Employees are required to contribute a percentage of their annual pay, and the Town has contractually required contribution rates that are percentages of annual payroll. In total, contributions to the pension plan for the year ended June 30, 2023 were \$1,080,884 and contribution rates were as follows:

MEPERS Plan	Employer Rate	Employee Rate
AC Plan	10.2%	7.6% (6.85% age 65)
2C Plan	11.4%	8.2%
3C Plan	13.4%	9.7%
Retirees	5.0%	0.0%

SET Plan - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2023, was 18.13% of annual payroll of which 3.84% of payroll was required from the Town and 14.29% was required from the State. Contributions to the pension plan from the Town were \$685,478 for the year ended June 30, 2023.

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

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

PLD Plan - At June 30, 2023, the Town reported a liability of \$3,035,871 for its proportionate share of the net pension liability. At June 30, 2021, the Town's proportion of the PLD Plan was 1.1420%.

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

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

Town's proportionate share of the net pension liability	\$ 144,096
State's proportionate share of the net pension liability associated with the Town	18,114,045
Total	\$ 18,258,141

At June 30, 2023, the Town's proportion of the SETP Plan was 0.0097%.

For the year ended June 30, 2023, the Town recognized pension expense of \$876,888 for the PLD Plan and a pension expense of \$3,208,954 for the SET Plan with revenue of \$2,550,907 for support provided by the State.

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

NET PENSION LIABILITY (ASSET), CONTINUED

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

	<u>PLD Plan</u>		<u>SET Plan</u>	
	<u>Deferred Outflows of resources</u>	<u>Deferred inflows of resources</u>	<u>Deferred Outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 564,197	-	7,178	-
Changes of assumptions	616,177	-	27,980	-
Net difference between projected and actual earnings on pension plan investments	-	1,274,172	-	28,380
Changes in proportion and differences between Town contributions and proportionate share of contributions	71,869	-	-	29,581
Town contributions subsequent to the measurement date	1,080,884	-	685,478	-
Total	\$ 2,333,127	1,274,172	720,636	57,961

\$1,080,884 and \$685,478 are reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>PLD Plan</u>	<u>SET Plan</u>
2024	\$ 427,001	(27,243)
2025	(255,808)	(1,588)
2026	(791,587)	(7,357)
2027	598,465	13,385

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

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

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

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

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

NET PENSION LIABILITY (ASSET), 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, 2021 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 assets:		
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 6.50% for the PLD Plan and the SET Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of the Town's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.50% for the PLD Plan and the SET Plan, 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 (5.50% for PLD Plan and the SET Plan) or 1 percentage-point higher (7.50% for PLD Plan and the SET Plan) than the current rate:

<u>PLD Plan</u>	1% Decrease <u>(5.50%)</u>	Current discount rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Town's proportionate share of the net pension liability (asset)	\$ 8,968,829	3,035,871	(1,867,929)
 <u>SET Plan</u>	 1% Decrease <u>(5.50%)</u>	 Current discount rate <u>(6.50%)</u>	 1% Increase <u>(7.50%)</u>
Town's proportionate share of the net pension liability	\$ 282,174	144,096	29,131

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

NET PENSION LIABILITY (ASSET), CONTINUED

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, 2023.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plans

The Town contributes to four post-employment defined benefit plans, (1) the Town's retiree health plan (Town Plan), (2) the Maine Public Employees Retirement System State Employee and Teacher Group Term Life Plan (School Life Plan), (3) the Maine Public Employees Retirement System Participating Local District Life Plan (Town Life Plan) and (4) the School Department's retiree health plan (School Plan). As of the year ended June 30, 2023, the Town had the following balances reported in the government-wide financial statements:

	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB (Gain) Expense
Town Health Plan	\$ 1,437,827	174,985	316,653	56,958
School Life Insurance Plan	-	-	-	-
Town Life Insurance Plan	177,106	45,128	40,578	(17,419)
School Health Plan	3,442,937	523,868	-	206,520
Total	\$ 5,057,870	743,981	357,231	246,059

OTHER POST-EMPLOYMENT BENEFITS - TOWN HEALTH INSURANCE

General Information about the OPEB Plan

Plan Description - The Town sponsors a post-employment benefit plan providing health insurance to retiring employees (hereafter referred to as the Health Plan). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The Town Council has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided – Retirees with a minimum of age 55 and 5 years of service at retirement are eligible for postretirement health insurance benefits. Eligible retirees are required to pay 100% of health insurance premiums to receive health benefit coverage and therefore, the Town makes no actual contributions.

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

Inactive employees or beneficiaries currently receiving benefits	17
Inactive employee entitled to but not yet receiving benefits	-
Active employees	76
Total	<u>93</u>

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

OTHER POST-EMPLOYMENT BENEFITS - TOWN HEALTH INSURANCE, CONTINUED

Contributions - Eligible retirees are required to pay 100% of health insurance premiums to receive health benefit coverage and therefore, the Town makes no actual contributions.

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

The Town's total Health Plan OPEB liability of \$1,437,827 was measured as of January 1, 2023, and was determined by an actuarial valuation roll forward as of January 1, 2022.

Changes in the Total Health Plan OPEB Liability

		Total OPEB Liability
Balance at June 30, 2022	\$	1,598,159
Changes for the year:		
Service cost		40,421
Interest		33,090
Changes of benefit terms		-
Differences between expected and actual experience		-
Changes in assumptions or other inputs		(169,006)
Benefit payments		<u>(64,837)</u>
Net changes		<u>(160,332)</u>
Balance at June 30, 2023	\$	<u><u>1,437,827</u></u>

Change in assumptions reflects a change in the discount rate from 2.06% to 3.72%, as well as the change in ultimate medical trends to align with the higher inflation environment.

For the year ended June 30, 2023, the Town recognized an OPEB expense of \$56,958 related to the Town Health Plan. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to the Health Plan from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	-	316,653
Changes of assumption or other inputs		147,545	-
Contributions subsequent to the measurement date		27,440	-
Total	\$	<u>174,985</u>	<u>316,653</u>

\$27,440 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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

OTHER POST-EMPLOYMENT BENEFITS - TOWN HEALTH INSURANCE, CONTINUED

Year ended June 30:	
2024	\$ 15,867
2025	(9,699)
2026	8,271
2027	8,266
2028	(34,091)
Thereafter	(157,722)

The total OPEB liability in the January 1, 2023 roll forward of the actuarial valuation for the Town Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% per annum
Salary increases	2.75% per annum
Discount rate	3.72%
Healthcare cost trend rates – non-Medicare	8.35% for 2023, decreasing to 4.55% for 2043
Healthcare cost trend rates - Medicare	9.20% for 2023, decreasing to 4.55% for 2043
Retirees’ share of the benefit related costs	100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females.

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

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

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

	1% Decrease (2.72%)	Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB liability	\$ 1,659,144	1,437,827	1,257,093

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 1,233,385	1,437,827	1,697,387

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

OTHER POST-EMPLOYMENT BENEFITS - SCHOOL HEALTH INSURANCE

General Information about the OPEB Plan

Plan Description - The School Department sponsors a post-employment benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (MEABT). The State Legislature has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

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

Employees Covered by Benefit Terms – At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	87
Inactive employee entitled to but not yet receiving benefits	-
Active employees	<u>261</u>
Total	<u><u>348</u></u>

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

OTHER POST-EMPLOYMENT BENEFITS - SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED

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

The Town's total OPEB liability of \$3,442,937 was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

<i>Changes in the Total OPEB Liability</i>	
Balance at June 30, 2022	\$ 3,240,348
Changes for the year:	
Service cost	85,160
Interest	71,452
Changes of benefit terms	-
Differences between expected and actual experience	(15,682)
Changes in assumptions or other inputs	96,893
Benefit payments	(35,234)
Net changes	202,589
Balance at June 30, 2023	\$ 3,442,937

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

For the year ended June 30, 2023, the Town recognized an OPEB expense of \$206,520. At June 30, 2023, The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,003	-
Changes of assumption or other inputs	439,875	-
Town's contributions subsequent to measurement date	65,990	-
Total	\$ 523,868	-

\$65,990 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$85,042
2025	85,041
2026	105,768
2027	78,939
2028	78,936
Thereafter	24,152

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

OTHER POST-EMPLOYMENT BENEFITS - SCHOOL DEPARTMENT HEALTH INSURANCE, CONTINUED

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

Inflation	2.70%
Salary increases	2.75%
Discount rate	3.54% per annum
Healthcare cost trend rates - Pre-Medicare	7.96% for 2023 grading to 4.00% in 2043
Healthcare cost trend rates - Medicare	0.00% for 2023 grading to 4.29% in 2043
Retirees' share of the benefit related costs	45% of the blended premium rate with a State subsidy for the remaining 55% of the blended premium rate

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2015 through June 30, 2020.

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

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

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 4,079,988	3,442,937	2,934,189

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 2,890,005	3,442,937	4,151,332

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

OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE

Plan Description - The Town sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. For municipal employees and certain School Department employees, the Town participates in Group Life Insurance Plan for Participating Local District (PLD). Teachers also participate in the Group Term Life Insurance Plan for State Employees and Teachers (SET). Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MPERS issues a publicly available financial reports that are available at www.maineipers.org.

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

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

PLD OPEB Plan - The premiums are paid 100% by active and retired employees. The Town currently does not contribute to the premiums.

SET OPEB Plan - The State of Maine is required to remit the total dollar amount of each year's annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the Town were \$55,318 for the year ended June 30, 2023. Employers and employees are not required to contribute to the SET OPEB plan.

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

The net OPEB liability for both the PLD and SET OPEB plans was measured as of June 30, 2022, and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by actuarial valuations as of June 30, 2022. The Town's proportion of the net OPEB liabilities was based on a projection of the Town's long-term share of contributions to the PLD and SET OPEB plans relative to the projected contributions of all participating employers, actuarially determined.

PLD OPEB Plan - At June 30, 2023, the Town reported a liability of \$177,106 for its proportionate share of the net OPEB liability. At June 30, 2022, the Town's proportion was 1.2228%.

SET OPEB Plan - At June 30, 2023, the Town reported no liability related to the plan. The State of Maine's proportionate share of the net OPEB liability associated with the Town was \$446,114 as of June 30, 2023. At June 30, 2022, the Town's proportion was 0.00%.

For the year ended June 30, 2023, the Town recognized OPEB gain of \$17,419 for the PLD OPEB Plan. For the year ended June 30, 2023, the Town recognized OPEB expense and revenues of \$55,318 for support provided by the State related to the SET OPEB plan.

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

OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE, CONTINUED

At June 30, 2023, the Town reported no deferred outflows of resources nor deferred inflows of resources related to the SET OPEB plan. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	40,578
Differences between expected and actual experience	7,048	-
Net difference between projected and actual earnings on OPEB plan investments	15,312	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	22,768	-
Total	\$ 45,128	40,578

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2024	\$	(2,556)
2025		(7,364)
2026		(11,387)
2027		19,072
2028		8,274
Thereafter		(1,489)

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2020 actuarial valuations for both the PLD and SET OPEB plans was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

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

Mortality rates for both the PLD and SET OPEB plans were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table and the 2010 Public Plan Teacher Benefits – Weighted Healthy Retiree Mortality Table, for males and females.

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

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

OTHER POST-EMPLOYMENT BENEFITS - GROUP TERM LIFE, CONTINUED

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

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

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

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

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

	1% Decrease	Discount Rate	1% Increase
Net OPEB liability	\$ 240,375	177,106	126,308

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

DEFERRED COMPENSATION RETIREMENT PLANS

The Town offers its employees both a 401a deferred compensation plan and a plan created in accordance with Internal Revenue (IRC) Section 457. The plans permit 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.

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

DEFERRED COMPENSATION RETIREMENT PLANS, CONTINUED

For the 457 plan, employees hired prior to July 1, 2016, the Town's contribution to the plan equals 7.5% of the employee's salary. For employees hired on or after July 1, 2016, the Town's contributes to the plan on a 2-to-1 basis, up to 6% of the employee's salary. Employer contributions for the year ended June 30, 2023, 2022 and 2021 were \$71,633, \$112,460, and \$139,891, respectively. Additional employer contributions for the year ended June 30, 2023 made to the 401a plan were \$33,648, or 5 to 6% of the employees' wages.

The requirements of IRS Section 457(g) 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.

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 two public entity risk pools sponsored by the Maine Municipal Association. Based on the coverage provided by these pools, as well as certain coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2023.

TOWN OF YORK, MAINE
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2023

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes	\$ 59,871,719	59,871,719	59,777,685	(94,034)
Licenses and permits	397,500	397,500	417,082	19,582
Intergovernmental	4,651,488	4,651,488	5,196,065	544,577
Charges for services	973,205	973,205	939,114	(34,091)
Other	645,245	645,245	1,355,062	709,817
Total revenues	66,539,157	66,539,157	67,685,008	1,145,851
Expenditures:				
Current:				
General government	4,899,078	4,899,078	4,637,748	261,330
Public safety	8,963,337	8,963,337	8,905,710	57,627
Public works	5,790,758	5,790,758	5,789,070	1,688
Parks and recreation	1,967,377	1,967,377	1,999,899	(32,522)
Public assistance	192,050	192,050	132,064	59,986
Library	746,509	746,509	746,509	-
County tax	2,347,482	2,347,482	2,347,482	-
Unclassified	517,691	517,691	43,768	473,923
Education:				
Regular instruction	15,865,190	15,865,190	15,216,587	648,603
Special education instruction	7,373,455	7,373,455	6,318,349	1,055,106
Career and technical education	15,000	15,000	6,861	8,139
Other instruction	1,622,974	1,622,974	1,576,699	46,275
Student and staff support	3,514,439	3,514,439	3,471,154	43,285
System administration	1,372,487	1,372,487	1,401,991	(29,504)
School administration	1,725,102	1,725,102	1,745,369	(20,267)
Transportation	1,143,846	1,143,846	1,203,066	(59,220)
Facilities maintenance	4,064,801	4,064,801	3,982,932	81,869
Other	110,531	110,531	105,468	5,063
Debt service	1,886,587	1,886,587	1,884,143	2,444
Capital outlay	507,000	539,709	410,887	128,822
Debt service	2,999,126	2,999,126	3,104,298	(105,172)
Total expenditures	67,624,820	67,657,529	65,030,054	2,627,475
Excess (deficiency) of revenues over (under) expenditures				
	(1,085,663)	(1,118,372)	2,654,954	3,773,326
Other financing sources (uses):				
Carryforward balances	-	32,709	-	(32,709)
Use of fund balance	522,663	522,663	-	(522,663)
Transfers in	625,000	625,000	438,355	(186,645)
Transfers out	(62,000)	(62,000)	(951,006)	(889,006)
Total other financing sources (uses)	1,085,663	1,118,372	(512,651)	(1,631,023)
Net change in fund balance - budgetary basis				
	-	-	2,142,303	2,142,303
Reconciliation to GAAP:				
Change in prepaid debt service			(753,205)	
Changes in school reserves			455,189	
Change in town reserves			426,302	
Net change in fund balance - GAAP basis				
			2,270,589	
Fund balance, beginning of year - GAAP basis				
			20,479,605	
Fund balance, end of year - GAAP basis				
	\$		22,750,194	

TOWN OF YORK, MAINE
Required Supplementary Information

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

Last 10 Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
PLD Plan									
Town's proportion of the net pension liability	\$ 1.1420%	-1.1123%	1.0982%	1.1360%	1.0872%	1.0702%	1.0929%	1.0595%	1.0357%
Town's proportionate share of the net pension liability (asset)	3,035,871	(357,455)	4,363,307	3,472,255	2,975,319	4,381,783	5,806,844	3,380,242	1,593,770
Town's covered payroll	7,997,706	6,881,798	6,433,670	6,299,922	5,931,411	5,877,542	5,649,002	5,418,940	4,980,213
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.96%	-5.19%	67.82%	55.12%	50.16%	74.55%	102.79%	62.38%	32.00%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.61%	88.27%	94.10%
SET Plan									
Town's proportion of the net pension liability	0.0097%	0.0069%	0.0175%	0.0117%	0.0119%	0.0142%	0.0142%	0.0137%	0.0231%
Town's proportionate share of the net pension liability	144,096	58,675	285,122	172,050	160,921	205,868	250,354	184,386	249,340
State's proportionate share of the net pension liability associated with the Town	18,114,045	10,544,519	20,459,655	18,638,047	17,469,365	18,297,994	22,407,172	16,261,976	12,749,997
Total	\$ 18,258,141	10,603,194	20,744,777	18,810,097	17,630,286	18,503,862	22,657,526	16,446,362	12,999,337
Town's covered payroll	\$ 17,441,098	16,999,713	16,477,972	16,358,370	16,053,899	15,406,345	15,055,238	13,967,493	13,478,770
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.83%	0.35%	1.73%	1.05%	1.00%	1.34%	1.66%	1.32%	1.85%
Plan fiduciary net position as a percentage of the total pension liability	85.79%	90.90%	81.03%	82.73%	82.90%	83.35%	76.21%	81.18%	83.19%

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

**Only nine years of information available.

TOWN OF YORK, MAINE
Required Supplementary Information, Continued

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

Last 10 Fiscal Years*

		<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
PLD Plan										
Contractually required contribution	\$	1,080,884	898,756	758,271	708,686	639,940	604,066	548,521	502,565	435,364
Contributions in relation to the contractually required contribution		<u>(1,080,884)</u>	<u>(898,756)</u>	<u>(758,271)</u>	<u>(708,686)</u>	<u>(639,940)</u>	<u>(604,066)</u>	<u>(548,521)</u>	<u>(502,565)</u>	<u>(435,364)</u>
Contribution deficiency (excess)	\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Town's covered payroll		9,802,258	7,997,706	6,881,798	6,433,670	6,299,922	5,931,411	5,877,542	5,649,002	5,418,940
Contributions as a percentage of covered payroll		11.03%	11.24%	11.02%	11.02%	10.16%	10.18%	9.33%	8.90%	8.03%
SET Plan										
Contractually required contribution		685,478	669,738	707,188	685,484	649,427	637,340	517,653	505,856	370,139
Contributions in relation to the contractually required contribution		<u>(685,478)</u>	<u>(669,738)</u>	<u>(707,188)</u>	<u>(685,484)</u>	<u>(649,427)</u>	<u>(637,340)</u>	<u>(517,653)</u>	<u>(505,856)</u>	<u>(370,139)</u>
Contribution deficiency (excess)	\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Town's covered payroll	\$	17,850,993	17,441,098	16,999,713	16,477,972	16,358,370	16,053,899	15,406,345	15,055,238	13,967,493
Contributions as a percentage of covered payroll		3.84%	3.84%	4.16%	4.16%	3.97%	3.97%	3.36%	3.36%	2.65%

* Only nine years of information available.

TOWN OF YORK, MAINE
Required Supplementary Information, Continued

Schedule of Changes in the Town's Total Health Plan OPEB Liability and Related Ratios

Last 10 Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service cost	\$ 40,421	39,019	33,149	20,820	24,061	20,621
Interest	33,090	40,333	49,262	60,539	54,645	52,340
Changes of benefit terms	-	-	-	(37,480)	-	-
Differences between expected and actual experience	-	(425,994)	-	31,334	-	59,333
Changes of assumptions or other inputs	(169,006)	125,592	102,786	307,573	(125,802)	119,631
Benefit payments	<u>(64,837)</u>	<u>(88,080)</u>	<u>(84,692)</u>	<u>(62,873)</u>	<u>(60,455)</u>	<u>(42,665)</u>
Net change in total OPEB Liability	(160,332)	(309,130)	100,505	319,913	(107,551)	209,260
Total OPEB liability - beginning	<u>1,598,159</u>	<u>1,907,289</u>	<u>1,806,784</u>	<u>1,486,871</u>	<u>1,594,422</u>	<u>1,385,162</u>
Total OPEB liability - ending	<u>\$ 1,437,827</u>	<u>1,598,159</u>	<u>1,907,289</u>	<u>1,806,784</u>	<u>1,486,871</u>	<u>1,594,422</u>
Covered-employee payroll	\$ 5,570,398	5,570,398	5,281,885	5,281,885	4,746,857	7,009,503
Total OPEB liability as a percent of covered-employee payroll	25.81%	28.69%	36.11%	34.21%	31.32%	22.75%

*Only six years of information available.

TOWN OF YORK, MAINE
Required Supplementary Information, Continued

Schedule of Changes in the School Department's Total Health Plan OPEB Liability and Related Ratios

	Last 10 Fiscal Years*				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability					
Service cost	\$ 85,160	75,008	28,024	22,881	25,113
Interest	71,452	259,434	102,651	103,915	99,534
Changes of benefit terms	-	-	(382,155)	-	-
Differences between expected and actual experience	(15,682)	-	(104,034)	-	-
Changes of assumptions or other inputs	96,793	31,021	407,193	187,809	(145,090)
Benefit payments	<u>(35,234)</u>	<u>(46,246)</u>	<u>(70,196)</u>	<u>(73,758)</u>	<u>(71,209)</u>
Net change in total OPEB Liability	202,489	319,217	(18,517)	240,847	(91,652)
Total OPEB liability - beginning	<u>3,240,348</u>	<u>2,921,131</u>	<u>2,939,648</u>	<u>2,698,801</u>	<u>2,790,453</u>
Total OPEB liability - ending	<u>\$ 3,442,837</u>	<u>3,240,348</u>	<u>2,921,131</u>	<u>2,939,648</u>	<u>2,698,801</u>
Covered-employee payroll	\$ 11,620,474	11,676,950	9,141,297	12,241,269	11,913,644
Total OPEB liability as a percent of covered-employee payroll	29.63%	27.75%	31.96%	24.01%	22.65%

*Only five years of information available.

TOWN OF YORK, MAINE
Required Supplementary Information, Continued

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

<u>PLD OPEB Plan</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	1.2228%	1.2718%	0.9844%	1.0907%	1.0523%	1.1032%
Town's proportionate share of the net OPEB liability	\$ 177,106	\$ 131,304	129,865	233,389	212,574	184,470
Town's covered-employee payroll	1,488,837	1,666,529	1,784,735	1,866,959	2,069,526	2,220,465
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	11.90%	7.88%	7.28%	12.50%	10.27%	8.31%
Plan fiduciary net position as a percentage of the total OPEB liability	55.88%	67.26%	55.40%	43.18%	43.92%	47.42%
<u>SET OPEB Plan</u>						
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	-	-	-	-	-	-
State's proportionate share of the net OPEB liability associated with the Town	446,114	236,145	473,219	437,290	425,494	386,468
Total	<u>\$ 446,114</u>	<u>\$ 236,145</u>	<u>\$ 473,219</u>	<u>\$ 437,290</u>	<u>425,494</u>	<u>386,468</u>
Plan fiduciary net position as a percentage of the total OPEB liability	52.39%	62.90%	49.51%	49.22%	48.04%	47.29%

** Only six years of information available.*

Amounts presented for each fiscal year were determined as of the end of the previous fiscal year.

TOWN OF YORK, MAINE
Notes to Required Supplementary Information

Net Pension Liability

Changes of Benefit Terms (Pension) - None

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

	<u>2022</u>	<u>2020</u>	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate - PLD	6.50%	6.750%	6.750%	6.875%	7.125%	7.250%
Discount rate - SET	6.50%	6.750%	6.750%	6.875%	7.125%	7.125%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%
Salary increases - PLD	2.75-11.48%	2.75% + merit	2.75-9.00%	2.75-9.00%	3.50-9.50%	3.50-9.50%
Salary increases - SET	2.80-13.03%	2.75% + merit	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%
Cost of living increases - PLD	1.91%	1.91%	1.91%	2.20%	2.55%	3.12%
Cost of living increases - SET	2.20%	2.20%	2.20%	2.20%	2.55%	2.55%

Mortality rates:

- 2015 RP2000 Combined Mortality Table projected forward to 2015 using Scale AA.
- 2016-2021 RP2014 Total Data Set Healthy Annuitant Mortality Table.
- 2022 PLD 2020 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table.
- 2022 SET 2020 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table.

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

TOWN OF YORK, MAINE
Notes to Required Supplementary Information, Continued

Net OPEB Liabilities - Group Term Life

Changes of Benefit Terms - None

Changes of Assumptions (OPEB)

<u>Discount Rate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
PLD Plan	6.50%	6.75%	4.98%	5.13%	5.41%
SET Plan	6.50%	6.75%	6.75%	6.75%	6.875%

Town Health Insurance OPEB Liability

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

Changes of Assumptions (OPEB – Health Insurance) - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Discount rate	3.72%	2.06%	2.12%	2.74%

School Department Health Insurance OPEB Liability

Changes of Benefit Terms (OPEB – Health Insurance):

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

	<u>2023</u>	<u>2022</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Discount rate	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%

For all OPEB Plans:

Mortality rates:

2017-2021	RP2014 Total Dataset Healthy Annuitant Mortality Table.
2022 School Health and Life Insurance	2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table.
2022 Town Health and Life Insurance	2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table.

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

[This page left intentionally blank.]

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

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.

TOWN OF YORK, MAINE
Comparative Balance Sheets
General Fund
June 30, 2023 and 2022

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 40,100,808	30,777,186
Receivables:		
Accounts	347,532	203,295
Intergovernmental		-
Taxes - current year	684,796	754,626
Taxes - prior years	88,363	80,855
Tax liens	244,061	292,977
Tax acquired property	24,847	24,847
Leases	494,509	513,596
Interfund	2,481,920	-
Prepaid expenditures	33,731	74,935
Total assets	44,500,567	32,722,317
LIABILITIES		
Accounts payable	1,687,180	1,401,990
Accrued payroll	2,789,466	2,322,314
Other liabilities	937,013	557,689
Interfund loans payable	15,222,385	6,778,659
Total liabilities	20,636,044	11,060,652
DEFERRED INFLOWS OF RESOURCES		
Related to leases	483,770	505,761
Unavailable revenue - property taxes	630,559	676,299
Total deferred inflows of resources	1,114,329	1,182,060
FUND BALANCE		
Nonspendable - Town	7,811	74,935
Nonspendable - School	25,920	-
Restricted - School Reserve	455,189	-
Restricted - School General Fund	5,959,773	5,468,970
Assigned	2,923,796	3,232,338
Unassigned	13,377,705	11,703,362
Total fund balance	22,750,194	20,479,605
Total liabilities, deferred inflows of resources, and fund balances	\$ 44,500,567	32,722,317

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

	Budget	Actual	Variance positive (negative)	2022 Actual
Revenues:				
Taxes:				
Property taxes	\$ 55,640,719	55,635,160	(5,559)	54,213,306
Supplemental taxes	-	24,457	24,457	55,085
Change in unavailable taxes	-	45,740	45,740	290,901
Excise taxes	4,231,000	3,990,265	(240,735)	3,851,886
Other	-	82,063	82,063	43,145
Total taxes	59,871,719	59,777,685	(94,034)	58,454,323
Licenses and permits:				
Town clerk fees	100,000	116,314	16,314	127,543
Plumbing permits	47,500	52,351	4,851	45,534
Parking stickers	200,000	197,135	(2,865)	199,097
Transfer station permits	50,000	47,013	(2,987)	42,781
Other permits and fees	-	4,269	4,269	3,090
Total licenses and permits	397,500	417,082	19,582	418,045
Intergovernmental:				
State Revenue Sharing	950,000	1,396,150	446,150	1,211,866
Homestead reimbursement	382,651	395,059	12,408	451,508
BETE reimbursement	51,722	51,840	118	91,050
General assistance reimbursement	49,000	2,765	(46,235)	8,259
Rural roads	240,000	239,564	(436)	240,884
Education subsidy	2,968,115	2,979,238	11,123	2,912,095
Other school intergovernmental	10,000	63,066	53,066	-
Other	-	68,383	68,383	50,529
Total intergovernmental	4,651,488	5,196,065	544,577	4,966,191
Charges for services:				
Parking ticket revenue	140,000	75,740	(64,260)	84,657
Meter collections	465,000	488,334	23,334	433,933
Police department fees	5,000	7,620	2,620	13,376
Ellis Park fees	144,726	166,945	22,219	140,320
Public safety answering point	168,279	168,279	-	159,041
Animal control officer registrations	15,000	4,054	(10,946)	4,278
Cell tower rental	16,200	1,728	(14,472)	8,692
School charges for services	19,000	26,414	7,414	23,948
Total charges for services	973,205	939,114	(34,091)	868,245
Other:				
Interest revenue	205,000	898,955	693,955	227,801
Board of Appeals	-	2,250	2,250	1,050
Cable TV	235,000	229,821	(5,179)	224,644
Other school department revenues	90,044	99,358	9,314	115,306
Sale of property	-	64,241	64,241	382,445
Miscellaneous	115,201	60,437	(54,764)	46,391
Total other	645,245	1,355,062	709,817	997,637
Total revenues	66,539,157	67,685,008	1,145,851	65,704,441

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

Art.		Budget	Actual	Variance positive (negative)	2022 Actual
Expenditures:					
Current:					
General government:					
4	Board of selectmen	\$ 39,634	40,794	(1,160)	45,238
4	Town manager	578,198	619,344	(41,146)	601,456
4	Finance	569,141	553,624	15,517	493,795
4	Assessing	370,867	314,774	56,093	322,979
4	Code enforcement	725,330	719,641	5,689	688,170
4	Planning	289,443	283,588	5,855	-
4	Town clerk/tax collector	399,693	385,602	14,091	360,841
4	Elections	44,989	46,658	(1,669)	35,578
5	Elected town clerk/tax collector	139,245	138,760	485	126,236
4	Town hall operations	222,200	273,086	(50,886)	255,334
4	Information technology	910,328	739,005	171,323	632,003
4	Insurance	406,100	456,217	(50,117)	386,920
4	Boards and committees	71,447	44,129	27,318	38,610
4	Cable TV	32,463	22,526	9,937	22,694
	Contingency	100,000	-	100,000	25,360
	Total general government	4,899,078	4,637,748	261,330	4,035,214
Public safety:					
6	Public safety services	6,236,985	6,177,890	59,095	5,855,086
7-8	Fire department	1,522,048	1,531,772	(9,724)	1,177,257
7	Ambulance	82,000	82,000	-	76,000
7	Hydrants	1,060,504	1,059,960	544	1,056,962
15	Public health	61,800	54,088	7,712	55,216
	Total public safety	8,963,337	8,905,710	57,627	8,220,521
Public works:					
9	Maintenance	4,005,766	4,002,264	3,502	3,835,743
9	Transfer station and disposal services	1,686,300	1,728,369	(42,069)	1,589,954
9	Parking management	98,692	58,437	40,255	76,911
	Total public works	5,790,758	5,789,070	1,688	5,502,608
Parks and recreation:					
11	Center for active living	402,202	415,757	(13,555)	308,031
14	Veteran affairs	10,000	10,118	(118)	9,428
12	Short Sands Park	85,415	107,634	(22,219)	82,914
10	Public buildings, grounds and recreation	1,469,760	1,466,390	3,370	1,309,050
	Total parks and recreation	1,967,377	1,999,899	(32,522)	1,709,423
Public assistance:					
16	General assistance	102,000	42,014	59,986	31,913
16	Social services	65,050	65,050	-	52,590
16	Property tax relief	25,000	25,000	-	19,722
	Total public assistance	192,050	132,064	59,986	104,225
13	Library	746,509	746,509	-	715,210
N/A	County tax	2,347,482	2,347,482	-	2,304,540
Unclassified:					
19	Policy items - green enterprise overlay	125,000	-	125,000	220,000
N/A	Overlay/abatements	392,691	43,768	348,923	55,085
	Total unclassified	517,691	43,768	473,923	275,085

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

Art.		Budget	Actual	Variance positive (negative)	2022 Actual
Expenditures, continued:					
Current:					
Education:					
	Regular instruction	\$ 15,865,190	15,216,587	648,603	14,762,971
	Special education instruction	7,373,455	6,318,349	1,055,106	6,186,922
	Career and technical education	15,000	6,861	8,139	5,402
	Other instruction	1,622,974	1,576,699	46,275	1,474,505
	Student and staff support	3,514,439	3,471,154	43,285	3,011,394
	System administration	1,372,487	1,401,991	(29,504)	1,297,537
	School administration	1,725,102	1,745,369	(20,267)	1,705,009
	Transportation	1,143,846	1,203,066	(59,220)	1,040,037
	Facilities maintenance	4,064,801	3,982,932	81,869	3,871,598
	Other	110,531	105,468	5,063	75,652
Debt service					
	Principal	1,579,119	1,576,479	2,640	1,485,344
	Interest	307,468	307,664	(196)	301,102
36	Total education	38,694,412	36,912,619	1,781,793	35,217,473
Capital outlay:					
47	YBF engine	60,000	-	60,000	-
46	Police vehicles	162,709	162,709	-	184,823
53-56	Other equipment and improvements	317,000	248,178	68,822	100,339
	Total capital outlay	539,709	410,887	128,822	285,162
Debt service:					
65	Bond issuance costs	45,000	45,000	-	23,906
18	Principal	2,537,115	2,537,115	-	2,735,656
18	Interest	417,011	522,183	(105,172)	476,846
	Total debt service	2,999,126	3,104,298	(105,172)	3,236,408
	Total expenditures	67,657,529	65,030,054	2,627,475	61,605,869
	Excess (deficiency) of revenues over (under) expenditures	(1,118,372)	2,654,954	3,773,326	4,098,572
Other financing sources (uses):					
	Carryforward balances	32,709	-	(32,709)	-
	Use of fund balance - school department	522,663	-	(522,663)	-
	Transfers in	625,000	438,355	(186,645)	644,645
	Transfers out	(62,000)	(951,006)	(889,006)	(331,308)
	Total other financing sources (uses)	1,118,372	(512,651)	(1,631,023)	313,337
	Net change in fund balance - budgetary basis	-	2,142,303	2,142,303	4,411,909
Reconciliation to GAAP:					
	Change in prepaid debt service		(753,205)		(1,063,439)
	Changes in school reserves		455,189		-
	Change in town reserves		426,302		(154,157)
	Net change in fund balance - GAAP basis		2,270,589		3,194,313
	Fund balance, beginning of year - GAAP basis		20,479,605		17,285,292
	Fund balance, end of year - GAAP basis	\$	22,750,194		20,479,605

CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities.

[This page left intentionally blank.]

TOWN OF YORK, MAINE
Capital Project Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For year ended June 30, 2023

	Balance beginning of year	Revenues		Expenditures			Balance end of year
		Bond Proceeds	Premium on Bonds	Capital Outlay	Other	Debt Service	
200 Capital improvements	\$ 570,557	-	283,716	-	45,755	119,504	689,014
201 Town hall renovation	-	6,346,000	-	1,045,515	-	-	5,300,485
202 Long Beach culvert	-	570,000	-	3,029	-	-	566,971
203 Seawall	-	1,300,000	-	729,270	-	-	570,730
204 Nubble Road	-	200,000	-	-	-	-	200,000
205 Berwick/Ogunquit culvert	-	250,000	-	-	-	-	250,000
206 Town-wide paving	-	1,100,000	-	820,985	-	-	279,015
207 Trailer 25 ton	-	40,000	-	32,527	-	-	7,473
208 High Street/Moulton Lane	-	200,000	-	78,211	-	-	121,789
209 Lindsay Road	-	75,000	-	56,000	-	-	19,000
210 PD emergency vehicle	-	55,000	-	55,000	-	-	-
227 Public safety building	14,953	-	-	-	-	-	14,953
236 Fuel facility	150,000	-	-	-	-	-	150,000
239 Old Gaol renovation	19,900	-	-	-	-	-	19,900
244 ADA school improvements	5,216	-	-	-	-	5,216	-
248 YHS tennis court	332,142	-	-	332,047	-	95	-
250 Village project	400,000	-	-	-	-	-	400,000
251 Patrol Plow Truck	105,501	-	-	91,989	-	-	13,512
256 Woodbridge Road Sidewalk	6,743	-	-	-	-	-	6,743
260 Parking & Restroom Mt A	1,173,706	-	-	821,435	-	-	352,271
262 2 Electric Cars	19,244	-	-	-	-	19,244	-
265 Roofing York High	71,150	-	-	-	-	-	71,150
270 2021 parks mower	1,961	-	-	-	-	1,961	-
271 YBF repairs	130,000	-	-	40,000	-	-	90,000
272 2021 paving	139,660	-	-	139,660	-	-	-
273 2021 seawall	274	-	-	274	-	-	-
274 2021 Nubble road	81,467	-	-	20,879	-	-	60,588
275 Other school projects	347,479	-	-	347,479	-	-	-
276 2021 culvert Mtn rd	250,000	-	-	93,137	-	-	156,863
277 2921 backhoe	23,000	-	-	22,292	-	708	-
278 2021 plow truck	180,000	-	-	-	-	-	180,000
279 2021 IT upgrades	109,418	-	-	109,418	-	-	-
280 2021 YSD LED lights	375,703	-	-	332,359	-	-	43,344
281 2021 YMS HVAC	236,277	-	-	-	-	-	236,277
282 2021 YMS gym steps	3,100	-	-	-	-	3,100	-
Total Capital Projects	\$ 4,747,451	10,136,000	283,716	5,171,506	45,755	149,828	9,800,078

[This page left intentionally blank.]

OTHER GOVERNMENTAL FUNDS

[This page left intentionally blank.]

TOWN OF YORK, MAINE
Other Governmental Funds
Combining Balance Sheet
June 30, 2023

	Special Revenue Funds					Clark	Total Other Governmental Funds
	Town Programs	Adult Education	School Lunch	School Special Revenues	Student Activity Funds	Emerson Permanent Fund	
ASSETS							
Cash and cash equivalents	\$ -	8,745	4,415	-	278,749	23,885	315,794
Accounts receivable	609,750	11,992	-	-	-	-	621,742
Intergovernmental	-	-	75,672	422,437	-	-	498,109
Inventory	-	-	28,182	-	-	-	28,182
Interfund loans receivable	254,771	26,170	598,550	-	-	-	879,491
Total assets	864,521	46,907	706,819	422,437	278,749	23,885	2,343,318
LIABILITIES AND FUND BALANCES (DEFICITS)							
Liabilities:							
Accounts payable	50,622	1,309	1,360	68,251	-	-	121,542
Accrued payroll	-	5,783	39,743	26,774	-	-	72,300
Interfund loans payable	-	-	-	212,380	-	3,326	215,706
Unearned revenue	842,055	-	25,044	6,146	-	-	873,245
Total liabilities	892,677	7,092	66,147	313,551	-	3,326	1,282,793
Fund balances (deficits):							
Nonspendable	-	-	28,182	-	-	20,529	48,711
Restricted	171,950	35,697	612,490	111,545	278,749	30	1,210,461
Committed	874,402	4,118	-	-	-	-	878,520
Unassigned	(1,074,508)	-	-	(2,659)	-	-	(1,077,167)
Total fund balances (deficits)	(28,156)	39,815	640,672	108,886	278,749	20,559	1,060,525
Total liabilities and fund balances (deficits)	\$ 864,521	46,907	706,819	422,437	278,749	23,885	2,343,318

TOWN OF YORK, MAINE
Other Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2023

	Special Revenue Funds					Clark	Total Other Governmental Funds
	Town Programs	Adult Education	School Lunch	School Special Revenues	Student Activity Funds	Emerson Permanent Fund	
Revenues:							
Tax revenues	\$ -	200,654	295,211	-	-	-	495,865
Intergovernmental	624,350	102,775	1,057,330	1,106,317	-	-	2,890,772
Charges for services	156,932	32,451	251,726	9,545	-	-	450,654
Donations	-	-	-	9,732	320,614	-	330,346
Interest income	-	-	-	-	251	355	606
Other revenue	12,921	7,257	-	120,552	-	-	140,730
Total revenues	794,203	343,137	1,604,267	1,246,146	320,865	355	4,308,973
Expenditures:							
Current:							
Public safety	35,794	-	-	-	-	-	35,794
Public works	105,122	-	-	-	-	-	105,122
Other program expenditures	24,855	-	-	-	-	-	24,855
Education	-	284,363	1,282,310	1,226,649	289,358	-	3,082,680
Capital expenditures	772,818	-	-	-	-	-	772,818
Total expenditures	938,589	284,363	1,282,310	1,226,649	289,358	-	4,021,269
Excess (deficiency) of revenues over (under) expenditures	(144,386)	58,774	321,957	19,497	31,507	355	287,704
Other financing sources (uses):							
Transfers in	99,367	-	-	806	-	-	100,173
Transfers out	(20,000)	-	-	-	-	(355)	(20,355)
Total other financing sources (uses)	79,367	-	-	806	-	(355)	79,818
Net change in fund balances	(65,019)	58,774	321,957	20,303	31,507	-	367,522
Fund balances (deficits), beginning of year	36,863	(18,959)	318,715	88,583	247,242	20,559	693,003
Fund balances (deficits), end of year	\$ (28,156)	39,815	640,672	108,886	278,749	20,559	1,060,525

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 administrative action.

[This page left intentionally blank.]

TOWN OF YORK, MAINE
Nonmajor Special Revenue Funds - Town Programs
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For year ended June 30, 2023

		Balance (deficit) beginning of year	Revenues			Expenditures Program Expenditures	Transfers in (out)	Balance (deficit) end of year
			Grants	Charges for Services	Other Revenues			
Public Safety Grants:								
413	ATV grants	\$ -	2,500	-	-	2,500	-	-
423	Seatbelt grant	-	568	-	-	568	-	-
425	Speed grant	-	3,995	-	-	3,995	-	-
441	ATV spring grant	-	2,556	-	-	2,556	-	-
445	OUI grant	-	15,852	-	-	15,852	-	-
446	DRE and FP training	-	5,387	-	-	5,387	-	-
447	Distracted driving grant	-	4,936	-	-	4,936	-	-
463	Ride team grant	-	-	-	-	-	-	-
416	Maine partners initiative	99,124	-	-	-	-	-	99,124
440	Harbor dredge	383,975	-	48,473	-	-	-	432,448
442	Harbor/wharf	256,514	-	25,939	12,921	14,202	(20,000)	261,172
456	MMA wellness	741	3,000	-	-	2,509	-	1,232
471	York Beach TIF	134,391	-	-	-	-	-	134,391
488	Long sands MPI grant	36,327	-	-	-	-	-	36,327
490	Performance accounts	45,095	-	82,520	-	90,920	-	36,695
493	FEMA 4354 fall grant	44,963	-	-	-	-	-	44,963
494	FEMA 4367 spring grant	(916,262)	-	-	-	-	-	(916,262)
498	Mill Ln stream crossing #1	(20,955)	-	-	-	46,536	-	(67,491)
499	Mill Ln stream crossing #2	(24,000)	-	-	-	63,705	-	(87,705)
505	FEMA 4696 grant	-	-	-	-	99,367	99,367	-
520	Vaccine clinic	(3,050)	22,346	-	-	22,346	-	(3,050)
525	ARPA	-	563,210	-	-	563,210	-	-
Total		\$ 36,863	624,350	156,932	12,921	938,589	79,367	(28,156)

[This page left intentionally blank.]

NONMAJOR PROPRIETARY FUNDS

Proprietary funds are used to report activities that are generally self-supporting through charging users fees and other related revenues.

[This page left intentionally blank.]

TOWN OF YORK, MAINE
Nonmajor Proprietary Funds
Combining Statement of Net Position
June 30, 2023

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Center for Active Living	Totals
ASSETS							
Current assets:							
Cash and cash equivalents	\$ -	300	900	-	-	-	1,200
Accounts receivable	-	-	-	64,675	-	-	64,675
Inventory	-	-	136,716	-	-	-	136,716
Prepaid expenses	-	-	-	-	-	319	319
Interfund loan receivable	711,276	50,442	609,177	80,379	25,054	63,573	1,539,901
Total current assets	711,276	50,742	746,793	145,054	25,054	63,892	1,742,811
Noncurrent assets:							
Lease receivables	-	656,628	-	-	10,303	-	666,931
Land	-	-	750,000	-	-	-	750,000
Capital assets being depreciated	30,088	-	652,659	-	-	82,476	765,223
Accumulated depreciation	(1,765)	-	(484,865)	-	-	(82,476)	(569,106)
Total noncurrent assets	28,323	656,628	917,794	-	10,303	-	1,613,048
Total assets	739,599	707,370	1,664,587	145,054	35,357	63,892	3,355,859
LIABILITIES							
Accounts payable	36,701	716	67,661	-	-	7,163	112,241
Accrued payroll	15,728	-	2,945	4,906	-	1,588	25,167
Total liabilities	52,429	716	70,606	4,906	-	8,751	137,408
DEFERRED INFLOWS OF RESOURCES							
Related to leases	-	622,680	-	-	12,478	-	635,158
Total deferred inflows of resources	-	622,680	-	-	12,478	-	635,158
NET POSITION							
Net investment in capital assets	28,323	-	917,794	-	-	-	946,117
Unrestricted	658,847	83,974	676,187	140,148	22,879	55,141	1,637,176
Total net position	\$ 687,170	83,974	1,593,981	140,148	22,879	55,141	2,583,293

TOWN OF YORK, MAINE
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2023

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Center for Active Living	Totals
Operating revenues:							
User fees	\$ 529,245	100	-	203,428	-	68,923	801,696
Sponsorships/memberships	70,819	-	-	-	-	-	70,819
Gift shop sales	-	7,876	824,319	-	-	-	832,195
Rental income	-	44,049	-	-	6,239	-	50,288
Donations	750	51,999	31,282	-	-	4,322	88,353
Total operating revenues	600,814	104,024	855,601	203,428	6,239	73,245	1,843,351
Operating expenses:							
Cost of goods	-	3,859	384,753	-	-	43,878	432,490
Salaries and benefits	238,661	60,248	131,802	147,086	-	15,728	593,525
Training, meetings, and travel	6,371	146	1,111	-	-	2,765	10,393
Equipment and maintenance	2,619	2,450	5,101	2,759	1,122	6,764	20,815
Office expenses	25,805	2,621	6,112	-	-	14,432	48,970
Supplies	90,776	7,309	11,922	-	-	-	110,007
Contracts	160,072	12,866	23,055	-	2,700	10,373	209,066
Utilities	-	4,469	240	-	485	-	5,194
Fuel	-	-	-	-	-	2,682	2,682
Depreciation	1,765	-	17,369	-	-	-	19,134
Total operating expenses	526,069	93,968	581,465	149,845	4,307	96,622	1,452,276
Operating income	74,745	10,056	274,136	53,583	1,932	(23,377)	391,075
Non-operating income (expense)							
Interest revenue	-	23,527	-	-	502	-	24,029
Total non-operating income (expense)	-	23,527	-	-	502	-	24,029
Net income (loss) before transfers	74,745	33,583	274,136	53,583	2,434	(23,377)	415,104
Other financing sources (uses):							
Transfers out	-	-	(108,535)	-	-	-	(108,535)
Total other financing sources (uses)	-	-	(108,535)	-	-	-	(108,535)
Change in net position	74,745	33,583	165,601	53,583	2,434	(23,377)	306,569
Total net position, beginning of year	612,425	50,391	1,428,380	86,565	20,445	78,518	2,276,724
Total net position, end of year	\$ 687,170	83,974	1,593,981	140,148	22,879	55,141	2,583,293

SCHEDULE

[This page left intentionally blank.]

TOWN OF YORK, MAINE
General Fund Reserves
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For year ended June 30, 2023

	Balance beginning of year	Donations	Charges for Services	Other revenues	Expenditures	Transfers in	Transfers out	Balance end of year
Town reserves:								
400 Munis implementation	\$ 260,080	-	-	-	2,100	-	1,001	258,981
401 Long sands beach Norton	-	-	-	-	-	5,200	-	5,200
402 National opioid settlement	-	-	-	169,834	-	-	-	169,834
403 Academic reimbursement	14,271	-	-	-	-	2,000	(1,001)	15,270
404 Animal welfare	22,916	-	-	-	-	-	-	22,916
405 Sewer project	30,000	-	-	-	-	-	-	30,000
408 Building	213,297	-	-	-	-	-	-	213,297
412 Capital equipment	137,320	-	-	-	-	-	(99,367)	37,953
414 CEO	788,668	-	948,781	-	-	-	(438,000)	1,299,449
422 Earned time	86,283	-	-	-	136,283	50,000	-	-
432 Sustainability	13,919	-	-	-	4,000	-	-	9,919
434 Chase pond/CN Rvr bridge design	150,000	-	-	-	-	-	-	150,000
438 LS bathhouse fundraising	29,455	-	-	-	8,204	-	-	21,251
450 Hoist repair	13,609	-	1,300	-	-	-	-	14,909
454 36 Main St. planning/design	65,000	-	-	-	-	-	-	65,000
455 Town hall planning/design	81,218	-	-	-	81,218	-	-	-
458 Mt. A. surveying	20,000	-	-	-	11,976	-	-	8,024
460/470 Sohier Park building/maintenance	67,734	400	-	-	110,689	108,535	-	65,980
466 Comp & climate action plan	484	-	-	1,080	-	-	-	1,564
467 L. Dodge donation	-	25,000	-	-	-	-	-	25,000
478 Unemployment	14,148	-	-	-	86	10,000	-	24,062
480 Mt. A. project	-	-	-	-	50,000	50,000	-	-
482 Fire dept. facilitation	17,898	-	-	-	3,905	-	-	13,993
486 Construction settlement	21,329	-	-	-	-	-	-	21,329
Subtotal town reserves	2,047,629	25,400	950,081	170,914	408,461	225,735	(537,367)	2,473,931
School reserves:								
Capital projects	-	-	-	-	397,811	853,000	-	455,189
Total reserves	\$ 2,047,629	25,400	950,081	170,914	806,272	1,078,735	(537,367)	2,929,120

[This page left intentionally blank.]

APPENDIX B

TOWN OF YORK, MAINE

PROPOSED FORM OF LEGAL OPINION

[This page left intentionally blank.]



**Bernstein, Shur,
Sawyer & Nelson, P.A.**
100 Middle Street
PO Box 9729
Portland, ME 04104-5029

T (207) 774 - 1200
F (207) 774 - 1127

October 31, 2024

We have examined the law and certified proceedings submitted in connection with the issuance and sale of the \$13,790,000 aggregate principal amount of 2024 General Obligation Bonds (the “Bonds”) of the Town of York, Maine (the “Issuer”), a public municipal corporation in the State of Maine organized and existing under and pursuant to the laws of the State of Maine and the Charter of the Town of York, Maine (the “Charter”).

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Bonds and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

The Bonds are issued under and pursuant to the Charter and the provisions of Title 30-A, Section 5772 of the Maine Revised Statutes, as amended.

The Bonds are dated October 31, 2024. Principal of the Bonds will be payable on October 1 of the years in which the Bonds mature and in the principal amounts as set forth below. The Bonds will bear interest from their date, payable semi-annually on April 1 and October 1 in each year, until maturity, or redemption prior to maturity commencing on October 1, 2025, at the respective rates per annum, as follows:

\$10,040,000
2024 GENERAL OBLIGATION BONDS-SERIES A

<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>			<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		
		<u>Rate</u>	<u>Yield/Price</u>	<u>CUSIP</u>			<u>Rate</u>	<u>Yield/Price</u>	<u>CUSIP</u>
2025	\$760,000			987092	2035	\$405,000			987092
2026	760,000			987092	2036	405,000			987092
2027	755,000			987092	2037	405,000			987092
2028	755,000			987092	2038	405,000			987092
2029	750,000			987092	2039	405,000			987092

2030	695,000	987092	2040	165,000	987092
2031	685,000	987092	2041	165,000	987092
2032	680,000	987092	2042	165,000	987092
2033	680,000	987092	2043	165,000	987092
2034	670,000	987092	2044	165,000	987092

AND

\$3,750,000

2024 GENERAL OBLIGATION BONDS-SERIES B (FEDERALLY TAXABLE)

<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		<u>CUSIP</u>	<u>Oct. 1,</u>	<u>Amount</u>	<u>Interest</u>		<u>CUSIP</u>
		<u>Rate</u>	<u>Yield/Price</u>				<u>Rate</u>	<u>Yield/Price</u>	
2025	\$250,000			987092	2033	\$250,000			987092
2026	250,000			987092	2034	250,000			987092
2027	250,000			987092	2035	250,000			987092
2028	250,000			987092	2036	250,000			987092
2029	250,000			987092	2037	250,000			987092
2030	250,000			987092	2038	250,000			987092
2031	250,000			987092	2039	250,000			987092
2032	250,000			987092					

Bonds maturing on or before October 1, 2034 are not subject to optional redemption prior to their stated dates of maturity. Bonds maturing after October 1, 2034 are subject to redemption prior to their stated dates of maturity, at the option of the Town, on or after October 1, 2034 as a whole at any time, or in part in such order of maturity as the Town, in its discretion, may determine, at any time, at the redemption price (expressed as a percentage of the principal of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Period</u>	<u>Redemption Price</u>
October 1, 2034 and thereafter	100

The Bonds will be issued in fully registered form without coupons and, when issued, will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company (“DTC”), an automated depository for securities and clearinghouse for securities transactions. Purchases of the Bonds will be made in book-entry form (without certificates) in the denomination of \$5,000 or any integral multiple thereof. The Bonds are lettered R and shall be numbered from one (1) upwards.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code. Noncompliance with such requirements may cause interest on the Bonds to be included in the gross income of the owners thereof retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs. The Issuer, in executing its Arbitrage and Use of Proceeds Certificate and Certificate of Treasurer (collectively, the “Tax

Certificates”), has certified to the effect that the Issuer will comply with the provisions and procedures set forth therein and do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall, for purposes of federal income tax, be excluded from the gross income of the owners thereof. In rendering this opinion, we have assumed that the Issuer will comply with the provisions and procedures set forth in its Tax Certificates.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer has been duly created and validly exists as a public municipal corporation under and pursuant to the laws of the State of Maine.
2. The Issuer is duly authorized to issue the Bonds which have been duly and validly authorized and issued in accordance with law and constitute valid general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied, subject to certain procedural limitations under Section 5721-A of the Maine Revised Statutes as amended and supplemented to date, without limit as to rate or amount upon all the property located within the territorial limits of the Issuer and taxable by it, except to any extent that the Issuer may enter into an agreement under Title 30-A, Chapter 223, Subchapter V, of the Maine Revised Statutes, as amended, to share any portion of its assessed valuation with another municipality and except to the extent that the Issuer may establish municipal development districts or affordable housing districts pursuant to Title 30-A, Chapters 206 and former 207 (now repealed) of the Maine Revised Statutes, as amended, the tax increment revenues on retained captured assessed values of which may not be available for payment of debt service on the Bonds.
3. Under existing statutes and court decisions (a) interest on the Series A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (b) interest on the Series A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code, however such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in the preceding sentences are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes under Section 103 of the Code. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series A Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series A Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series A Bonds.

4. Under existing law, interest on the Series B Bonds is includable in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

5. Under existing Maine law, interest on the Bonds is exempt from Maine State income tax. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the existing Maine state law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for Maine income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for Maine income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other state tax consequences arising with respect to the Bonds.

6. The Series A Bonds will not constitute “qualified tax-exempt obligations” under Section 265(b) of the Code.

7. The Series B Bonds will not constitute “qualified tax-exempt obligations” under Section 265(b) of the Code.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed Bonds and, in our opinion, the form of said Bonds and their execution are regular and proper.

Very truly yours,

Bernstein Shur Sawyer & Nelson

APPENDIX C

TOWN OF YORK, MAINE

**PROPOSED FORM OF CONTINUING
DISCLOSURE AGREEMENT**

[This page left intentionally blank.]

**TOWN OF YORK, MAINE
CONTINUING DISCLOSURE AGREEMENT**

In connection with the issuance by the Town of York, Maine (the “Issuer”) of its \$13,790,000 2024 General Obligation Bonds, dated October 31, 2024, and with reference to the continuing disclosure requirements of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended, and officially interpreted from time to time (the “Rule”), the Issuer hereby covenants under this Continuing Disclosure Agreement (the “Agreement”) that it will engage in the undertakings described in Section 1, 2 and 3 herein for the benefit of the beneficial owners of the Bonds, subject to the conditions and limitations specified herein. Under the Agreement, the Issuer is obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the MSRB (defined below). This information will be available from the MSRB via the Electronic Municipal Market Access (“EMMA”) system at www.emma.msrb.org. The Issuer reserves the right to incorporate by reference its Official Statement dated _____, 2024 relating to the Bonds (the “Official Statement”), which will be submitted to the MSRB, as hereinafter defined, at the time of delivery of the Bonds, in any future disclosure provided hereunder.

In addition to the definitions set forth above in the undertaking, which apply to any capitalized term used in this Agreement unless otherwise defined, if used the following capitalized terms shall have the following meanings:

“Annual Financial Information” shall mean the financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 1 of this Agreement.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Business Day” shall mean a day other than a Saturday or a Sunday or a day on which banks in Maine are authorized or required by law to close.

“Dissemination Agent” shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with SEC Rule 15c2-12.

“Holders” shall mean the registered Holders of the Bonds, as recorded in the registration books of the Registrar.

“Municipal Securities Rulemaking Board” or “MSRB” shall mean the Municipal Securities Rulemaking Board, established under the Securities and Exchange Act of 1934, as amended, or any successor thereto, with an address of 1300 I Street NW, Suite 1000, Washington, DC 20005.

“State” shall mean the State of Maine.

1. The Issuer will provide to the MSRB: (a) not later than 270 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 2025, certain updated Annual Financial Information and operating data relating to the Issuer for the preceding fiscal year of the type presented in the Official Statement prepared in connection with the Bonds under the headings “TOWN FINANCES,” “INDEBTEDNESS,” “RETIREMENT” and in APPENDIX A to the Official Statement and such other Annual Financial Information and operating data as may be required to comply with the Rule; and (b)

the updated information discussed in clause (a) above will include audited financial statements, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Issuer will provide audited financial statements when and if such audited financial statements become available. Such filings, if not completed by the required time in clause (a) above, but if filed when available, will not be deemed to be a “late filing”. Any such financial statements will be prepared in accordance with the accounting principles described in APPENDIX A to the Official Statement or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation.

The Issuer reserves the right to modify from time to time the specific types of information provided under clause (a) above or the format of the presentation of such information to reflect changed circumstances, provided that any such modification will be done in a manner consistent with the Rule.

2. The Issuer will provide in a timely manner, not in excess of ten (10) Business Days, after the occurrence of an event listed in this Section 2 to the MSRB through EMMA (in an electronic format as prescribed by the MSRB) notice of the occurrence of any of the following events with respect to the Bonds.

(a) Certain events whether material or not material:

- (1) Principal and interest payment delinquencies; and
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties; and
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties; and
- (4) Substitution of credit or liquidity providers, or their failure to perform; and
- (5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds, the issuance by the Internal Revenue Service of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; and
- (6) Tender offers; and
- (7) Defeasances; and
- (8) Rating changes; and
- (9) Bankruptcy, insolvency, receivership or similar event of the Issuer (Note: For the purposes of the event identified in this subparagraph (9), the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.);or
- (10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation of the Issuer or obligated person, any of which reflect financial difficulties.

(b) Certain events if material:

- (1) Non-payment related defaults; and
- (2) Modifications to the rights of Holders of the Bonds; and
- (3) Bond calls; and
- (4) The release, substitution, or sale of property securing repayment of the Bonds; and
- (5) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business,

- the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
- (6) Appointment of a successor or additional trustee or the change of name of a trustee; and
 - (7) Incurrence of a Financial Obligation of the Issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or obligated person, any of which affect security Holders, if material.

The Issuer from time to time may choose to provide notice of the occurrence of certain other events, in addition to those listed above, but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

- 3. The Issuer will provide in a timely manner to the MSRB notice of a failure to satisfy the requirements of Section 1 herein.
- 4. The intent of the Issuer's undertaking in this Agreement is to provide on a continuing basis the information described in the Rule. The provisions of the Agreement may be amended by the Issuer without the consent of, or notice to, any Beneficial Owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission ("SEC") or its staff (whether required or optional), (b) to add a Dissemination Agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Issuer for the benefit of the Beneficial Owners of the Bonds, (d) to modify the contents, presentation and format of the Annual Financial Information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the Beneficial Owners of the Bonds, as determined either by a party unaffiliated with the Issuer (such as bond counsel), or by the vote or consent of Beneficial Owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.
Furthermore, the Issuer's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment of in full of all of the Bonds or to the extent that the Rule, as in effect from time to time, no longer requires the issuers of municipal securities to provide all or any portion of the information the Issuer has agreed to provide pursuant to the Agreement, the obligation of the Issuer to provide such information also shall cease immediately.
- 5. The purpose of the Issuer's undertaking is to conform to the requirements of the Rule and, except for creating the right on the part of the Beneficial Owners of the Bonds, from time to time, to specifically enforce the Issuer's obligations hereunder, not to create new contractual or other rights for any Beneficial Owner of the Bonds, any municipal securities broker or dealer, any potential purchaser of the Bonds, the SEC or any other person. The sole remedy in the event of any actual or alleged failure by the Issuer to comply with any provision herein shall be an action for the specific performance of the Issuer's obligations hereunder and not for money damages in any amount. Any failure by the Issuer to comply with any provision of this undertaking shall not constitute an event of default with respect to the Bonds.
- 6. Except as disclosed in its Official Statement, the Issuer has never failed to comply in all material respects with any previous undertakings to provide Annual Financial Information or notices of material events in accordance with the Rule.

7. The Issuer's Finance Director, or such official's designee from time to time, shall be the contact person on behalf of the Issuer from whom the foregoing information, data and notices may be obtained. The name, address and telephone number of the initial contact person is as follows: Wendy Anderson, Finance Director, Town of York, 186 York Street, York, ME 03909; Telephone: (207) 363-1000.

Dated: _____

TOWN OF YORK, MAINE

By: Wendy Anderson
Its: Finance Director