

Cumberland County

27 Northport Dr
Portland, ME 04103



Agenda - Final

Monday, October 20, 2025

5:30 PM

In person with the option to view online: www.cumberlandcounty.org/live
The Board meets on the third Monday of each month at 5:30pm in the
Sebago Lake Room unless otherwise noted.

Board of Commissioners

District 3 - Chair Stephen Gorden

District 1 - Jean-Marie Caterina

District 2 - Tom Tyler

District 4 - Patricia Smith

District 5 - James Cloutier

Meeting will be streamed online: www.cumberlandcounty.org/live

CALL TO ORDER

ATTENDANCE

PLEDGE OF ALLEGIANCE

APPROVAL OF THE MINUTES

[CD 25-023](#) Approval of the minutes, September 15, 2025, meeting of the Board of Commissioners

Attachments: [2025.09.15 BOCC Minutes Draft.pdf](#)

[CD 25-024](#) Approval of the minutes, October 14, 2025, meeting of the Board of Commissioners

Attachments: [2025.10.14 BOCC Minutes Draft.pdf](#)

INFORMATIONAL REPORT/PRESENTATIONS

[CD 25-025](#) Informational Presentation on Deed Fraud from the Register of Deeds

Attachments: [Deed Fraud Presentation](#)

[CD 25-026](#) Informational Report FY26 Budget vs Actual Expenses Q1

Attachments: [FY26 FIRST QUARTER BUDGET VS ACTUAL THRU SEPT](#)

[CD 25-027](#) Informational Presentation - Mobility, Access and Transportation Insecurity Phase II grant.

COMMENTS FROM THE PUBLIC

The Board Chair will limit comments to three (3) minutes per speaker, the Public Comment period is limited to one (1) hour.

CONSENT AGENDA

[25-104](#) Sheriff's Office Commissions August 2025

Attachments: [Commission Memo August 2025](#)

- [25-105](#) Sheriff's Office Commissions September-October 2025
Attachments: [Sept - Oct 2025 Commissions Memo](#)
- [25-106](#) Authorization for a Law Enforcement Services contract between Cumberland County, The Cumberland County Sheriff, and the Inhabitants of the Town of Gray from July 1, 2025 to June 30, 2026 for the amount of \$312,574.47.
Attachments: [Gray LE Position Paper 2025-2026](#)
[Gray Contract 2025](#)
- [25-107](#) Appointment of the following amended slate of elected officials to the 2025-2026 Finance Committee for a three-year term representing the following districts: District 4, Kate Sykes; District 5, Sarah Michniewicz; and District 5, Ben Grant.
Attachments: [PP - Amended Finance Committee Appointment Roster](#)
[2025-26 Finance Committee Appointments](#)
- [25-108](#) Appoint the following slate of Cross Insurance Arena Trustees to a three-year term.
Attachments: [PP - CIA Trustee District Appointment October 2025](#)
[B - Rickett Application Redacted](#)
[C - Peter Rickett Resume Redacted](#)
- [25-109](#) Authorization to enter into an grant extension agreement between Cumberland County and the University of Minnesota's Center for Transportation Studies for Mobility, Access, and Transportation Insecurity program (MATI) funding for Phase II in the amount of \$700,000 for two years.
Attachments: [Position Paper - MATI Phase II](#)
[Memo on MATI Phase II extension 2025](#)

NEW BUSINESS

- [25-110](#) Proclamation to Recognize October 2025 as Domestic Violence Action Month
Attachments: [2025 DVAM Proclamation](#)
- [25-094](#) Approval of the HOME-ARP Funding Recommendations. First Public Hearing on September 15, 2025 and Final Public Hearing on October 20, 2025.
Attachments: [PP - HOME-ARP Recommendations](#)
[2025 Recommended HOME-ARP Projects](#)

[25-111](#) Award of bid to McGovern Auto Group/MHQ in the amount of \$558,513.00 for the purchase of Sheriff's Patrol Replacement Vehicles

Attachments: [PP - Purchase vehicles for 2025-2026 Budget year](#)
[Quirk Bid CIDAdmin](#)
[Quirk Bid First Responder Patrol](#)
[McGovern MHQ Bid for Patrol and CID Vehicle Replacment](#)

[25-112](#) Authorize the County Manager to provide notice to amend the U.S. Marshals Prison Operations contract to reflect the exclusion of Immigration and Customs Enforcement (ICE) detention and furthermore; relinquish financial reimbursement from the holding of Immigration detainees.

Attachments: [Position Paper - Amendment](#)

[25-113](#) First Reading of proposed amendments to the Cumberland County Government By-laws, which establish an alternative disbursement warrant authority and incorporate the Board's previously approved Public Participation Policy into the By-laws.

Attachments: [Position Paper - By-law Amendment](#)
[B - Commissioner By-laws proposed amendments](#)

[25-114](#) Amend the following sections of the Administrative Regulations & Policies: #3 "FOAA Schedule of Fees," and #4 "Meal & Travel Allowance," and adopt proposed Policy #22 "Unassigned Fund Balance Policy" (new admin reg).

Attachments: [PP - Administrative Regulations Amendments](#)
[B - #22 Unassigned Fund Balance Policy](#)
[C - #3 FOAA amendment](#)
[D - #4 Meal & Travel Policy redline](#)
[E - Fund Balance Guidelines for the General Fund](#)
[F - GASBS 54](#)
[G - Title30-Asec924](#)

[25-115](#) Transfer FY25 fund balance to the strategic planning reserve account

Attachments: [PP - Placeholder Transfer of FY25 Year End Fund Balance Oct 2025](#)

COMMENTS FROM THE EXECUTIVE STAFF

COMMENTS FROM THE COUNTY MANAGER

COMMENTS FROM THE COUNTY COMMISSIONERS

Next Meeting: Monday, November 17, 2025

ADJOURNMENT



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: CD 25-023

Agenda Date: 10/20/2025

Title:

Approval of the minutes, September 15, 2025, meeting of the Board of Commissioners

Background and Purpose of Request:

Review and approve the attached minutes.

Staff Contact: Katharine Cahoon, Executive Dept



Cumberland County

Board of Commissioners

Meeting Minutes - Draft

27 Northport Dr
Portland, ME 04103

The Board meets on the third Monday of each month at 5:30pm in the Sebago Lake Room unless otherwise noted.

Monday, September 15, 2025

5:30 PM

**Sebago Meeting Room, 27 Northport
Dr, Portland ME 04103**

CALL TO ORDER

The Board of Commissioners met for their regularly scheduled meeting at the Cumberland County Courthouse in the Peter Feeney Conference Room, the meeting was called to Order by Chair Stephen Gorden at 5:30 PM.

ATTENDANCE

Present: 5 - Chair Stephen Gorden, Vice Chair Patricia Smith, Commissioner Jean-Marie Caterina, Commissioner Tom Tyler, and Commissioner James Cloutier

County Staff:

James Gailey, County Manager
Breana Gersen, Deputy County Manager
Katharine Cahoon, Admin and Special Projects
Theresa Grover, Director of Finance
Amy Jennings, Director of Human Resources
Kevin Joyce, County Sheriff
Courtney Kemp, Community Development Manager

PLEDGE OF ALLEGIANCE

APPROVAL OF THE MINUTES

[CD 25-021](#) Approval of the minutes, July 21, 2025 meeting of the Board of Commissioners

A motion was made by Commissioner Caterina, seconded by Commissioner Cloutier, that this Minutes Report be APPROVED. The motion carried by a unanimous vote.

[CD 25-022](#) Approval of the minutes, September 2, 2025, workshop meeting of the Board of Commissioners

A motion was made by Commissioner Caterina, seconded by Commissioner Cloutier, that this Minutes Report be APPROVED. The motion carried by a unanimous vote.

INFORMATIONAL REPORT/PRESENTATIONS

Public Comment Period will be conducted after New Business

CONSENT AGENDA

Approval of the Consent Agenda

A motion was made by Commissioner Cloutier, seconded by Commissioner Tyler, to approve the Consent Agenda. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-089](#) Sheriff's Office Commissions July 2025

This Order was APPROVED.

[25-090](#) Authorize the Sheriff's Department to submit a FY2026 Municipal and County Speed Enforcement Grant request to the Maine Bureau of Highway Safety.

This Order was APPROVED.

[25-091](#) Authorize the County Manager to execute the Eleventh Amendment to the Health Services Agreement between Armor Health and Cumberland County.

This Order was APPROVED.

[25-092](#) Authorization for the Cumberland County Emergency Management Agency to submit a grant application on behalf of Cumberland County to DartDRONES to host a private onsite training at no cost.

This Order was APPROVED.

NEW BUSINESS

Commissioner Caterina requested that Item 25-096 be read before Item 25-095. There were no objections from the Board.

[25-093](#) Authorization for the County Manager to submit the County's 2024/25 Consolidated Annual Performance Evaluation Report (CAPER) to the Department of Housing and Urban Development.

Community Development Manager Courtney Kemp gave an overview of the 2024 program accomplishments. She explained that CDBG grant funding was allocated to all municipalities except for Portland and Brunswick. South Portland and Bridgton have a set-aside for county funds.

There was \$1.5 million for the 24-25 year split evenly between the county, South Portland and Bridgton. She explained that the County also receives HOME funds from the City of Portland and often partners with Portland to fund HOME projects. She highlighted some of the accomplishments stating that 12 homes were repaired through the Habitat for Humanity repair program and anticipated 10 to 12 more repairs with 2024 funding. 258 families were served by the Bridgton Food Pantry in July through August and estimated the amount served would double for the entire year. 289 victims of domestic violence received safe and confidential services. 275 seniors were delivered weekly mails to their homes from Southern Maine Agency on Aging. She emphasized that the

numbers were from July and August because funds were spent so quickly. 52 families received assistance to locate and move into permanent housing and assistance to stay in their homes. 179 individuals received assistance and referrals through the Bridgton Navigator program. 101 adults or elderly individuals attended digital literacy classes, cooking, public transit and other education workshops and classes. 15 individuals, primarily elderly, had access to a key lock box provided for emergency services for ease of access to enter their homes safely.

The construction of the Bridgton Church Street project using program year 23 and 24 funds was completed. The Yarmouth Community Center was at risk of being shut down for noncompliance. It had a new sprinkler system installed in addition to a new roof. Standish Mill Street Park used 23 and 24 program funds and was completed with the help of local volunteers resulting in a new basketball court, playground and pavilion. The Windham Main Street sidewalk project, located near other CDBG projects, was also completed in conjunction with a wastewater project. The South Portland Preble Street Kitchen, funded by Cumberland County CDBG and ARPA funds, was updated and is a functional facility. Finally, the Meadow Group phase of HOME updates was completed, and the Betsy Ross Crossing in South Portland received its certificate of occupancy, with tenants moving in and a ribbon-cutting scheduled for October.

A motion was made by Vice Chair Smith, seconded by Commissioner Caterina, that the Order be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

25-094

Approval of the HOME-ARP Funding Recommendations. First Public Hearing on September 15, 2025 and Final Public Hearing on October 20, 2025.

Community Development Manager Kemp explained that the HOME ARP program funds development projects and supportive services for homeless or at-risk populations. Two development projects, Youth and Family Outreach, requested \$950,000 to construct expanded childcare and 60 new affordable rental units for qualifying populations; and Greater Portland Family Promise, requested \$479,000 to rehab a two-family home for transitional housing and supportive services. The current allocation for development is \$2,041,266 with a total request of \$1.4 million, leaving approximately \$612,000.

Supportive services include Common Space, requesting \$471,000 for peer support and recovery coaching, and Preble Street, is recommended for \$350,000 for case management and client assistance. Milestones is serving qualifying populations through its HOME Team and housing navigation programs. Cumberland County and the City of Portland will keep \$600,000 in development funds as more projects come forward. Otherwise, they will consider moving the funds to supportive services.

Commissioner Smith commented that she agreed with the approach of saving the \$612,000 for a project that may need those funds.

Public comment for the agenda item was opened by Chair Gorden at 5:45 PM.

George Rheault, of Portland, expressed concerns about the lack of debate on the proposed destruction of the 175-year-old Prebble Chapel in Portland's West Bayside neighborhood that was built in 1851. He expressed concern about its demolition and highlighted its historical significance as an incubator for progressive social causes.

Public comment for the agenda item was closed by Chair Gorden at 5:52 PM.

Commissioner Cloutier wondered if there was more information that could be gathered relating to the historic preservation of the chapel from the City of Portland. Community Development Manager Kemp stated that the City of Portland was holding their public hearing tonight and she would confirm about the proposed project.

A motion was made by Commissioner Cloutier, seconded by Commissioner Caterina, that the Order Requiring a Public Hearing be INTRODUCED ON FIRST READING to the Board of Commissioners, due back on 10/20/2025. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-102](#)

Executive Session pursuant to 1 M.R.S.A. §405(6)(D) to discuss the Teamsters Law Enforcement Local 340 Collective Bargaining Agreement. (Added in Session)

Time Into Executive Session: 5:54 PM

A motion was made by Commissioner Cloutier, seconded by Commissioner Caterina, that the Executive Session be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

Time Out of Executive Session: 6:08 PM

A motion was made by Commissioner Cloutier, seconded by Commissioner Caterina, that the Executive Session be CONCLUDED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-096](#)

Adoption of Successor Collective Bargaining Agreement with the Cumberland County Teamsters Local 340 Law Enforcement 2025 - 2028. (Executive Session Optional Prior to Vote)

A motion was made by Commissioner Cloutier, seconded by Vice Chair Smith,

that the Order be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-095](#)

Appointment of the following elected officials to the County's 2025/26 Finance Committee for a three-year term from the following Districts; District 1, Jonathan Anderson; District 2, Connie Justice; and District 3, Karin Orenstein.

Commissioner Cloutier requested that potential Elected Officials from District 5 and District 4 may be submitted for finance committee membership. The Board agreed that the names read tonight and the names that may come forth would be approved.

A motion was made by Vice Chair Smith, seconded by Commissioner Cloutier, that the Appointment be APPROVED WITH CONDITIONS. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-097](#)

Authorize the establishment of a County Fire/EMS Advisory Committee.

County Manager Gailey explained that the Fire EMS Advisory Committee would advise the recently hired Regional Fire and EMS Coordinator on coordination with 28 towns fire departments on a variety of issues. The issues include hiring, training, mutual aid agreements, and collaborative purchasing of fire related or EMS equipment. Commissioner Smith stated that she approves of the establishment of the advisory committee as it addresses the rising costs of emergency services equipment. As budgets are tightened, this coalition will help with sharing resources and addressing training gaps.

Commissioner Cloutier stated that the advisory committee aligns with the timing of the new federal and state requirements. He mentioned that a lot of the communities rely on volunteers and that is becoming difficult. Chair Gorden added that new OSHA rules require certification for firefighters and many people in their 50s may not qualify.

A motion was made by Commissioner Cloutier, seconded by Commissioner Caterina, that the Order be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-098](#)

Appointment of the following Chief Fire Officers to the County Fire/EMS Advisory Committee.

A motion was made by Commissioner Cloutier, seconded by Commissioner Caterina, that the Appointment be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

Commissioner Cloutier proposed an amendment to the list of appointments to include District 5, Portland Fire Chief Chad Johnston, as an appointment to the Fire and EMS Advisory Committee.

A motion was made by Commissioner Cloutier, seconded by Vice Chair Smith, that the Appointment be APPROVED WITH CONDITIONS. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-099](#)

Appointment of the following slate of Cross Insurance Arena Trustees to a three-year term.

County Manager Gailey explained that the terms of the board members would revert back to January 1st of 2025. There was a delay in the appointments while the state legislature approved the new districts for the Cross Insurance Arena Board of Trustees. The approved districts align with the districts of the County Commissioners.

A motion was made by Commissioner Cloutier, seconded by Commissioner Tyler, that the Appointment be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

[25-100](#)

Authorize the County Manager to sign a 5-year lease with PowerPlay LLC (Maine Mariners Hockey)

County Manager Gailey explained that for the last eight months he and a subcommittee negotiated a new lease agreement with the Maine Mariners hockey team, the local ECHL team at the Cross Insurance Arena. The contract is a win-win contract for the hockey team, the county and the Cross Insurance Arena.

Commissioner Smith stated that the contract was a long road. She noted that it's nice to see a 5 year lease. Having the stability of a hockey team is important to the economic stability of Portland. She wished the team good luck.

A motion was made by Commissioner Caterina, seconded by Commissioner Tyler, that the Order be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

25-101

Adopt the County Commissioners Public Participation Policy effective immediately.

The following individuals spoke about the adoption of the county's public policy: Todd Chretien, Portland; Brendan McQuade, Portland; Shoshana Hoose, Portland; George Rheault, Portland; Lucy Shulman, Portland; Ali Cleveland, Portland; and Rebecca, South Portland.

Commissioner Smith explained that the feedback that she received was that moving the public comment period to a later time would be more convenient. She reiterated that as an active listener, she welcomes the comment from the public. She has experience on both sides, as a speaker and as a listener. She explained that the goal of the policy is to learn and listen. Commissioner Caterina stated that she has served on the Scarborough Town council and is familiar with the process of public comment. She echoed Commissioner Smith that she welcomes public comment and welcomes written public comment as well. She supports the new policy. Commissioner Tyler stated that he has experience in testifying and is used to written testimony. He is open to the public comment forum style of meetings. Commissioner Cloutier stated that he previously served on the Portland City Council which had a strict policy on listening respectfully and disruptive audience members. He emphasized that everyone is entitled to an opinion, he encouraged the audience to be respectful during the meeting.

A motion was made by Commissioner Caterina, seconded by Commissioner Tyler, that the Order be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

COMMENTS FROM THE PUBLIC

The Board Chair will limit comments to three (3) minutes per speaker.

Chair Gorden shared that a workshop to discuss the housing of Federal ICE inmates would be held on September 29, 2025 at 5:30 PM.

Chair Gorden opened the public comment period at 6:47 PM.

The following individuals spoke regarding the Jail Inmate contract between Cumberland County and the Federal Government: : Mariella Jacome, Portland; Willie, Portland; Reverend Dr. James Gertmenian, Cumberland Foreside; Lucy Shulman, Portland; Rebecca, Portland; Nico Jacobs, Portland; Olivia Pennington, Portland; Johanna, Portland; Ali Cleveland, Portland; Miles, Portland; Daniel, Portland; Romana, Brunswick; Nikki Stener, Maine; Ernest, Portland; Kristen Shultz, Portland; and Micah, Portland.

COMMENTS FROM THE EXECUTIVE STAFF

Finance Director Theresa Grover stated that the onsite audit had been completed over four days. The auditors went to the Courthouse and the Cross Insurance Arena. The new finance position was recently filled.

Sheriff Kevin Joyce spoke and stated that the jail continues to accept and hold inmates. He explained

that State statute dictates that correctional facilities cannot turn away arrested individuals regardless of a contract with another agency. He reiterated that all inmates are treated equally, they receive iPads for communication purposes, are provided meals, and have access to legal resources and visitors. He stated that currently 35% of the 59 inmates being held are from Portland that have stayed in Portland.

COMMENTS FROM THE COUNTY MANAGER

County Manager Gailey explained that the proposed county budget would be on the October or November agenda to be remanded to the County Finance Committee for their approval. The Finance Committee starts the review process early so that the municipalities can plan their budget accordingly.

COMMENTS FROM THE COUNTY COMMISSIONERS

Commissioner Cloutier discussed the upcoming workshop to gather diverse perspectives on immigration. The workshop should include representatives from the University of Maine Law School, ILAP, and the ACLU. The workshop would be an informed discussion about the outcome of ending the Federal contract with the jail. He appreciated that the public presented their views and information. Commissioner Cloutier shared that 500 children born in Portland in 2023 alone to undocumented parents. He stated that the children are citizens of the United States and of the State of Maine, and they should not have to lose their parents or lose their rights as citizens. Commissioner Cloutier stated that as a lawyer, he recognizes the complexity of immigration law and advised continued involvement from the public. He expressed concern that changing the contract would have little practical effect and could lead to a loss of control.

Commissioner Caterina spoke about how her grandfather was killed in Portland in the 1920s because he was an immigrant. She does not agree with ICE and believes that what they're doing is illegal. She echoed Commissioner Cloutier and discussed the need for a workshop on September 29 to gather information regarding the ICE contract. She suggested some public spaces to the public about where their efforts could be more effective. She noted public spaces near the detention center in Scarborough and the Customs and Border Patrol office in South Portland. She recommended writing to state legislatures, the Governor's Office, and to Federal Officials as well. She stated that the public could attend the workshop on September 29 to listen and learn.

Commissioner Tyler agreed with Commissioner Cloutier that a workshop is necessary. He emphasized that changing the law is a state-level issue that requires involvement with the legislature in Augusta. Trying to define the law independently could lead to legal troubles without a resolution.

Commissioner Smith stated that the goal of the workshop on September 29 is to educate all commissioners, ensure everyone is on the same page, and provide them with the necessary information to make an informed decision when voting. Commissioner Smith expressed appreciation for public comment. She said that she empathized with the public and stated that everyone is in their own marginal bubble if they think about who they might be. Not everyone is privileged based on potentially where they come from. She appreciated the stories about people's families, where they came from, and who they're voicing for. She thanked those who were voices for someone else. She emphasized the importance of community involvement and respectful dialogue. Commissioner Smith outlined specific areas of interest for the workshop including legal, contractual, financial, as well as data on the origins of individuals entering jails. Commissioner Smith explained the purpose for a workshop is to learn more about an issue before voting. She encouraged people to email with suggestions for organizations or individuals who should participate in the workshop to ensure a well-rounded conversation.

Chair Gorden spoke and stated that the board has been unable to come to a consensus on what to do

as they lack the information to make the decision. It's challenging because the state that has put forth laws with the best expectations of the people that have created them, and commissioners are required to support them. And its outcome might not be a solution that is desired. He stated that revoking the contract with ICE does not mean that the county cannot accept an ICE prisoner. It means that the county will house the ICE prisoner, and instead of those costs being supported by the federal government as a result of the contract, costs will have to come from the taxpayers. These are issues that the board is going to consider. He thanked the public for attending the meeting.

Next Meeting: Monday, October 20, 2025

ADJOURNMENT

At 7:56 PM a motion was made by Tom Tyler, seconded by James Cloutier, to ADJOURN the meeting. The motion carried by a unanimous vote.



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: CD 25-024

Agenda Date: 10/20/2025

Title:

Approval of the minutes, October 14, 2025, meeting of the Board of Commissioners

Background and Purpose of Request:

Review and approve the attached minutes.

Staff Contact: Katharine Cahoon, Executive Dept



Cumberland County

Board of Commissioners

Meeting Minutes - Draft

27 Northport Dr
Portland, ME 04103

The Board meets on the third Monday of each month at 5:30pm in the Sebago Lake Room unless otherwise noted.

Tuesday, October 14, 2025

3:00 PM

Sebago Meeting Room
27 Northport Dr
Portland, ME 04103

SPECIAL MEETING

CALL TO ORDER

ATTENDANCE

Present: 5 - Chair Stephen Gorden, Vice Chair Patricia Smith, Commissioner Jean-Marie Caterina, Commissioner Tom Tyler, and Commissioner James Cloutier

EXECUTIVE SESSION

25-103

To enter into Executive Session under 1 M.R.S.A. §405(6)(E), for the consultation between the Board and its attorney concerning legal rights and duties.

Time Into Executive Session: 3:08 PM

A motion was made by Vice Chair Smith, seconded by Commissioner Cloutier, that the Executive Session be APPROVED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

Time Out of Executive Session: 4:50 PM

A motion was made by Commissioner Tyler, seconded by Commissioner Caterina, that the Executive Session be CONCLUDED. The motion carried by the following vote:

Yes: 5 - Chair Gorden, Vice Chair Smith, Commissioner Caterina, Commissioner Tyler, and Commissioner Cloutier

No: 0

ADJOURNMENT

At 4:51 PM, a motion was made by James Cloutier, seconded by Tom Tyler, to ADJOURN the meeting. The motion carried by a unanimous vote.



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: CD 25-025

Agenda Date: 10/20/2025

Agenda Item Request:

Informational Report on Deed Fraud from the Register of Deeds

Background and Purpose of Request:

Jessica Spaulding will be presenting on Deed Fraud and the software the County has subscribed to for alerting residents of potential fraud that would impact their homes/properties.

What is Deed Fraud?

- **Deed Fraud** is a scam where criminals illegally transfer a property's ownership to themselves using forged documents, fake identities, or trickery, and then sell the property, take out loans, or rent it to tenants. The goal is to steal the property's equity or use it as collateral for a loan, leaving the real owner to face financial loss and legal battles to reclaim their property.
- This type of scam often favors vacant land or unoccupied homes.
- The process for the rightful owner of the property to nullify a fraudulently recorded deed is extremely time-consuming and expensive. However, if successfully pursued, it leaves the innocent purchaser of the property with nothing. This includes neither the funds used to purchase the property, or the property itself used by the perpetrator of the scheme.

Maine Fraud Legislation

- The State of Maine recently passed legislation to establish a *Commission* to recommend methods for preventing deed fraud in the State.
- The Commission includes members of the Maine State Senate and House of Representatives, a Real Estate Title Attorney, Maine State Police Computer Crimes Unit, Banking Institution representative, Real Estate Brokers Association representative, and a Register of Deeds.

How to prevent being a victim of Deed Fraud?

- Continually monitor online County records
- Sign up for Property Fraud Alerts
- Drive by your vacant property, ask a neighbor to alert you to anything suspicious or hire a management company to periodically check the property
- Take action immediately if you stop receiving the water/sewer or tax bills for the properties
- Report suspected fraud to the FBI's Internet Crime Complaint Center at www.ic3.gov

Cumberland County Property Fraud Alert

- Property Fraud Alert is an electronic notification service that alerts a subscriber, via email, every time a land records document is recorded with a requested name in the Cumberland County Registry of Deeds
- This service is offered free to the constituents of Cumberland County
- Sign up for this service at <https://pfa.uslandrecords.com/Default.aspx>

Property Fraud Alert



Property Fraud Alert is an electronic notification service that alerts a subscriber via email every time a land records document is recorded with a requested name in a participating County Land Records Office.

PFA is currently serving these counties:

Allegheny(PA), Angelina(TX), Barnard(VT), Barrington(RI), Bethlehem(CT), Bristol Fall River(MA), Bristol North(MA), Cherokee (TX), Coventry (RI), Cumberland(ME), East Lyme(CT), Gloucester(NJ), Hamden(CT), Kent(DE), Marion(TX), Monroe(CT), Plymouth(MA), Portsmouth(RI), Val Verde(TX), Tiverton(RI), Waterford(CT), Springfield(VT)

Nassau County NY PFA Users Please click [Here](#) to go to the Nassau County NY custom Property Fraud Alert website.

[Register now](#) and protect your property from fraud...

Registration Help: Click the "Register Now" to start your registration. Test After accepting the terms of the web site agreement you will be prompted to enter an email address (email address of the recipient of the notifications) and phone number. The next page will prompt you to select the counties for which you wish to be notified, and the notification method (email, or phone if available) that you prefer. The next page is where you will specify the list of names of physical persons (First Name, Last Name, Middle Initial) or organizations (Business Name) which will be monitored in the documents recorded in the counties previously selected. If you choose a county that charges for this service, the next registration step prompts you for your credit card data. The final page summarizes your registration selections. You will see the counties selected, notification method, and fees (if applicable) and subscription duration. Press Finish to complete the

Thank you for your time.

Questions?



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: CD 25-026

Agenda Date: 10/20/2025

Title:

Informational Report FY26 Budget vs Actual Expenses Q1

Background and Purpose of Request:

FY26 First Quarter Budget vs Actual expenses for July 2025 through September 30, 2025

Staff Contact:

Theresa Grover, Finance Director

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:			ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
11	GENERAL FUND		APPROP	ADJSTMTS	BUDGET	YTD EXPENDED	ENCUMBRANCES	BUDGET	USED
11101 EMERGENCY MANAGEMENT									
11101	5120	WAGES FT	421,911	0	421,911	104,589.13	.00	317,321.87	24.8%
11101	5205	WAGES PT	30,900	0	30,900	370.56	.00	30,529.44	1.2%
11101	5401	OVERTIME	1,000	0	1,000	.00	.00	1,000.00	.0%
11101	5510	MED EXP	73,786	0	73,786	19,130.68	.00	54,655.32	25.9%
11101	5520	MSR EXP	20,496	0	20,496	5,062.57	.00	15,433.43	24.7%
11101	5530	FICA EXP	34,717	0	34,717	8,364.82	.00	26,352.18	24.1%
11101	5540	WC EXP	1,489	0	1,489	474.66	.00	1,014.34	31.9%
11101	5560	DEF EXP	18,369	0	18,369	4,407.53	.00	13,961.47	24.0%
11101	6130	TRANS	4,500	0	4,500	.00	.00	4,500.00	.0%
11101	6131	GAS, OIL	2,500	0	2,500	155.67	.00	2,344.33	6.2%
11101	6131	EMA14 GAS, OIL	0	0	0	24.15	.00	-24.15	100.0%
11101	6231	BASE	1,000	0	1,000	.00	.00	1,000.00	.0%
11101	6231	EMA15 BASE	0	0	0	150.49	.00	-150.49	100.0%
11101	6232	MOBILE	2,500	0	2,500	.00	.00	2,500.00	.0%
11101	6400	INS-BLDG	4,415	0	4,415	1,565.39	.00	2,849.61	35.5%
11101	6401	INS-LIAB	9,647	0	9,647	3,420.41	.00	6,226.59	35.5%
11101	6404	INS-RADIO	828	0	828	308.82	.00	519.18	37.3%
11101	6500	OFFICE SUP	2,000	0	2,000	.00	.00	2,000.00	.0%
11101	6500	EMA14 OFFICE EXP	0	0	0	538.95	.00	-538.95	100.0%
11101	6501	TRAINING	1,500	0	1,500	.00	.00	1,500.00	.0%
11101	6504	MAINT SUP	1,800	0	1,800	.00	.00	1,800.00	.0%
11101	6505	PRINTING	2,600	0	2,600	.00	.00	2,600.00	.0%
11101	6505	EMA14 PRINTING	0	0	0	20.25	.00	-20.25	100.0%
11101	6508	DUES	1,000	0	1,000	.00	.00	1,000.00	.0%
11101	6512	TRAIN/EDUC	12,000	0	12,000	.00	.00	12,000.00	.0%
11101	6512	EMA14 TRAIN/EDUC	0	0	0	-895.00	.00	895.00	100.0%
11101	6513	LEASES	8,500	0	8,500	295.29	.00	8,204.71	3.5%
11101	6513	EMA14 LEASES	0	0	0	1,392.33	.00	-1,392.33	100.0%
11101	6800	TELEPHONE	3,400	0	3,400	426.58	.00	2,973.42	12.5%
11101	6800	EMA14 TELEPHONE	0	0	0	1,302.78	.00	-1,302.78	100.0%
11101	6801	ELECTRICIT	0	0	0	740.74	.00	-740.74	100.0%
11101	6802	GAS UTIL	0	0	0	274.84	.00	-274.84	100.0%
11101	6803	WATER	0	0	0	44.56	.00	-44.56	100.0%
11101	6903	FOOD	5,000	0	5,000	.00	.00	5,000.00	.0%
11101	6903	EMA14 FOOD	0	0	0	221.39	.00	-221.39	100.0%
11101	6904	INSTITUT.	600	0	600	.00	.00	600.00	.0%
11101	6913	SAFETY	2,300	0	2,300	.00	.00	2,300.00	.0%
11101	6913	EMA14 SAFETY	0	0	0	847.08	.00	-847.08	100.0%
11101	6914	NON FOOD	1,500	0	1,500	.00	.00	1,500.00	.0%
11101	6914	EMA14 NON FOOD	0	0	0	162.42	.00	-162.42	100.0%

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS	FOR:		ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
11	GENERAL FUND		APPROP	ADJSTMTS	BUDGET	YTD EXPENDED	ENCUMBRANCES	BUDGET	USED
11101 6950	MISC EXP		30,000	0	30,000	.00	.00	30,000.00	.0%
11101 6950	EMA14 MISC EXP		0	0	0	880.00	.00	-880.00	100.0%
11101 6950	EMA15 MISC EXP		0	0	0	314.89	.00	-314.89	100.0%
11101 7350	OFFICE EQ		3,000	0	3,000	.00	.00	3,000.00	.0%
11101 7355	EMA14 COMP HARD		0	0	0	3,119.52	.00	-3,119.52	100.0%
TOTAL EMERGENCY MANAGEMENT			703,258	0	703,258	157,711.50	.00	545,546.50	22.4%

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED
11102 DISTRICT ATTORNEY							
11102 5120 WAGES FT	1,640,006	0	1,640,006	405,661.72	.00	1,234,344.28	24.7%
11102 5210 TEMP	82,300	0	82,300	34,138.80	.00	48,161.20	41.5%
11102 5401 OVERTIME	0	0	0	3,772.25	.00	-3,772.25	100.0%
11102 5510 MED EXP	413,786	0	413,786	101,831.90	.00	311,954.10	24.6%
11102 5520 MSR EXP	93,726	0	93,726	22,108.15	.00	71,617.85	23.6%
11102 5530 FICA EXP	131,756	0	131,756	34,030.63	.00	97,725.37	25.8%
11102 5540 WC EXP	5,152	0	5,152	1,690.72	.00	3,461.28	32.8%
11102 5560 DEF EXP	14,235	0	14,235	2,652.76	.00	11,582.24	18.6%
11102 6130 TRANS	32,000	0	32,000	2,749.64	.00	29,250.36	8.6%
11102 6301 PROF SVC	1,800	0	1,800	.00	.00	1,800.00	.0%
11102 6305 STENO	4,000	0	4,000	50.00	.00	3,950.00	1.3%
11102 6307 WITNESS	30,000	0	30,000	-2,395.28	.00	32,395.28	-8.0%
11102 6308 WITNESS AG	1,000	0	1,000	-6,242.20	.00	7,242.20	-624.2%
11102 6309 LAB	250	0	250	.00	.00	250.00	.0%
11102 6400 INS-BLDG	2,910	0	2,910	1,085.05	.00	1,824.95	37.3%
11102 6401 INS-LIAB	9,040	0	9,040	2,086.63	.00	6,953.37	23.1%
11102 6500 OFFICE SUP	14,000	0	14,000	3,736.08	.00	10,263.92	26.7%
11102 6505 PRINTING	7,000	0	7,000	1,002.11	.00	5,997.89	14.3%
11102 6506 POSTAL	3,000	0	3,000	656.20	.00	2,343.80	21.9%
11102 6508 DUES	7,800	0	7,800	5,870.00	.00	1,930.00	75.3%
11102 6509 BOOKS	16,500	0	16,500	3,930.14	.00	12,569.86	23.8%
11102 6511 EQUIPMENT	1,300	0	1,300	294.00	.00	1,006.00	22.6%
11102 6512 TRAIN/EDUC	12,000	0	12,000	9,230.18	.00	2,769.82	76.9%
11102 6513 LEASES	112,000	0	112,000	6,346.50	.00	105,653.50	5.7%
11102 6516 RESTJUST	40,000	0	40,000	5,118.00	.00	34,882.00	12.8%
11102 6800 TELEPHONE	22,000	0	22,000	5,453.71	.00	16,546.29	24.8%
11102 7325 FURN/FIX	1,500	0	1,500	.00	.00	1,500.00	.0%
TOTAL DISTRICT ATTORNEY	2,699,061	0	2,699,061	644,857.69	.00	2,054,203.31	23.9%

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
1110301 EXEC- ADMINISTRATION								
1110301 5120 WAGES FT	617,430	0	617,430	125,866.32	.00	491,563.68	20.4%	
1110301 5205 WAGES PT	0	0	0	3,138.73	.00	-3,138.73	100.0%	
1110301 5401 OVERTIME	0	0	0	236.10	.00	-236.10	100.0%	
1110301 5510 MED EXP	189,889	0	189,889	31,890.32	.00	157,998.68	16.8%	
1110301 5520 MSR EXP	43,110	0	43,110	4,344.92	.00	38,765.08	10.1%	
1110301 5530 FICA EXP	47,233	0	47,233	10,120.98	.00	37,112.02	21.4%	
1110301 5540 WC EXP	2,047	0	2,047	671.74	.00	1,375.26	32.8%	
1110301 5560 DEF EXP	45,083	0	45,083	11,308.44	.00	33,774.56	25.1%	
1110301 6130 TRANS	14,000	0	14,000	1,432.46	.00	12,567.54	10.2%	
1110301 6301 PROF SVC	55,000	0	55,000	1,071.38	.00	53,928.62	1.9%	
1110301 6302 LEGAL	32,000	0	32,000	3,889.75	.00	28,110.25	12.2%	
1110301 6400 INS BLDG	5,940	0	5,940	2,074.95	.00	3,865.05	34.9%	
1110301 6407 SURETY	3,850	0	3,850	1,751.94	.00	2,098.06	45.5%	
1110301 6500 OFFICE SUP	3,800	0	3,800	611.45	.00	3,188.55	16.1%	
1110301 6505 PRINTING	950	0	950	153.83	.00	796.17	16.2%	
1110301 6506 POSTAL	3,000	0	3,000	36.70	.00	2,963.30	1.2%	
1110301 6507 ADVERTISIN	1,000	0	1,000	361.15	.00	638.85	36.1%	
1110301 6508 DUES	42,000	0	42,000	11,025.00	.00	30,975.00	26.3%	
1110301 6509 BOOKS	300	0	300	.00	.00	300.00	.0%	
1110301 6512 TRAINING	5,000	0	5,000	684.00	.00	4,316.00	13.7%	
1110301 6513 LEASES	3,500	0	3,500	1,550.13	.00	1,949.87	44.3%	
1110301 6800 TELEPHONE	3,860	0	3,860	615.14	.00	3,244.86	15.9%	
TOTAL EXEC- ADMINISTRATION	1,118,992	0	1,118,992	212,835.43	.00	906,156.57	19.0%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
1110302 EXEC- INFORMATION TECH								
1110302 5120 WAGES FT	409,616	0	409,616	101,827.80	.00	307,788.20	24.9%	
1110302 5401 OVERTIME	0	0	0	208.88	.00	-208.88	100.0%	
1110302 5510 MED EXP	108,177	0	108,177	23,026.64	.00	85,150.36	21.3%	
1110302 5520 MSR EXP	42,190	0	42,190	10,397.43	.00	31,792.57	24.6%	
1110302 5530 FICA EXP	31,336	0	31,336	8,581.64	.00	22,754.36	27.4%	
1110302 5540 WC EXP	1,455	0	1,455	982.52	.00	472.48	67.5%	
1110302 6130 TRANS	4,000	0	4,000	112.70	.00	3,887.30	2.8%	
1110302 6301 PROF SVC	27,000	0	27,000	36,625.44	.00	-9,625.44	135.6%	
1110302 6500 OFFICE SUP	1,500	0	1,500	285.66	.00	1,214.34	19.0%	
1110302 6503 COMP SOFT	19,000	0	19,000	2,416.11	.00	16,583.89	12.7%	
1110302 6505 PRINTING	0	0	0	493.56	.00	-493.56	100.0%	
1110302 6512 TRAINING	6,000	0	6,000	995.00	.00	5,005.00	16.6%	
1110302 6514 MAINTENANC	547,756	0	547,756	160,744.33	.00	387,011.67	29.3%	
1110302 6611 COMP REPAI	8,000	0	8,000	1,235.07	.00	6,764.93	15.4%	
1110302 6800 TELEPHONE	75,000	0	75,000	16,840.06	.00	58,159.94	22.5%	
1110302 7355 COMP HARD	0	0	0	.00	370,319.20	-370,319.20	100.0%	
TOTAL EXEC- INFORMATION TECH	1,281,030	0	1,281,030	364,772.84	370,319.20	545,937.96	57.4%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD EXPENDED	ENCUMBRANCES		BUDGET	USED	
1110303 EXEC-GARAGE									
1110303 5120 WAGES FT	58,059	0	58,059	14,894.32	.00		43,164.68	25.7%	
1110303 5401 OVERTIME	4,120	0	4,120	186.22	.00		3,933.78	4.5%	
1110303 5510 MED EXP	22,667	0	22,667	6,369.04	.00		16,297.96	28.1%	
1110303 5520 MSR EXP	5,637	0	5,637	1,538.19	.00		4,098.81	27.3%	
1110303 5530 FICA EXP	4,757	0	4,757	1,354.15	.00		3,402.85	28.5%	
1110303 5540 WC EXP	2,994	0	2,994	958.34	.00		2,035.66	32.0%	
1110303 6500 OFFICE SUP	750	0	750	.00	.00		750.00	.0%	
1110303 6502 CLEAN SUP	600	0	600	.00	.00		600.00	.0%	
1110303 6504 MAINT SUP	1,000	0	1,000	45.58	.00		954.42	4.6%	
1110303 6505 PRINTING	2,500	0	2,500	319.32	.00		2,180.68	12.8%	
1110303 6507 ADVERTISIN	500	0	500	.00	.00		500.00	.0%	
1110303 6514 MAINTENANC	11,500	0	11,500	1,573.24	.00		9,926.76	13.7%	
1110303 6602 LOTS/GROUN	500	0	500	.00	.00		500.00	.0%	
1110303 6603 BLD/STRUC	4,000	0	4,000	69,943.30	.00		-65,943.30	1748.6%	
1110303 6605 ELECTRICAL	1,500	0	1,500	.00	.00		1,500.00	.0%	
1110303 6606 PAINTING	5,000	0	5,000	.00	.00		5,000.00	.0%	
1110303 6607 PLUMBING	1,500	0	1,500	.00	.00		1,500.00	.0%	
1110303 6609 EQUIPMENT	9,000	0	9,000	4,838.16	.00		4,161.84	53.8%	
1110303 6800 TELEPHONE	1,000	0	1,000	175.38	.00		824.62	17.5%	
1110303 6801 ELECTRICIT	0	0	0	75.39	.00		-75.39	100.0%	
1110303 6803 WATER	350	0	350	39.58	.00		310.42	11.3%	
1110303 6804 SEWER	1,000	0	1,000	155.00	.00		845.00	15.5%	
1110303 6805 RUBBISH	1,000	0	1,000	858.77	.00		141.23	85.9%	
1110303 6905 MED SUP	100	0	100	.00	.00		100.00	.0%	
1110303 6908 UNIFORMS	250	0	250	.00	.00		250.00	.0%	
1110303 6913 SAFETY	250	0	250	.00	.00		250.00	.0%	
TOTAL EXEC-GARAGE	140,534	0	140,534	103,323.98	.00		37,210.02	73.5%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD	EXPENDED	ENCUMBRANCES	BUDGET	USED	
1110304 EXEC- HUMAN RESOURCES									
1110304 5120 WAGES FT	648,451	0	648,451	162,837.44		.00	485,613.56	25.1%	
1110304 5510 MED EXP	133,233	0	133,233	34,361.36		.00	98,871.64	25.8%	
1110304 5520 MSR EXP	60,988	0	60,988	14,931.49		.00	46,056.51	24.5%	
1110304 5530 FICA EXP	49,607	0	49,607	12,073.51		.00	37,533.49	24.3%	
1110304 5540 WC EXP	1,255	0	1,255	411.86		.00	843.14	32.8%	
1110304 5560 DEF EXP	9,284	0	9,284	2,248.36		.00	7,035.64	24.2%	
1110304 6130 TRANS	2,500	0	2,500	20.30		.00	2,479.70	.8%	
1110304 6301 PROF SVC	37,000	0	37,000	4,732.96		.00	32,267.04	12.8%	
1110304 6500 OFFICE SUP	4,500	0	4,500	487.67		.00	4,012.33	10.8%	
1110304 6505 PRINTING	175	0	175	149.75		.00	25.25	85.6%	
1110304 6506 POSTAL	250	0	250	61.93		.00	188.07	24.8%	
1110304 6508 DUES	2,000	0	2,000	150.00		.00	1,850.00	7.5%	
1110304 6509 BOOKS	4,150	0	4,150	190.09		.00	3,959.91	4.6%	
1110304 6512 TRAINING	15,900	0	15,900	.00		.00	15,900.00	.0%	
1110304 6513 LEASES	1,950	0	1,950	369.54		.00	1,580.46	19.0%	
1110304 6515 Wellness	10,000	0	10,000	2,385.00		.00	7,615.00	23.9%	
1110304 6800 TELEPHONE	480	0	480	670.25		.00	-190.25	139.6%	
1110304 7361 OCCUP	7,000	0	7,000	560.59		.00	6,439.41	8.0%	
TOTAL EXEC- HUMAN RESOURCES	988,723	0	988,723	236,642.10		.00	752,080.90	23.9%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD EXPENDED	ENCUMBRANCES		BUDGET	USED	
11105 FACILITIES DEPT									
11105 5120 WAGES FT	1,346,798	0	1,346,798	347,859.17	.00		998,938.83	25.8%	
11105 5205 WAGES PT	0	0	0	727.61	.00		-727.61	100.0%	
11105 5401 OVERTIME	36,050	0	36,050	4,191.49	.00		31,858.51	11.6%	
11105 5510 MED EXP	329,011	0	329,011	84,942.39	.00		244,068.61	25.8%	
11105 5520 MSR EXP	127,447	0	127,447	33,455.08	.00		93,991.92	26.3%	
11105 5530 FICA EXP	105,788	0	105,788	26,272.40	.00		79,515.60	24.8%	
11105 5540 WC EXP	33,845	0	33,845	11,105.96	.00		22,739.04	32.8%	
11105 5560 DEF EXP	0	0	0	151.44	.00		-151.44	100.0%	
11105 6130 TRANS	800	0	800	.00	.00		800.00	.0%	
11105 6131 GAS, OIL	18,000	0	18,000	10,627.16	.00		7,372.84	59.0%	
11105 6132 VEH REPAIR	120,000	0	120,000	22,253.08	.00		97,746.92	18.5%	
11105 6301 PROF SVC	10,500	0	10,500	10,607.01	.00		-107.01	101.0%	
11105 6303 SPEC SVC	9,500	0	9,500	8,823.80	.00		676.20	92.9%	
11105 6304 SECURITY	2,000	0	2,000	629.84	.00		1,370.16	31.5%	
11105 6400 INS-BLDG	58,379	0	58,379	22,148.37	.00		36,230.63	37.9%	
11105 6401 INS-LIAB	17,779	0	17,779	1,217.34	.00		16,561.66	6.8%	
11105 6402 INS-VEH	15,282	0	15,282	5,797.92	.00		9,484.08	37.9%	
11105 6405 INS-BOILER	9,016	0	9,016	3,420.41	.00		5,595.59	37.9%	
11105 6500 OFF SUPPLY	2,000	0	2,000	1,315.28	.00		684.72	65.8%	
11105 6502 CLEAN SUP	20,000	0	20,000	6,221.86	.00		13,778.14	31.1%	
11105 6504 MAINTENANC	15,000	0	15,000	1,977.52	.00		13,022.48	13.2%	
11105 6505 PRINTING	500	0	500	152.41	.00		347.59	30.5%	
11105 6506 POSTAL	200	0	200	10.48	.00		189.52	5.2%	
11105 6507 ADVERTISIN	1,000	0	1,000	.00	.00		1,000.00	.0%	
11105 6508 DUES	450	0	450	6,500.32	.00		-6,050.32	1444.5%	
11105 6509 BOOKS	300	0	300	.00	.00		300.00	.0%	
11105 6510 TOOLS	4,500	0	4,500	1,558.93	.00		2,941.07	34.6%	
11105 6511 EQUIPMENT	13,500	0	13,500	3,499.84	.00		10,000.16	25.9%	
11105 6512 TRAIN/EDUC	2,500	0	2,500	606.48	.00		1,893.52	24.3%	
11105 6513 LEASES	58,953	0	58,953	9,825.52	.00		49,127.48	16.7%	
11105 6514 MAINTENANC	90,000	0	90,000	30,087.68	.00		59,912.32	33.4%	
11105 6601 SNOW REMOV	5,000	0	5,000	310.00	.00		4,690.00	6.2%	
11105 6602 LOTS/GROUN	3,500	0	3,500	1,546.62	.00		1,953.38	44.2%	
11105 6603 BLDG/STRUC	30,500	0	30,500	19,282.05	.00		11,217.95	63.2%	
11105 6604 HEATING	40,000	0	40,000	21,783.04	.00		18,216.96	54.5%	
11105 6605 ELECTRICAL	30,000	0	30,000	1,207.98	.00		28,792.02	4.0%	
11105 6606 PAINTING	7,000	0	7,000	1,904.40	.00		5,095.60	27.2%	
11105 6607 PLUMBING	10,000	0	10,000	14,341.48	.00		-4,341.48	143.4%	
11105 6608 ELEVATOR	10,000	0	10,000	442.00	.00		9,558.00	4.4%	
11105 6609 EQUIPMENT	5,000	0	5,000	5,223.03	.00		-223.03	104.5%	

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:	GENERAL FUND	ORIGINAL APPROP	TRANFRS/ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
11105 6612	FURNITURE	3,000	0	3,000	1,658.07	.00	1,341.93	55.3%	
11105 6800	TELEPHONE	7,500	0	7,500	5,079.33	.00	2,420.67	67.7%	
11105 6801	ELECTRICIT	150,000	0	150,000	39,602.83	.00	110,397.17	26.4%	
11105 6802	GAS UTIL	165,000	0	165,000	3,819.11	.00	161,180.89	2.3%	
11105 6803	WATER	6,500	0	6,500	1,493.62	.00	5,006.38	23.0%	
11105 6804	SEWER	32,000	0	32,000	8,327.60	.00	23,672.40	26.0%	
11105 6805	RUBBISH	24,000	0	24,000	5,912.37	.00	18,087.63	24.6%	
11105 6806	FUEL OIL	4,000	0	4,000	.00	.00	4,000.00	.0%	
11105 6906	PAPER	10,000	0	10,000	3,527.40	.00	6,472.60	35.3%	
11105 6908	UNIFORMS	6,000	0	6,000	369.99	.00	5,630.01	6.2%	
11105 6909	CLEANING	750	0	750	.00	.00	750.00	.0%	
11105 6913	SAFETY	3,000	0	3,000	279.95	.00	2,720.05	9.3%	
11105 7355	COMP HARD	0	0	0	41.98	.00	-41.98	100.0%	
TOTAL FACILITIES DEPT		3,001,848	0	3,001,848	792,139.64	.00	2,209,708.36	26.4%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED
1110605 SHER-ADMINISTRATION							
1110605 5120 WAGES FT	1,012,318	0	1,012,318	210,056.51	.00	802,261.49	20.8%
1110605 5401 OVERTIME	5,150	0	5,150	1,420.66	.00	3,729.34	27.6%
1110605 5510 MED EXP	186,869	0	186,869	43,499.96	.00	143,369.04	23.3%
1110605 5520 MSR EXP	75,056	0	75,056	14,152.89	.00	60,903.11	18.9%
1110605 5530 FICA EXP	74,165	0	74,165	15,578.83	.00	58,586.17	21.0%
1110605 5540 WC EXP	19,312	0	19,312	6,336.98	.00	12,975.02	32.8%
1110605 5560 DEF EXP	17,886	0	17,886	5,144.77	.00	12,741.23	28.8%
1110605 6130 TRANS	20,000	0	20,000	3,099.48	.00	16,900.52	15.5%
1110605 6131 GAS, OIL	9,000	0	9,000	1,275.93	.00	7,724.07	14.2%
1110605 6301 PROF SVC	16,000	0	16,000	1,450.00	.00	14,550.00	9.1%
1110605 6302 LEGAL	12,000	0	12,000	1,125.00	.00	10,875.00	9.4%
1110605 6401 INS LIAB	68,266	0	68,266	28,788.45	.00	39,477.55	42.2%
1110605 6402 INS VEH	23,540	0	23,540	10,190.29	.00	13,349.71	43.3%
1110605 6500 OFFICE SUP	9,500	0	9,500	3,327.21	.00	6,172.79	35.0%
1110605 6505 PRINTING	12,000	0	12,000	1,049.13	.00	10,950.87	8.7%
1110605 6506 POSTAL	3,500	0	3,500	753.50	.00	2,746.50	21.5%
1110605 6507 ADVERTISIN	1,500	0	1,500	.00	.00	1,500.00	.0%
1110605 6508 DUES	4,800	0	4,800	944.00	.00	3,856.00	19.7%
1110605 6509 BOOKS	3,500	0	3,500	.00	.00	3,500.00	.0%
1110605 6511 EQUIP RENT	7,000	0	7,000	937.89	.00	6,062.11	13.4%
1110605 6512 TRAINING	16,800	0	16,800	1,842.77	.00	14,957.23	11.0%
1110605 6800 TELEPHONE	77,181	0	77,181	16,255.86	.00	60,925.14	21.1%
1110605 6908 UNIFORMS	3,000	0	3,000	2,819.53	.00	180.47	94.0%
1110605 6910 CRIM INV	3,000	0	3,000	.00	.00	3,000.00	.0%
1110605 6915 Poly	0	0	0	1,940.00	.00	-1,940.00	100.0%
1110605 6949 SPECIAL	3,000	0	3,000	4,188.43	.00	-1,188.43	139.6%
1110605 6950 MISC EXP	5,000	0	5,000	130.42	.00	4,869.58	2.6%
1110605 7350 OFFICE EQ	3,000	0	3,000	1,700.36	.00	1,299.64	56.7%
TOTAL SHER-ADMINISTRATION	1,692,343	0	1,692,343	378,008.85	.00	1,314,334.15	22.3%

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS	FOR:		ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
11	GENERAL	FUND	APPROP	ADJSTMTS	BUDGET	YTD EXPENDED	ENCUMBRANCES	BUDGET	USED
1110606 SHER-LAW ENFORCEMENT									
1110606	5120	WAGES FT	3,743,370	0	3,743,370	946,943.03	.00	2,796,426.97	25.3%
1110606	5210	TEMP	0	0	0	530.96	.00	-530.96	100.0%
1110606	5401	OVERTIME	694,913	0	694,913	114,195.78	.00	580,717.22	16.4%
1110606	5510	MED EXP	1,097,321	0	1,097,321	235,253.17	.00	862,067.83	21.4%
1110606	5520	MSR EXP	504,393	0	504,393	134,950.01	.00	369,442.99	26.8%
1110606	5530	FICA EXP	339,529	0	339,529	79,365.60	.00	260,163.40	23.4%
1110606	5540	WC EXP	121,270	0	121,270	39,793.84	.00	81,476.16	32.8%
1110606	5560	DEF EXP	3,043	0	3,043	795.53	.00	2,247.47	26.1%
1110606	6130	TRANS	25,000	0	25,000	392.00	.00	24,608.00	1.6%
1110606	6131	GAS, OIL	231,417	0	231,417	32,201.24	.00	199,215.76	13.9%
1110606	6231	BASE RADIO	17,000	0	17,000	.00	.00	17,000.00	.0%
1110606	6232	EER	0	0	0	3,020.34	.00	-3,020.34	100.0%
1110606	6314	AMMO	55,922	0	55,922	1,194.00	.00	54,728.00	2.1%
1110606	6501	TRAIN SUP	6,000	0	6,000	733.96	.00	5,266.04	12.2%
1110606	6509	BOOKS	130,107	0	130,107	31,216.09	.00	98,890.91	24.0%
1110606	6512	TRAINING	57,200	0	57,200	6,904.46	.00	50,295.54	12.1%
1110606	6905	MED SUP	3,500	0	3,500	2,223.30	.00	1,276.70	63.5%
1110606	6908	UNIFORMS	37,000	0	37,000	18,218.63	.00	18,781.37	49.2%
1110606	6910	CRIM INV	40,470	0	40,470	6,598.80	.00	33,871.20	16.3%
1110606	6911	CANINE	30,000	0	30,000	4,911.37	.00	25,088.63	16.4%
1110606	6950	MISC EXP	0	0	0	21.24	.00	-21.24	100.0%
1110606	7345	VEH	640,000	0	640,000	59.04	.00	639,940.96	.0%
1110606	7350	OFFICE EQ	4,000	0	4,000	.00	.00	4,000.00	.0%
1110606	7360	SAFETY	18,400	0	18,400	122.08	.00	18,277.92	.7%
1110606	7366	ESU	14,400	0	14,400	3,012.20	.00	11,387.80	20.9%
1110606	7367	DIVE TEAM	5,500	0	5,500	567.19	.00	4,932.81	10.3%
1110606	7368	HGUARD	2,500	0	2,500	1,419.39	.00	1,080.61	56.8%
1110606	7369	VIPS	2,000	0	2,000	89.95	.00	1,910.05	4.5%
TOTAL SHER-LAW ENFORCEMENT			7,824,255	0	7,824,255	1,664,733.20	.00	6,159,521.80	21.3%

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD	EXPENDED	ENCUMBRANCES	BUDGET	USED	
1110607 SHER-CORRECTIONS DIV									
1110607 5120 WAGES FT	9,606,544	0	9,606,544	2,591,414.03		.00	7,015,129.97	27.0%	
1110607 5205 WAGES PT	0	0	0	2,569.90		.00	-2,569.90	100.0%	
1110607 5401 OVERTIME	1,636,032	0	1,636,032	252,951.54		.00	1,383,080.46	15.5%	
1110607 5510 MED EXP	2,376,635	0	2,376,635	576,974.20		.00	1,799,660.80	24.3%	
1110607 5520 MSR EXP	1,326,624	0	1,326,624	311,809.27		.00	1,014,814.73	23.5%	
1110607 5530 FICA EXP	860,057	0	860,057	206,959.85		.00	653,097.15	24.1%	
1110607 5540 WC EXP	286,000	0	286,000	93,849.14		.00	192,150.86	32.8%	
1110607 5560 DEF EXP	19,899	0	19,899	1,627.56		.00	18,271.44	8.2%	
1110607 6130 TRANS	14,500	0	14,500	1,302.05		.00	13,197.95	9.0%	
1110607 6131 GAS, OIL	27,500	0	27,500	4,251.32		.00	23,248.68	15.5%	
1110607 6132 VEH REPAIR	10,000	0	10,000	6,990.64		.00	3,009.36	69.9%	
1110607 6231 BASE RADIO	3,500	0	3,500	.00		.00	3,500.00	.0%	
1110607 6232 EER	0	0	0	5,557.60		.00	-5,557.60	100.0%	
1110607 6300 AUDIT	2,000	0	2,000	2,000.00		.00	.00	100.0%	
1110607 6301 PROF SVC	5,000	0	5,000	3,725.50		.00	1,274.50	74.5%	
1110607 6302 LEGAL SERV	20,000	0	20,000	9,730.00		.00	10,270.00	48.7%	
1110607 6303 CONTRACT S	4,095,000	0	4,095,000	1,134,211.37		.00	2,960,788.63	27.7%	
1110607 6304 SECURITY	2,000	0	2,000	65.40		.00	1,934.60	3.3%	
1110607 6400 INS BLDG	100,234	0	100,234	26,433.91		.00	73,800.09	26.4%	
1110607 6401 INS LIAB	194,633	0	194,633	51,327.97		.00	143,305.03	26.4%	
1110607 6402 INS VEH	18,890	0	18,890	4,981.85		.00	13,908.15	26.4%	
1110607 6500 OFFICE SUP	20,000	0	20,000	5,497.36		.00	14,502.64	27.5%	
1110607 6501 TRAIN SUP	12,000	0	12,000	20.00		.00	11,980.00	.2%	
1110607 6502 CLEAN SUP	0	0	0	301.96		.00	-301.96	100.0%	
1110607 6504 MAINT SUP	15,500	0	15,500	1,299.42		.00	14,200.58	8.4%	
1110607 6505 PRINTING	1,000	0	1,000	331.26		.00	668.74	33.1%	
1110607 6506 POSTAL	5,500	0	5,500	3,696.72		.00	1,803.28	67.2%	
1110607 6507 ADVERTISIN	1,000	0	1,000	.00		.00	1,000.00	.0%	
1110607 6508 DUES	1,550	0	1,550	285.68		.00	1,264.32	18.4%	
1110607 6509 BOOKS	0	0	0	144.00		.00	-144.00	100.0%	
1110607 6510 TOOLS	3,750	0	3,750	593.92		.00	3,156.08	15.8%	
1110607 6511 EQUIP RENT	12,600	0	12,600	2,237.98		.00	10,362.02	17.8%	
1110607 6512 TRAINING	36,100	0	36,100	27,390.14		.00	8,709.86	75.9%	
1110607 6514 MAINTENANC	43,000	0	43,000	45,333.71		.00	-2,333.71	105.4%	
1110607 6600 CLEANING	100,000	0	100,000	18,580.08		.00	81,419.92	18.6%	
1110607 6601 SNOW REM	6,000	0	6,000	.00		.00	6,000.00	.0%	
1110607 6602 LOTS/GROUN	3,000	0	3,000	883.79		.00	2,116.21	29.5%	
1110607 6603 BLD/STRUC	25,000	0	25,000	2,561.92		.00	22,438.08	10.2%	
1110607 6604 HEATING	45,000	0	45,000	5,518.62		.00	39,481.38	12.3%	
1110607 6605 ELECTRICAL	45,000	0	45,000	4,052.65		.00	40,947.35	9.0%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS 11	FOR: GENERAL FUND		ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
1110607 6606	PAINTING		15,000	0	15,000	531.49	.00	14,468.51	3.5%
1110607 6607	PLUMBING		14,000	0	14,000	2,243.18	.00	11,756.82	16.0%
1110607 6609	EQUIPMENT		3,500	0	3,500	8,459.52	.00	-4,959.52	241.7%
1110607 6800	TELEPHONE		2,300	0	2,300	7,439.85	.00	-5,139.85	323.5%
1110607 6801	ELECTRICIT		200,000	0	200,000	67,164.59	.00	132,835.41	33.6%
1110607 6802	GAS UTIL		175,000	0	175,000	25,832.18	.00	149,167.82	14.8%
1110607 6803	WATER		19,775	0	19,775	4,949.91	.00	14,825.09	25.0%
1110607 6804	SEWER		130,000	0	130,000	37,301.70	.00	92,698.30	28.7%
1110607 6805	RUBBISH		29,500	0	29,500	7,226.11	.00	22,273.89	24.5%
1110607 6806	FUEL OIL		3,000	0	3,000	.00	.00	3,000.00	.0%
1110607 6902	ALT SENT		5,610	0	5,610	.00	.00	5,610.00	.0%
1110607 6903	FOOD		800,000	0	800,000	235,141.62	.00	564,858.38	29.4%
1110607 6904	INST		39,000	0	39,000	8,992.01	.00	30,007.99	23.1%
1110607 6907	CLOTH PRIS		29,000	0	29,000	9,212.08	.00	19,787.92	31.8%
1110607 6908	UNIFORMS		65,000	0	65,000	18,699.94	.00	46,300.06	28.8%
1110607 6912	BOOK SUP		15,000	0	15,000	1,526.90	.00	13,473.10	10.2%
1110607 6913	SAFETY		0	0	0	100.00	.00	-100.00	100.0%
1110607 6914	NON FOOD		45,000	0	45,000	24,360.93	.00	20,639.07	54.1%
1110607 6917	PREA		13,000	0	13,000	.00	.00	13,000.00	.0%
1110607 6950	MISC EXP		335,000	0	335,000	86,680.27	.00	248,319.73	25.9%
1110607 7305	BLDG IMP		9,000	0	9,000	.00	.00	9,000.00	.0%
1110607 7325	FURNITURE		11,000	0	11,000	.00	.00	11,000.00	.0%
1110607 7345	VEHICLES		40,800	0	40,800	.00	.00	40,800.00	.0%
1110607 7350	OFFICE EQ		3,500	0	3,500	7.88	.00	3,492.12	.2%
1110607 7355	COMP HARD		30,000	0	30,000	4,802.70	.00	25,197.30	16.0%
1110607 7360	SAFETY		25,000	0	25,000	6,176.85	.00	18,823.15	24.7%
1110607 9954	C DRUG KIT		10,000	0	10,000	1,970.00	.00	8,030.00	19.7%
TOTAL SHER-CORRECTIONS DIV			23,049,033	0	23,049,033	5,966,282.02	.00	17,082,750.98	25.9%

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
1110608 SHER-CIVIL DIVISION								
1110608 5120 WAGES FT	348,665	0	348,665	67,253.71	.00	281,411.29	19.3%	
1110608 5401 OVERTIME	0	0	0	1,570.12	.00	-1,570.12	100.0%	
1110608 5510 MED EXP	50,771	0	50,771	14,453.59	.00	36,317.41	28.5%	
1110608 5520 MSR EXP	25,501	0	25,501	5,862.34	.00	19,638.66	23.0%	
1110608 5530 FICA EXP	20,509	0	20,509	5,536.10	.00	14,972.90	27.0%	
1110608 5540 WC EXP	9,424	0	9,424	3,092.32	.00	6,331.68	32.8%	
1110608 5560 DEF EXP	0	0	0	1,020.75	.00	-1,020.75	100.0%	
1110608 6130 TRANS	37,000	0	37,000	12,687.84	.00	24,312.16	34.3%	
1110608 6500 OFFICE SUP	1,500	0	1,500	261.62	.00	1,238.38	17.4%	
1110608 6505 PRINTING	750	0	750	49.00	.00	701.00	6.5%	
1110608 6506 POSTAL	13,460	0	13,460	4,079.04	.00	9,380.96	30.3%	
1110608 6512 TRAINING	1,000	0	1,000	333.15	.00	666.85	33.3%	
1110608 6800 TELEPHONE	2,007	0	2,007	337.84	.00	1,669.16	16.8%	
1110608 6908 UNIFORMS	1,600	0	1,600	1,900.07	.00	-300.07	118.8%	
1110608 7350 OFFICE EQ	2,000	0	2,000	.00	.00	2,000.00	.0%	
TOTAL SHER-CIVIL DIVISION	514,187	0	514,187	118,437.49	.00	395,749.51	23.0%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
11107 REGISTRY OF DEEDS								
11107 5120 WAGES FT	480,958	0	480,958	107,488.48	.00	373,469.52	22.3%	
11107 5510 MED EXP	140,934	0	140,934	33,068.66	.00	107,865.34	23.5%	
11107 5520 MSR EXP	36,663	0	36,663	7,784.21	.00	28,878.79	21.2%	
11107 5530 FICA EXP	36,793	0	36,793	7,813.62	.00	28,979.38	21.2%	
11107 5540 WC EXP	2,328	0	2,328	1,124.74	.00	1,203.26	48.3%	
11107 5560 DEF EXP	1,862	0	1,862	450.88	.00	1,411.12	24.2%	
11107 6130 TRANS	5,500	0	5,500	62.88	.00	5,437.12	1.1%	
11107 6500 OFFICE SUP	6,000	0	6,000	806.39	.00	5,193.61	13.4%	
11107 6505 PRINTING	700	0	700	.00	.00	700.00	.0%	
11107 6506 POSTAL	12,000	0	12,000	1,619.89	.00	10,380.11	13.5%	
11107 6508 DUES	500	0	500	280.00	.00	220.00	56.0%	
11107 6512 TRAINING	2,500	0	2,500	322.50	.00	2,177.50	12.9%	
11107 6513 LEASES	120,000	0	120,000	19,696.73	.00	100,303.27	16.4%	
11107 6800 TELEPHONE	7,500	0	7,500	1,558.68	.00	5,941.32	20.8%	
11107 7350 OFFICE EQU	4,000	0	4,000	625.11	.00	3,374.89	15.6%	
TOTAL REGISTRY OF DEEDS	858,238	0	858,238	182,702.77	.00	675,535.23	21.3%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
11108 REGISTRY OF PROBATE								
11108 5120 WAGES FT	530,169	0	530,169	104,514.81	.00	425,654.19	19.7%	
11108 5205 WAGES PT	0	0	0	26,486.40	.00	-26,486.40	100.0%	
11108 5510 MED EXP	128,676	0	128,676	28,281.34	.00	100,394.66	22.0%	
11108 5520 MSR EXP	31,215	0	31,215	7,577.44	.00	23,637.56	24.3%	
11108 5530 FICA EXP	40,558	0	40,558	9,913.19	.00	30,644.81	24.4%	
11108 5540 WC EXP	1,522	0	1,522	499.56	.00	1,022.44	32.8%	
11108 5560 DEF EXP	7,602	0	7,602	650.00	.00	6,952.00	8.6%	
11108 6130 TRANS	1,500	0	1,500	.00	.00	1,500.00	.0%	
11108 6301 PROF SVC	7,000	0	7,000	1,776.00	.00	5,224.00	25.4%	
11108 6305 STENO	1,250	0	1,250	.00	.00	1,250.00	.0%	
11108 6306 ATTY EXP	130,000	0	130,000	33,913.50	.00	96,086.50	26.1%	
11108 6401 INS LIAB	500	0	500	145.65	.00	354.35	29.1%	
11108 6500 OFFICE SUP	8,000	0	8,000	1,662.92	.00	6,337.08	20.8%	
11108 6505 PRINTING	1,000	0	1,000	380.00	.00	620.00	38.0%	
11108 6506 POSTAL	15,000	0	15,000	4,823.43	.00	10,176.57	32.2%	
11108 6507 ADVERTISIN	9,000	0	9,000	2,673.00	.00	6,327.00	29.7%	
11108 6508 DUES	600	0	600	.00	.00	600.00	.0%	
11108 6509 BOOKS	8,000	0	8,000	1,714.94	.00	6,285.06	21.4%	
11108 6512 TRAINING	1,000	0	1,000	.00	.00	1,000.00	.0%	
11108 6513 LEASES	1,400	0	1,400	343.89	.00	1,056.11	24.6%	
11108 6700 ABSTRACT	20,000	0	20,000	3,472.00	.00	16,528.00	17.4%	
11108 6800 TELEPHONE	950	0	950	537.90	.00	412.10	56.6%	
11108 6807 VIS EXP	40,000	0	40,000	8,575.00	.00	31,425.00	21.4%	
TOTAL REGISTRY OF PROBATE	984,942	0	984,942	237,940.97	.00	747,001.03	24.2%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR: 11 GENERAL FUND	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
11109 FINANCE OFFICE								
11109 5120 WAGES FT	427,015	0	427,015	96,912.73	.00	330,102.27	22.7%	
11109 5401 OVERTIME	515	0	515	664.78	.00	-149.78	129.1%	
11109 5510 MED EXP	71,931	0	71,931	21,585.25	.00	50,345.75	30.0%	
11109 5520 MSR EXP	35,402	0	35,402	9,828.05	.00	25,573.95	27.8%	
11109 5530 FICA EXP	25,731	0	25,731	7,351.97	.00	18,379.03	28.6%	
11109 5540 WC EXP	1,522	0	1,522	499.56	.00	1,022.44	32.8%	
11109 6130 TRANS	3,000	0	3,000	.00	.00	3,000.00	.0%	
11109 6300 AUDIT	32,000	0	32,000	8,677.00	.00	23,323.00	27.1%	
11109 6500 OFFICE SUP	4,000	0	4,000	1,398.99	.00	2,601.01	35.0%	
11109 6505 PRINTING	550	0	550	199.00	.00	351.00	36.2%	
11109 6506 POSTAL	5,500	0	5,500	1,557.16	.00	3,942.84	28.3%	
11109 6508 DUES	1,700	0	1,700	.00	.00	1,700.00	.0%	
11109 6512 TRAINING	3,200	0	3,200	193.00	.00	3,007.00	6.0%	
11109 6514 MAINT CONT	100,432	0	100,432	86,576.09	.00	13,855.91	86.2%	
11109 6800 TELEPHONE	2,500	0	2,500	551.88	.00	1,948.12	22.1%	
11109 7325 FURNITURE	1,000	0	1,000	.00	.00	1,000.00	.0%	
TOTAL FINANCE OFFICE	715,998	0	715,998	235,995.46	.00	480,002.54	33.0%	

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD EXPENDED	ENCUMBRANCES		BUDGET	USED
11110 CCRCC COOMUNICATIONS								
11110 5120 WAGES FT	2,350,186	0	2,350,186	612,899.59	.00		1,737,286.41	26.1%
11110 5401 OVERTIME	229,160	0	229,160	51,497.84	.00		177,662.16	22.5%
11110 5510 MED EXP	619,561	0	619,561	142,924.26	.00		476,636.74	23.1%
11110 5520 MSR EXP	267,526	0	267,526	80,029.20	.00		187,496.80	29.9%
11110 5530 FICA EXP	197,320	0	197,320	49,039.51	.00		148,280.49	24.9%
11110 5540 WC EXP	7,481	0	7,481	2,769.64	.00		4,711.36	37.0%
11110 6130 TRANS	15,000	0	15,000	1,722.34	.00		13,277.66	11.5%
11110 6131 GAS, OIL	400	0	400	33.03	.00		366.97	8.3%
11110 6230 RADIO SITE	120,955	0	120,955	102,335.51	.00		18,619.49	84.6%
11110 6231 BASE RADIO	10,000	0	10,000	3,991.50	.00		6,008.50	39.9%
11110 6301 PROF SVC	5,000	0	5,000	1,350.00	.00		3,650.00	27.0%
11110 6401 INS-LIAB	330	0	330	125.20	.00		204.80	37.9%
11110 6500 OFFICE SUP	7,000	0	7,000	776.76	.00		6,223.24	11.1%
11110 6505 PRINING	750	0	750	111.40	.00		638.60	14.9%
11110 6506 POSTAL	250	0	250	.00	.00		250.00	.0%
11110 6508 DUES	3,500	0	3,500	.00	.00		3,500.00	.0%
11110 6509 BOOKS	500	0	500	.00	.00		500.00	.0%
11110 6512 TRAINING S	38,000	0	38,000	2,784.29	.00		35,215.71	7.3%
11110 6513 LEASES	126,872	0	126,872	69,241.42	.00		57,630.58	54.6%
11110 6800 TELEPHONE	20,000	0	20,000	3,851.19	.00		16,148.81	19.3%
11110 6908 UNIFORMS	7,000	0	7,000	851.07	.00		6,148.93	12.2%
11110 7350 OFFICE EQ	1,000	0	1,000	.00	.00		1,000.00	.0%
TOTAL CCRCC COOMUNICATIONS	4,027,791	0	4,027,791	1,126,333.75	.00		2,901,457.25	28.0%

CUMBERLAND COUNTY

BUDGET REPORT FY26 EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
11111 PUBLIC HEALTH								
11111 5120 WAGES FT	151,810	0	151,810	36,859.47	.00	114,950.53	24.3%	
11111 5205 WAGES PT	73,423	0	73,423	18,133.20	.00	55,289.80	24.7%	
11111 5510 MED EXP	40,006	0	40,006	14,262.27	.00	25,743.73	35.7%	
11111 5520 MSR EXP	15,333	0	15,333	3,759.73	.00	11,573.27	24.5%	
11111 5530 FICA EXP	17,231	0	17,231	3,871.10	.00	13,359.90	22.5%	
11111 5540 WC EXP	500	0	500	.00	.00	500.00	.0%	
11111 5560 DEF EXP	5,874	0	5,874	1,450.65	.00	4,423.35	24.7%	
11111 6130 TRANS	3,900	0	3,900	316.91	.00	3,583.09	8.1%	
11111 6500 OFFICE SUP	100	0	100	139.93	.00	-39.93	139.9%	
11111 6508 DUES	2,300	0	2,300	600.00	.00	1,700.00	26.1%	
11111 6512 TRAINING	1,075	0	1,075	541.00	.00	534.00	50.3%	
11111 6800 TELEPHONE	900	0	900	667.72	.00	232.28	74.2%	
11111 6903 FOOD	0	0	0	302.65	.00	-302.65	100.0%	
11111 6950 MISC EXP	11,000	0	11,000	.00	.00	11,000.00	.0%	
TOTAL PUBLIC HEALTH	323,452	0	323,452	80,904.63	.00	242,547.37	25.0%	

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD	EXPENDED	ENCUMBRANCES	BUDGET	USED
11120 DEBT								
11120 9103 CC 1993	364,971	0	364,971		.00	.00	364,971.00	.0%
11120 9104 CIP PRIN	915,546	0	915,546		.00	.00	915,546.00	.0%
11120 9109 CIP INT	367,383	0	367,383		.00	.00	367,383.00	.0%
11120 9113 CIV CTR	1,530,000	0	1,530,000		.00	.00	1,530,000.00	.0%
11120 9202 CC INTERES	579,245	0	579,245		.00	.00	579,245.00	.0%
TOTAL DEBT	3,757,145	0	3,757,145		.00	.00	3,757,145.00	.0%

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
11130 COUNTY GRANTS								
11130 8002 CC EXT	125,000	0	125,000	.00	.00	125,000.00	.0%	
11130 8003 SOIL	18,000	0	18,000	.00	.00	18,000.00	.0%	
11130 8005 PORTLAND	10,000	0	10,000	.00	.00	10,000.00	.0%	
TOTAL COUNTY GRANTS	153,000	0	153,000	.00	.00	153,000.00	.0%	

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET			BUDGET	USED	
11131 HUMAN SERVICES								
11131 8500 HUMAN SERV	115,000	0	115,000	100,000.00	.00	15,000.00	87.0%	
TOTAL HUMAN SERVICES	115,000	0	115,000	100,000.00	.00	15,000.00	87.0%	

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03									
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED	YTD	EXPENDED	ENCUMBRANCES	AVAILABLE	PCT	
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET				BUDGET	USED	
11140 MISCELLANEOUS									
11140 5520 MSR EXP	10,000	0	10,000		2,885.22	.00	7,114.78	28.9%	
11140 5550 UNEMPLOY	5,000	0	5,000		3,568.85	.00	1,431.15	71.4%	
TOTAL MISCELLANEOUS	15,000	0	15,000		6,454.07	.00	8,545.93	43.0%	

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
11 GENERAL FUND	APPROP	ADJSTMTS	BUDGET	YTD	EXPENDED	ENCUMBRANCES	BUDGET	USED
11141 MISCELLANEOUS								
11141 5120 WAGES FT	120,000	0	120,000		.00	.00	120,000.00	.0%
11141 5501 TERM PAY	435,000	0	435,000		.00	.00	435,000.00	.0%
11141 5502 CONT	45,000	0	45,000		.00	.00	45,000.00	.0%
11141 9498 REF & INFO	170,000	0	170,000		.00	.00	170,000.00	.0%
11141 9500 CC SUBSIDY	680,000	0	680,000		.00	.00	680,000.00	.0%
11141 9526 CIP COUNTY	299,600	0	299,600		.00	.00	299,600.00	.0%
TOTAL MISCELLANEOUS	1,749,600	0	1,749,600		.00	.00	1,749,600.00	.0%
TOTAL GENERAL FUND	55,713,430	0	55,713,430	12,610,076.39		370,319.20	42,733,034.41	23.3%
TOTAL EXPENSES	55,713,430	0	55,713,430	12,610,076.39		370,319.20	42,733,034.41	

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

FOR 2026 03								
	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
GRAND TOTAL	55,713,430	0	55,713,430	12,610,076.39	370,319.20	42,733,034.41	23.3%	
** END OF REPORT - Generated by Theresa Grover **								

BUDGET REPORT FY26

EXPENSES THRU SEPTEMBER 30, 2025

REPORT OPTIONS

	Field #	Total	Page Break
Sequence 1	1	Y	Y
Sequence 2	9	Y	Y
Sequence 3	0	N	N
Sequence 4	0	N	N

Report title:
BUDGET REPORT FY26

Includes accounts exceeding 0% of budget.

Print totals only: N

Print Full or Short description: S

Print full GL account: N

Format type: 1

Double space: N

Suppress zero bal accts: Y

Include requisition amount: N

Print Revenues-Version headings: N

Print revenue as credit: Y

Print revenue budgets as zero: N

Include Fund Balance: N

Print journal detail: N

From Yr/Per: 2025/ 1

To Yr/Per: 2025/ 3

Include budget entries: Y

Incl encumb/liq entries: Y

Sort by JE # or PO #: J

Detail format option: 1

Include additional JE comments: N

Multiyear view: D

Amounts/totals exceed 999 million dollars: N

Year/Period: 2026/ 3

Print MTD Version: N

Roll projects to object: N

Carry forward code: 1

Find Criteria	
Field Name	Field Value
Fund	11
Department	
Activity Ctr	
Sub Activity	
Character Code	
Org	
Object	
Project	
Account type	Expense
Account status	
Rollup Code	



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: CD 25-027

Agenda Date: 10/20/2025

Agenda #:

Agenda Item Request:

Informational Presentation - Mobility, Access and Transportation Insecurity Phase II grant.

Background and Purpose of Request:

Staff would like to provide an overview of the Mobility, Access and Transportation Insecurity Phase II grant extension. This item is on the Consent Calendar for the County Commissioners to accept those funds for the furthering of the program in the region.

In 2024, the Cumberland County Public Health (CCPH) was awarded Phase 1 funding of \$150,000 from University of Minnesota's (UMN) Center for Transportation Studies for a 9-12-month planning process for a mobility management demonstration project.

In July, 2025 after a year of community engagement and planning, CCPH submitted a plan for a demonstration project called Dirigo Access, an income-eligible fare program with reduced and free fare categories that would be delivered through a network of community-based organizations.

With funding from the Federal Transit Administration, UMN has chosen Cumberland County Public Health's demonstration project to move forward to Phase 2. With the contract extension, CCPH will be awarded \$700,000 over 2 years to implement the Dirigo Access demonstration project and create a cooperative purchasing model that will fund the pass program beyond the two-year demonstration project period.

No matching funds are required and no additional county funding will be needed to complete the requirements of the grant.



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-104

Agenda Date: 10/20/2025

Agenda #:

Sheriff's Office Commissions August 2025

[Review commissions for the month of August 2025]

[see attached]



CUMBERLAND COUNTY SHERIFF'S OFFICE

- Kevin J. Joyce
SHERIFF
- Brian R. Pellerin
CHIEF DEPUTY

36 County Way, Portland, Maine 04102

phone (207)774-1444 – fax (207)828-2373

To: Cumberland County Commissioners
From: Sheriff Kevin Joyce *KJS*
Date: September 19, 2025
Subject: Sheriff's Office Commissions August 2025

Agency

CCSO

Gorham

Saco

Westbrook

USM PD

Officer

Dennis Welch

Brady Denison

Paul Gauvin

Daniel Beaulieu

Matthew Roberts

Rodney Rossignol

Kyle Gregory

Ryan Hatch

Kyle Brake

Candace Rankin

Corey Huntress

John Cunniff

Amanda Condon

Monica Fahy

Michael Spencer

Ryan Ambrozy

Bruce Cote

Marissa Eastwood

Carlos Gonzalez

Amanda Condon

Joshua Morrow

Matthew Beerworth

Jacob Wells





Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-105

Agenda Date: 10/20/2025

Sheriff's Office Commissions September-October 2025

[Review commissions for the month of September and half of October 2025]

[see attached]



CUMBERLAND COUNTY SHERIFF'S OFFICE

- Kevin J. Joyce
SHERIFF
- Brian R. Pellerin
CHIEF DEPUTY

36 County Way, Portland, Maine 04102

phone (207)774-1444 – fax (207)828-2373

To: Cumberland County Commissioners

From: Sheriff Kevin Joyce 

Date: October 16th, 2025

Subject: Sheriff's Office Commissions September 1st- October 16th, 2025

Agency

CCJ

CCSO

Cumberland PD

Brunswick

Portland

Westbrook

Falmouth

Windham

Officer

Christopher Beal

Michael Martel

Camden Labrecque

Meg Sullivan

Joseph Burke

Nicholas D'Ascanio

Scott Hendee

Matthew Merriman

Antonio Ridge

Charles Rumsey

Marty Rinaldi

Todd Ridlon

Deni Snajder

Maxwell Sawyer

Loretta Donaldson

Alexander Brokos





Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-106

Agenda Date: 10/20/2025

Agenda Item Request:

Authorization for a Law Enforcement Services contract between Cumberland County, The Cumberland County Sheriff, and the Inhabitants of the Town of Gray from July 1, 2025 to June 30, 2026 for the amount of \$312,574.47.

Background and Purpose of Request:

Requestor: [Courtney George, LEC]

The Town of Gray would receive Law Enforcement service from the Sheriff's Office starting July 1, 2025 and ending June 30, 2026.

Funding Amount and Source: \$312,574.47

Effective Date if Applicable:

July 1, 2025 through June 30, 2026

Cumberland **County**
POSITION PAPER FOR AGENDA ITEM

TO:	Cumberland County Commissioners
FROM:	Captain Kerry Joyce
DATE:	9/15/2025
SUBJECT:	Sheriff Law Enforcement Contracts

Requested Action:

Approve the \$312,574.47 Police Service contract with the town of GRAY.

Background & Purpose of Request:

The town of Gray would receive Law Enforcement service from the Sheriff's Office starting July 1, 2025 and ending on June 30, 2026.

Funding Amount and Source:

Credit received.

Attachments: (Please list out any Attachments you're including):

- Gray Law Enforcement Contract

Result: On this date _____, the Cumberland County Board of Commissioners, by vote of _____, _____ the above request.

**CUMBERLAND COUNTY SHERIFF'S OFFICE AGREEMENT FOR
LAW ENFORCEMENT SERVICES**

GRAY – PATROL

07/01/2025 to 06/30/2026

**AGREEMENT FOR LAW ENFORCEMENT SERVICES BY AND BETWEEN
CUMBERLAND COUNTY, THE CUMBERLAND COUNTY SHERIFF, AND THE
INHABITANTS OF THE TOWN OF Gray**

This Contract, effective the first day of July 2025, is made by and between the Inhabitants of the Town of Gray, a municipality of the State of Maine wholly located within the boundaries of Cumberland County, Maine (hereinafter referred to as the "TOWN"), the County of Cumberland, Maine (hereinafter referred to as "COUNTY"), and Kevin J. Joyce, as Sheriff of Cumberland County, a County Officer elected per the Constitution of the State of Maine (hereinafter referred to as "SHERIFF") to provide enhanced law enforcement services within the town limits of Gray, Cumberland County, Maine.

W I T N E S S E T H:

WHEREAS, the TOWN is desirous of maintaining a high level of professional law enforcement services in conjunction and harmony with its fiscal policies of sound, financial management; and

WHEREAS, the TOWN also desires that the law enforcement services be performed such that the citizens of the TOWN retain the sense of community they enjoy; and

WHEREAS, the Cumberland County Sheriff serves as the chief law enforcement officer of the County pursuant to Maine law, responsible for the appointment of deputies and directing the sheriff's department; and

WHEREAS, pursuant to 30-A M.R.S.A. § 452, the County Commissioners, with the Sheriff's agreement, may enter into a contract with a municipality to provide patrol services by the sheriff's department; and

WHEREAS, the County Commissioners, pursuant to 30-A M.R.S.A. § 107, desire to enter into a contract with the TOWN to provide professional law enforcement services to the TOWN; and

WHEREAS, the TOWN is desirous of obtaining law enforcement services through the COUNTY and entering into a contract for such services upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the sums hereinafter set forth and for other good and valuable considerations, the receipt and legal sufficiency of which are hereby acknowledged, **IT IS HEREBY AGREED AS FOLLOWS:**

ARTICLE 1 – DEFINITIONS

1.1 For the purposes of this Contract, the following terms shall have the respective meanings hereinafter set forth:

A. Deputy Sheriff shall mean an individual who is appointed by the SHERIFF in accordance with 30-A M.R.S.A §381, and who has executed any necessary oath which is required by law to serve in the position of a certified law enforcement deputy sheriff and who shall perform the duties and responsibilities as set forth in Article 2 of this Contract.

B. Law Enforcement Patrol Services or Services as referred to in this Contract shall include all those duties and functions of the type coming within the jurisdiction of, and customarily provided by, municipal police departments within the state of Maine.

C. Patrol Unit shall mean one staffed, marked patrol car and all standard equipment as defined by the Cumberland County Sheriff's Office General Orders.

D. Substation shall mean a subsidiary or branch station of the Cumberland County Sheriff's Office.

ARTICLE 2 – LEVELS OF SERVICE

2.1 Law Enforcement Patrol Services.

A. The COUNTY, through the SHERIFF, shall provide to the TOWN, for the term hereinafter set forth, as the same may be extended in accordance with the provisions hereof, professional law enforcement services within and throughout the TOWN to the extent and in the manner herein described.

B. The SHERIFF, or his designee, shall assign deputy sheriffs and other personnel necessary to provide the level of professional law enforcement services consistent with this Contract as set forth herein, or as such service has been supplemented and enhanced as a result of this Contract and any amendments and supplements thereto.

1. The SHERIFF shall at all times provide to the Town the equivalent of **Two (2)** full time deputy sheriffs all of whom are certified law enforcement officers by the Maine Criminal Justice Academy.

2. All vacant shifts will be filled by the SHERIFF or his designee.

C. While contracted to provide law enforcement services, deputy sheriffs will enforce TOWN ordinances and State statutes. Performance of all duties of deputy sheriffs shall be in accordance with Cumberland County Sheriff's Office General Orders.

D. When necessary, the COUNTY, through the SHERIFF, shall additionally provide to the TOWN, at no additional cost, the following expertise and services:

Traffic Crash Investigations/Reconstruction;

Crime Scene Services (Crime Scene Investigators/Investigations, Forensics Investigations, and Collection of Evidence);

Prisoner and Jail Services;

Records Retention;
 Civil Service Officers;
 Patrol and Detection Canine Support;
 Emergency Services Unit (ESU);
 Law Enforcement Training Section;
 Task Force Personnel;
 Crime Prevention;
 Police Service Activities and Volunteers;
 Criminal Investigations (General Crimes, Property Crimes, Major Crime, and Special Victims);
 Dive Team;
 Administrative Investigations (Internal Affairs) for the Cumberland County Sheriff's Office;
 Any other such units or services as the Cumberland County Sheriff's Office may provide normally.

E. All deputies assigned to the TOWN shall remain within the municipal boundaries during the regularly assigned patrol shift, unless otherwise necessary to perform their official duties.

F. In the event of an emergency response call and/or an exigent circumstance arises, deputies assigned to the TOWN will perform services in a similar way to that of a police department assisting under a mutual aid agreement.

G. Vehicles, Supplies, Equipment and Office Furniture:

1. The COUNTY shall provide marked patrol units for performance of the services under this Contract. Each marked patrol unit shall prominently display on the exterior the indicia of both the Cumberland County Sheriff's Office and the Town of Gray. All other vehicular markings, decals, bumper stickers, slogans, etc. are expressly prohibited without approval from the TOWN. The TOWN agrees that all equipment used by the deputies will be issued through the SHERIFF's office for assignment. The TOWN agrees that all requests made by the deputies to the TOWN pertaining to equipment, schooling, work schedule, etc. will be referred to the administrators of the SHERIFF's Office for approval.

2. The COUNTY agrees to maintain vehicles assigned to the TOWN under this Contract consistent with the manufacturer's recommended maintenance schedule. The COUNTY shall utilize any list maintained by the TOWN for requisition of all wrecker services.

3. The COUNTY shall provide the TOWN, no later than **February 1 of each year**, with a contract cost proposal for the 12-month period beginning the following

July 1.

4. The deputies assigned to the TOWN shall be authorized to store their county-owned vehicles at private residences during off-duty hours at the sole discretion of the COUNTY, so long as the policy applies to all deputies. In the event that this authority is revoked by the COUNTY, all county-owned vehicles shall be stored at a single county-owned facility.

5. The COUNTY shall provide necessary office supplies and office furniture for use by contract deputies in order to fulfill assignments.

6. Any supplies and office furniture furnished or purchased by the TOWN shall remain the property of the TOWN.

7. Any supplies and office furniture furnished or purchased by COUNTY shall remain the property of COUNTY.

2.2 Administrative Responsibilities.

A. The deputy sheriffs assigned per this Contract will perform all duties and responsibilities consistent with the Cumberland County Sheriff's Office General Orders and this Contract, under the direction of the SHERIFF.

B. The SHERIFF or his designee shall notify the Town Manager in a timely manner of any major/significant crimes or incidents, unusual occurrences, or emergencies that occur within the TOWN.

C. A formal analysis of law enforcement-related trends and indicators shall be prepared and presented to the TOWN on a monthly basis by the SHERIFF.

D. The SHERIFF shall provide to the TOWN written reports in accordance with the following schedule:

Report	Date
schedule for deputies assigned to Gray	as prepared
monthly categorical summary of calls for service	15th of following month
monthly summary of moving traffic stops and summons	With distinction between warnings
copies of all operational policies and procedures	within 15 days of approval by the Sheriff
<i>copies of approved collective bargaining agreements which pertain to deputies assigned to Gray</i>	<i>within 15 days of final ratification by all parties</i>
summary of pending criminal cases to include each case's status in the judicial system computer	when retrievable by

E. The SHERIFF or his designee shall attend meetings of the Town Council and other Town meetings as requested by the TOWN and community meetings and meetings with the Town staff which involve issues of mutual concern. Additionally, when requested by the Town Manager, the SHERIFF or his designee shall provide advice or consent on law enforcement issues and attend other meetings.

F. The SHERIFF shall consult with the TOWN a minimum of fourteen (14) days prior to permanent assignment of any deputy to the TOWN or permanent re-assignment of any deputy out of Gray. "Permanent" shall be considered any period of time exceeding sixty (60) calendar days.

G. The SHERIFF shall make all decisions regarding hiring and firing of the deputies, provided that the SHERIFF replace the deputy only with an individual meeting the qualifications specified in this Contract. Provided further, the SHERIFF shall not terminate the deputy's employment before making provision for replacement of the deputy.

H. When appropriate and only as provided by law, the SHERIFF shall provide the TOWN with written responses to citizen inquiries and complaints directed towards the Cumberland County Sheriff's Office. All responses shall be under the Sheriff's signature and provided within sixty (60) days of filing.

2.3 Processing of Evidence.

A. Evidence collected during the performance of law enforcement activities shall be processed in accordance with Cumberland County Sheriff's Office General Orders.

ARTICLE 3 – OTHER RESPONSIBILITIES

3.1 Employment: Right of Control.

A. The COUNTY, through the SHERIFF shall have and maintain the responsibility for and control of the delivery of services, the standards of performance, the discipline of personnel, and other matters incident to the performance of services, duties, and responsibilities as described and contemplated herein.

3.2 Assignment of Law Enforcement.

A. The TOWN does hereby vest in each deputy sheriff, to the extent allowed by law, including but not limited to 30-A M.R.S. § 3009-A, as amended, enforcement powers of the TOWN which are necessary to implement and carry forth the services, duties, and responsibilities imposed upon the SHERIFF hereby, for the sole and limited purpose of giving official and lawful status and validity to the performance thereof by such deputy sheriff. Every sworn deputy of the COUNTY so empowered hereby and engaged in the performance of the services, duties, and responsibilities described and contemplated herein shall be deemed to be a sworn officer of TOWN while performing such services, duties, and responsibilities which constitute municipal functions and are within the scope of this Contract. The SHERIFF shall have and maintain the responsibility for and control of the delivery of services, the standards of performance, the discipline of personnel, and other matters incident to the performance of services, duties, and responsibilities as described

and contemplated herein.

3.3 Sheriff's General Orders.

A. The SHERIFF shall provide to the TOWN a copy of the Cumberland County Sheriff's Office General Orders, including any updates and amendments added after publication.

ARTICLE 4 – TOWN OF Gray RESPONSIBILITIES

4.1 Office Space.

A. As partial consideration for this Contract, the TOWN agrees to maintain and keep in good repair, or cause to be maintained or repaired, to include necessary building/ground maintenance, pest control, alarm services, and janitorial services, the Town-owned or leased facility designated as the substation. The COUNTY shall maintain the substation in a clean condition, free from debris, with normal use excepted. In the event the COUNTY, its employees, or appointees destroy, deface, damage, impair, or remove any part of the substation, the COUNTY will be responsible, to the extent permitted by law, for repairing or replacing such property.

B. Future space planning shall be coordinated with the COUNTY and the TOWN.

C. The use and occupancy by the SHERIFF of the substation shall include the use in common with others entitled thereto of the automobile parking areas, driveways, pathways, entranceways, means of ingress and egress easements, loading and unloading facilities, and other facilities as may be designated from time to time by the TOWN and are subject to the terms and conditions of this Contract.

4.2 Town's Ordinances.

A. The TOWN shall provide to the SHERIFF two (2) copies of all Town ordinances that the SHERIFF and its deputies are empowered to enforce under this Contract and pursuant to 30-A M.R.S. § 3009-A, as amended.

ARTICLE 5 – COSTS

5.1 The total amount due for all law enforcement services for subsequent years shall be based upon the proposal submitted by the Sheriff during the TOWN's budget process to be approved by the Town Council. The total amount due for all services beginning **July 1, 2025**, through **June 30, 2026**, shall be

Three hundred twelve thousand, five hundred seventy-four dollars and forty-seven cents, (\$312,574.47) and spread over a 12-month period for costs incurred by the COUNTY as described in this Contract.

5.2 The TOWN shall make payment in twelve (12) equal monthly installments. The first installment shall be due **July 1, 2025**; the remaining installments shall be due the first day of each succeeding month until the contract is paid in full.

5.3 The SHERIFF agrees that the deputy or deputies providing the services to the TOWN shall be employee(s) of the COUNTY and not those of the TOWN, and that the COUNTY shall be responsible for the payment of any compensation or indemnity to any such employee(s) because of injury or sickness arising out of his or her employment. Except with respect to the enforcement of municipal ordinances, as authorized under this Contract, deputy sheriffs shall not be authorized to act on behalf of, or otherwise bind, the TOWN.

5.4 The consideration recited herein constitutes the entire consideration to be paid herein under and upon the payment thereof, in the manner and at the times prescribed herein.

ARTICLE 6 – ADDITIONAL PERSONNEL

6.1 If, by the judgment of the SHERIFF, additional temporary law enforcement personnel are available during the term of this Contract, the COUNTY agrees to provide the TOWN with such additional personnel as the TOWN may request, provided that, within a reasonable time in advance of employment, the TOWN furnishes the COUNTY with a written statement of the required term of service for said additional personnel and agrees, in writing, to pay a cost computed at a rate consistent with that of Article 5 hereof.

ARTICLE 7 – REPRESENTATION OF CUMBERLAND COUNTY

7.1 The COUNTY hereby represents and acknowledges that those services described in Article 2 of this Contract would not be provided through any appropriation of the annual budget of the COUNTY, in the event this Contract did not exist.

ARTICLE 8 – AUDIT OF RECORDS

8.1 The Town Manager or her designee may, upon reasonable notice to the COUNTY, examine the existing COUNTY and SHERIFF records relating to the services provided pursuant to the terms of this Contract. Said records shall be maintained by the COUNTY in accordance with all applicable laws and regulations.

ARTICLE 9 - STANDARD OF PERFORMANCE

9.1 The TOWN and the COUNTY shall attempt to mutually resolve all issues pertaining to the nature of the services and conduct of deputies performed under this Contract; provided, however, that the COUNTY shall make the final determination on said issues. The COUNTY agrees to receive and consider, in good faith, all inquiries and requests made by the TOWN. All decisions pertaining to employment discipline and discharge of personnel, performance of duties and other personnel matters shall remain exclusively with the SHERIFF.

ARTICLE 10 – ARBITRATION

10.1 In the event of a dispute between parties, either party may request arbitration to

resolve such disputes and may refer the disputed matter to an arbitration panel. Such election for arbitration shall be conclusively evidenced by the filing of a written demand for the arbitration with the opposing party. This demand for arbitration shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen, and in no event shall it be made when the institution of legal or equitable proceedings based on such claims, dispute, or other matter in question would be barred by the applicable statute of limitations. A written demand for arbitration shall also set forth the name of the complaining party's representative to the arbitration panel, as defined below.

10.2 The arbitration panel shall consist of the following members: a representative of the TOWN appointed by the Town Council, a representative of the COUNTY appointed by the County Commissioners, and a third member to be selected by the two members previously mentioned. If the representatives of the parties cannot agree on a third member within ten (10) days of the appointment of the last of them, either one may request the American Arbitration Association to appoint said third member and the selection of the American Arbitration Association shall be binding on both parties.

10.3 Once the party has sent the other party a written demand for arbitration, the other party must appoint its representative within ten (10) days of receipt of said demand for arbitration and must give notice of its decision to the other party within the same period of time.

10.4 The two representatives so appointed to the arbitration panel shall select a third member of their panel as provided in paragraph 10.2 above.

10.5 The claim, dispute, or other matter shall be submitted to the full arbitration panel after appointment of the third member and the panel shall render its decision within thirty (30) days from the close of the hearing.

10.6 All costs of the arbitration shall be borne equally by both parties.

10.7 The decision of the arbitrators shall be final and conclusive between both parties.

ARTICLE 11 - INDEMNITY

11.1 The COUNTY agrees to indemnify and hold harmless the TOWN from any and all liability, loss, or damage that the TOWN may suffer as a result of claims, demands, costs, or judgments against it arising out of the COUNTY's performance or failure to perform any of the obligations set forth in this Contract. The COUNTY further agrees to defend any claims brought or actions filed against the TOWN with respect to the COUNTY's performance or non-performance of this Contract, whether such claims or actions are rightfully or wrongfully brought or filed.

11.2 The TOWN agrees to indemnify and hold harmless the COUNTY from any and all liability, loss, or damage that the COUNTY may suffer as a result of claims, demands, costs, or judgments against it arising out of the TOWN's performance or failure to perform any of the obligations set forth in this Contract. The TOWN further agrees to defend any claims brought or actions filed against the COUNTY with respect to the TOWN's

performance or non-performance of this Contract, whether such claims or actions are rightfully or wrongfully brought or filed.

11.3 Neither the TOWN nor the COUNTY waive any defenses the parties may have under the Maine Tort Claims Act, 14 M.R.S. § 8101, et seq., as may be amended.

ARTICLE 12 – TERM

12.1 This Contract shall remain in full force and effect commencing **July 1, 2025, and ending June 30, 2026**, all dates inclusive, unless the Contract is otherwise extended or terminated in accordance with the terms thereof.

12.2 The terms and conditions of this Contract are contingent upon the approval of the SHERIFF and the Cumberland County Commissioners.

12.3 In the absence of a notice of termination in accordance with Article 13, this Contract shall automatically renew annually subject to the budget proposal by the COUNTY and subsequent appropriation of the funds required and approval by the TOWN.

ARTICLE 13 – TERMINATION

13.1 The TOWN or the COUNTY may terminate this Contract with or without cause upon written notice to the other party of this Contract; provided, however, that notice of such termination shall not be effective until after receipt of a ninety (90) day written notice, and the TOWN shall remain responsible for all monthly payments (as may be prorated as necessary) due and payable under Article 5 of this Contract up to the effective date of termination. This written notice must be hand delivered and/or sent by Certified Mail, Return Receipt Requested, to the SHERIFF or the Town Manager. In the event, the Town Council establishes a police department the COUNTY and the TOWN agree there will be no lapse in law enforcement services.

ARTICLE 14. - EXTENSION

14.1 Unless terminated by written notice, as agreed above, rights and privileges herein granted, together with all other provisions of this Contract, shall continue in full force and effect, subject to necessary negotiation of any added cost factors, for an additional period of thirty (30) days from the date of expiration heretofore mentioned, unless either party, at least ten (10) days prior to said date of expiration, shall notify the other party in writing that it does not desire the Contract to be extended for such an additional period.

ARTICLE 15 – TRANSITION

15.1 In the event of the termination or expiration of this Contract, the COUNTY and the TOWN shall cooperate in good faith in order to effectuate a smooth and harmonious transition from the Sheriff's Office to another law enforcement agency, and to maintain during such period of transition the same high quality of law enforcement services otherwise afforded to the residents of the TOWN pursuant to the terms hereof.

15.2 In the event of termination or upon expiration of this Contract, the TOWN shall have the option to purchase from the COUNTY any equipment, fixtures, and furnishings furnished by the COUNTY to perform the services provided under this Contract. The purchase price shall be determined by mutual Contract of the parties as to the fair-market value of such equipment, fixtures, and furnishings.

ARTICLE 16 – AUTHORITY TO EXECUTE AND ENFORCE

16.1 The County Manager, as authorized by the County Commissioners, by his/her execution hereof, does hereby represent to the TOWN that he/she has full power and authority to make and execute this Contract on behalf of the COUNTY pursuant to the power so vested in him/her under the Constitution and Laws of the State of Maine.

16.2 The SHERIFF, by his/her execution hereof, does hereby represent to the TOWN that he/she only has administrative powers to enforce this Contract pursuant to the power so vested in him/her under the Constitution and Laws of the State of Maine.

16.3 The Town Manager, by his/her execution hereof, does represent to the COUNTY and SHERIFF that he/she has full power and authority to make and execute this Contract on behalf of the TOWN.

16.4 The portions of this Contract are severable. To the extent any portion of this contract is deemed to be illegal or otherwise unenforceable by a court of competent jurisdiction, the remainder of this Contract shall continue in full force and effect.

ARTICLE 17 – COMMUNICATIONS

17.1 All communications supporting law enforcement and detention operations will be provided by the CCRCC (Cumberland County Regional Communication Center).

ARTICLE 18 – ENTIRE AGREEMENT

18.1 The parties acknowledge, one to the other, that the terms hereof constitute the entire understanding and Contract of the parties with respect hereof. No modification hereof shall be effective unless in writing, executed with the same formalities as this Contract is executed.

ARTICLE 19-VEHICLE AND EQUIPMENT REPLACEMENT

Vehicle: The contracting town agrees to replace all cruisers on a four year cycle or at one hundred twenty thousand accumulated miles. The mileage will be estimated at the expiration date of the contract (i.e. vehicle has 115,000 miles at the maturity date of the contract and it is expected that the cruiser will accumulate additional mileage well beyond the 120,000 miles based on previous use, the town agrees to replace the vehicle). Exceptions to the agreement would be as follows: if the vehicle has sustained an excessive unsafe amount of damage which would bring the vehicles safety and the safety of the operator into question or if the need for vehicle replacement occurs within ninety (90) days of the end of the term of this Contract where either party has provided notice to terminate under Article 13. This would include, but is not limited to, mechanical, body or frame defects or damage to the vehicle that would cause the vehicle to be deemed unsafe to use as an emergency vehicle. This would be subject to a written formal opinion from a Certified Mechanic or Certified Auto Body Technician. If, in the opinion of one or both of these experts, the vehicle is deemed to be unsafe for use as an emergency vehicle, then the vehicle or equipment would be required to be replaced by the contracting town before the afore mentioned year and mileage parameters are met. The contracting town would agree to absorb the cost associated with the replacement of the vehicle and any additional damaged equipment at the time that the vehicle or equipment has been determined to be damaged or unsafe.

Vehicle Equipment: The contracting town agrees to purchase the entire required and necessary emergency and enforcement related equipment associated with the emergency vehicle. The town agrees to replace any equipment that is in need of upgrading due to the equipment being damaged or outdated.

List of required equipment:

All emergency lighting, siren and related equipment
Interior protective cage/screens
Laptop computer and stand
Scanner
Printer
Emergency radios (Mobile and Portable)
Push bumper/ guard
Radar
Ar-15 Rifle
12 gauge Shotgun
Rifle and shotgun securing mounts
First aid kit
Dash camera (optional)

Pursuit Spike Mat
Self inflating life vest
Body Worn Camera (BWC)

IN WITNESS WHEREOF, the INHABITANTS OF THE TOWN OF Gray, by order duly adopted by its Town Council has caused this Contract to be signed by the Town Manager and Cumberland County, Maine, by order of the County Commissioners, has caused this Contract to be subscribed by the County Manager, all on the day and year first above written.

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF: COUNTY OF CUMBERLAND

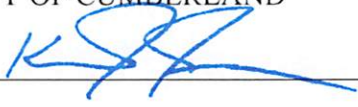
BY: _____

COUNTY MANAGER
JAMES H. GAILEY

DATE: _____

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF: COUNTY OF CUMBERLAND

BY:  _____

SHERIFF
KEVIN J. JOYCE

DATE: 9/16/25

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF: INHABITANTS OF THE
TOWN OF GRAY

BY:  _____
Town Manager

DATE: 9/15/2025



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-107

Agenda Date: 10/20/2025

Agenda Item Request:

Appointment of the following amended slate of elected officials to the 2025-2026 Finance Committee for a three-year term representing the following districts: District 4, Kate Sykes; District 5, Sarah Michniewicz; and District 5, Ben Grant.

Background and Purpose of Request:

In September, the County Commissioners conducted their annual finance committee caucus as required by State Statute. Four names were brought forward in September. Unfortunately, on the September meeting the City of Portland delegation were unable to attend the caucus due to a competing City Council meeting. Commissioner Cloutier would now like to bring three City of Portland City Councilors to fill District 5. In addition, the Portland City Councilor who represents Precinct 5-2 is interested in serving. The 5-2 Precinct falls within Commissioner District 4. Commissioner Smith has expressed interest in appointing Councilor Sykes of Portland Precinct 5-2 to the vacant slot in District 4.

I have updated the Finance Committee roster reflecting the three appointments for October 20th's meeting. The appointments are in "red".

Effective Date: Immediate

Attachments: Amended Roster of Finance Committee

Cumberland **County**
POSITION PAPER FOR AGENDA ITEM

TO:	Board of County Commissioners
FROM:	James H. Gailey
DATE:	October 20, 2025
SUBJECT:	Finance Committee Appointments

Requested Action:

Appoint the following amended slate of elected officials to the 2025-2026 Finance Committee.

Background & Purpose of Request:

In September, the County Commissioners conducted their annual finance committee caucus as required by State Statute. Four names were brought forward in September. Unfortunately, on the September meeting the City of Portland delegation were unable to attend the caucus due to a competing City Council meeting. Commissioner Cloutier would now like to bring three City of Portland City Councilors to fill District 5. In addition, the Portland City Councilor who represents Precinct 5-2 is interested in serving. The 5-2 Precinct falls within Commissioner District 4. Commissioner Smith has expressed interest in appointing Councilor Sykes of Portland Precinct 5-2 to the vacant slot in District 4.

I have updated the Finance Committee roster reflecting the three appointments for October 20th's meeting. The appointments are in "red".

Effective Date: Immediate

Attachments: Amended Roster of Finance Committee



FINANCE COMMITTEE – Budget Year 2026-27
 Winter of 2025-2026

Name	Town/City	Appointed	Term Expires
District 1			
Jonathan Anderson	Town of Scarborough	2025	2028
District 2			
Connie Justice	Town of New Gloucester	2025	2028
District 3			
Bob Vail	Cumberland Town	2024	2027
Karin Orenstein	Town of Yarmouth	2025	2028
District 4			
Timothy Thompson	Cape Elizabeth Town	2024	2027
Kate Sykes	City of Portland (Precinct 5-2)	2025	2028
District 5			
Sarah Michniewicz	City of Portland	2025	2028
Ben Grant	City of Portland	2025	2028



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-108

Agenda Date: 10/20/2025

Agenda Item Request:

Appoint the following slate of Cross Insurance Arena Trustees to a three-year term.

Background and Purpose of Request:

Background & Purpose of Request:

The following Commissioner Districts are in need of appointments for the Cross Insurance Arena Trustees. An advertisement was published in the Portland Press Herald for two days seeking applications from those who reside in the Commissioner Districts. The following names are brought forward at the time:

District 4 Lori Norman (moved from At-Large to District 4)(term stays same)

At-Large Peter Rickett (Falmouth)(3-year term)

Lori Norman who has been an At-Large appointment is proposed to be moved to District 4, a district she lives in. Both Commissioner Smith and Trustee Norman have agreed to the switch. This frees up an at-large position, which Peter Rickett, a new applicant, will fill.

Amending State Statute 2025

The effective dates of these appointments will be back to January 1, 2025. This is due to the legislative process that took place this past session realigning the Trustee Districts from the original districts established in the 1970's to the current day Commissioner Districts. Once the amended legislation went through, staff advertised and started the process of appointments.

Effective Date: Immediately

Cumberland **County**
POSITION PAPER FOR AGENDA ITEM

TO:	Board of County Commissioners
FROM:	James H. Gailey
DATE:	October 20, 2025
SUBJECT:	Cross Insurance Arena Trustees

Requested Action:

Appoint the following slate of Cross Insurance Arena Trustees to a three-year term.

Background & Purpose of Request:

The following Commissioner Districts are in need of appointments for the Cross Insurance Arena Trustees. An advertisement was published in the Portland Press Herald for two days seeking applications from those who reside in the Commissioner Districts. The following names are brought forward at the time:

District 4	Lori Norman (moved from At-Large to District 4)(terms stays same)
At-Large	Peter Rickett (Falmouth)(3-year term)

Lori Norman who has been an At-Large appointment is proposed to be moved to District 4, a district she lives in. Both Commissioner Smith and Trustee Norman have agreed to the switch. This frees up an at-large position, which Peter Rickett, a new applicant, will fill.

Amending State Statute 2025

The effective dates of these appointments will be back to January 1, 2025. This is due to the legislative process that took place this past session realigning the Trustee Districts from the original districts established in the 1970's to the current day Commissioner Districts. Once the amended legislation went through, staff advertised and started the process of appointments.

Effective Date: Immediately

APPLICATION
CROSS INSURANCE ARENA BOARD OF TRUSTEES

Name: Peter Rickett

Address: [REDACTED] Falmouth ME 04105

Home Telephone: [REDACTED]

Work Telephone: n/a

Employment: Retired

Education:

Bachelor of Arts: Business and Economics
Saint Anslem College, Manchester NH [REDACTED]

Portland High School, Portland ME, [REDACTED]

Other Public Offices Held:

Town of Falmouth Maine, Board of Zoning Appeals, Current

City of Portland Maine, City Councilor At-Large, Past

Statement of Interest: I am requesting to be considered for the vacant District 2 seat on the Cross Insurance Center Board. Upon my recent retirement I have been actively pursuing opportunities to contribute back to the community where I was born and love, The Cross Insurance Center is the heart of Southern Maine's recreational and entertainment culture. It holds a large place in my heart as I think back on all the events I attended as a child in the 1970's and 80's. Its operations and success impacts thousands of residents, visitors and businesses. I would like to help contribute to that continued success and believe my skill set would be valuable.

In what areas do you believe you can contribute to the operation of the Cross Insurance Arena:

Strategic Planning
Marketing
Operations
Technology
Constituent and Civic Engagement
Community Relations

Signature of Applicant:

Date:

District for which you are applying:

PLEASE ATTACH YOUR RESUME AND RETURN APPLICATION TO COUNTY
COMMISSIONERS, 142 FEDERAL STREET PORTLAND, ME 04101

PETER RICKETT

Current Occupation: Retired

RECENT AND RELEVANT WORK EXPERIENCE

Corporate Vice President, Sales Operations

Tyler Technologies, Dallas TX, Yarmouth ME

January 2000 - July 2022

Over 20 years I had various roles of increasing responsibility culminating with the leadership of all aspects of Sales Operations for a multinational, Fortune 500 Software firm dedicated to Public Sector software and cloud solutions.

Exceled in Strategic Planning, Operational Efficiency and Effectiveness and Marketing and Communications.

Reporting directly to the Chief Sales Officer.

Director, Information Technology

Unum. | Portland ME

December 1990 – June 1999

Strategic Planning and Execution of UNUM's Information Technology.

I held various positions in both IT Client Engagement with my final position managing various high-level projects at the corporate level working closely with the Chief Information Officer.

Town of Falmouth ME, Board of Zoning Appeals

2024 - Current

Full Member

City of Portland ME, City Councilor At-Large

1996-1999

Committees and Boards: Finance, Legislative, Greater Portland Metro Board, Portland Fish Exchange Board

Currently additionally active on various social and neighborhood boards and committees



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-109

Agenda Date: 10/20/2025

Agenda Item Request:

Authorization to enter into an grant extension agreement between Cumberland County and the University of Minnesota's Center for Transportation Studies for Mobility, Access, and Transportation Insecurity program (MATI) funding for Phase II in the amount of \$700,000 for two years.

Background and Purpose of Request:

Requestor: Liz Blackwell-Moore, Public Health Director

In 2024, the Cumberland County Public Health (CCPH) was awarded Phase 1 funding of \$150,000 from University of Minnesota's (UMN) Center for Transportation Studies for a 9-12-month planning process for a mobility management demonstration project. In July, 2025 after a year of community engagement and planning, CCPH submitted a plan for a demonstration project called Dirigo Access, an income-eligible fare program with reduced and free fare categories that would be delivered through a network of community-based organizations. With funding from the Federal Transit Administration, UMN has chosen Cumberland County Public Health's demonstration project to move forward to Phase 2. With the contract extension, CCPH will be awarded \$700,000 over 2 years to implement the Dirigo Access demonstration project and create a cooperative purchasing model that will fund the pass program beyond the two-year demonstration project period.

Funding Amount and Source:

No matching funds are required and no additional county funding will be needed to complete the requirements of the grant.

Effective Date if Applicable: 10/20/2025



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-109

Agenda Date: 10/20/2025

Agenda Item Request:

Authorization to enter into an grant extension agreement between Cumberland County and the University of Minnesota's Center for Transportation Studies for Mobility, Access, and Transportation Insecurity program (MATI) funding for Phase II in the amount of \$700,000 for two years.

Background and Purpose of Request:

Requestor: Liz Blackwell-Moore, Public Health Director

In 2024, the Cumberland County Public Health (CCPH) was awarded Phase 1 funding of \$150,000 from University of Minnesota's (UMN) Center for Transportation Studies for a 9-12-month planning process for a mobility management demonstration project. In July, 2025 after a year of community engagement and planning, CCPH submitted a plan for a demonstration project called Dirigo Access, an income-eligible fare program with reduced and free fare categories that would be delivered through a network of community-based organizations. With funding from the Federal Transit Administration, UMN has chosen Cumberland County Public Health's demonstration project to move forward to Phase 2. With the contract extension, CCPH will be awarded \$700,000 over 2 years to implement the Dirigo Access demonstration project and create a cooperative purchasing model that will fund the pass program beyond the two-year demonstration project period.

Funding Amount and Source:

No matching funds are required and no additional county funding will be needed to complete the requirements of the grant.

Effective Date if Applicable: 10/20/2025



Memo to the Commissioners

October 20, 2025

From: Liz Blackwell-Moore

Subject: MATI contract extension and \$700,000 for demonstration project

In 2024, the Cumberland County Public Health (CCPH) was awarded Phase 1 funding of \$150,000 from University of Minnesota's (UMN) Center for Transportation Studies for a 9-12-month planning process for a mobility management demonstration project. The goals of the planning grant were to design a ready-to-launch program that provides easy and barrier-free access to free and reduced-cost bus fare across Southern Maine and to knit the current patchwork of bus fare and navigation assistance programs into a coordinated system. The planning team was made up of the Healthy Eating Active Living team lead at CCPH, Moving Maine and a Transportation Equity Council, a group of people with lived experience of transportation barriers who provided guidance and decision making support. The planning team distributed a survey in 5 languages; had 6 listening sessions with unhoused teens, newly arrived asylum seekers, older adults, and people with disabilities, and conducted local and national research.

In July of this year, CCPH submitted a plan for a demonstration project called Dirigo Access, an income-eligible fare program with reduced and free fare categories that would be delivered through a network of community-based organizations. With funding from the Federal Transit Administration, UMN has chosen Cumberland County Public Health's to be one of four demonstration projects to move forward to Phase 2. Phase 2 would be an extension of the current contract with UMN and CCPH will be awarded \$700,000 over 2 years to implement the Dirigo Access demonstration project and create a cooperative purchasing model that will fund the pass program beyond the two-year demonstration project period. CCPH will continue to collaborate with Moving Maine, Greater Portland Council of Governments and a few community based organizations who will act as "HUB"s for delivering the bus fare program to eligible recipients. CCPH will hire a MATI Coordinator to support the two-year project.

No matching funds are required and no additional county funding will be needed to complete the requirements of the grant.



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-110

Agenda Date: 10/20/2025

Agenda Item Request:

Proclamation to Recognize October 2025 as Domestic Violence Action Month

Background and Purpose of Request:

Requestor: Jennifer Annis, Project Manager Violence Intervention Project

This Proclamation recognizes that domestic violence remains a pervasive issue across Cumberland County, the United States, and the world, with implications for personal and community health. Research shows that a protective factor in preventing domestic violence is fostering a community where people are connected, supportive and care for each other.

Effective Date if Applicable:

Month of October

Cumberland County Commissioners

27 Northport Drive, Portland, Maine 04103

207-871-8380 • cumberlandcountyme.gov



District One Jean-Marie Caterina • District Two Tom Tyler • District Three Stephen Gorden

District Four Patricia Smith • District Five James Cloutier

Domestic Violence Action Month

Proclamation - 2025

Whereas, domestic abuse and violence can impact anyone regardless of race, age, gender, sexual orientation, religious or cultural belief, or economic status.

Whereas, Through These Doors, Cumberland County’s Domestic Violence Resource Center, served 2,856 unduplicated individuals, received 6,831 helpline calls and provided 5,198 bed nights at shelter in 2024;

Whereas, in 2024 there were 15 domestic violence related homicides in Maine;

Whereas, research shows that a protective factor in preventing domestic violence is creating a community where people are connected, supported and care for each other;

Whereas, every day in Cumberland County individuals and organizations support people impacted by domestic and violence by providing legal, educational, housing, advocacy, and medical services;

Whereas, everyone knows someone impacted by domestic violence, and everyone has a role to play in preventing domestic violence and supporting survivors;

Now, therefore, be it resolved that the Cumberland County Commissioners hereby proclaim October 2025, as Domestic Violence Action Month in Cumberland County.

Jean-Marie Caterina, Commissioner
District 1

Tom Tyler, Commissioner
District 2

Stephen Gorden, Chair
District 3

Patricia Smith, Commissioner
District 4

James Cloutier, Commissioner
District 5



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-094

Agenda Date: 10/20/2025

Agenda #:

Agenda Item Request:

Approval of the HOME-ARP Funding Recommendations. First Public Hearing on September 15, 2025 and Final Public Hearing on October 20, 2025.

Background and Purpose of Request:

Requestor: Courtney Kemp, Community Development Manager

Two public hearings are held regarding the HOME-ARP. The 1 st hearing will be conducted during the September 15th Commissioner's meeting with the 2nd held at the October 20 th meeting. The American Rescue Plan (ARP) appropriated funds for the U.S. Department of Housing and Urban Development (HUD) to distribute under the HOME Investment Partnership Program (HOME). The HOME- ARP program is intended to provide affordable rental housing, tenant based rental assistance, supportive housing services, and non-congregate shelter development, and other resources to HOME-ARP Qualifying Populations (QPs) which includes folks experiencing homelessness and other vulnerable populations.

Funding Amount and Source:

100% of the funds for HOME-ARP programs come directly from HUD. The Cumberland County HOME Consortium (CCHC), a partnership between the City of Portland and Cumberland County, received a \$3,599,560.00 allocation from the HOME-ARP program.

Attachments:

Summary of the HOME-ARP Supportive Services and Development of Affordable Housing recommendations.

Cumberland **County**
POSITION PAPER FOR AGENDA ITEM

TO:	Board of County Commissioners
FROM:	Courtney Kemp, Community Development Manager
DATE:	10/16/2020
SUBJECT:	HOME-ARP Funding Recommendations – Second Reading

Requested Action:

Review and approve of the HOME-ARP Funding Recommendations.

Background & Purpose of Request:

Two public hearings are held regarding the HOME-ARP. The 1st hearing will be conducted during the September 15th Commissioner’s meeting with the 2nd held at the October 20th meeting.

The American Rescue Plan (ARP) appropriated funds for the U.S. Department of Housing and Urban Development (HUD) to distribute under the HOME Investment Partnership Program (HOME). The HOME- ARP program is intended to provide affordable rental housing, tenant based rental assistance, supportive housing services, and non-congregate shelter development, and other resources to HOME-ARP Qualifying Populations (QPs) which includes folks experiencing homelessness and other vulnerable populations.

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Attachments:

Summary of the HOME-ARP Supportive Services and Development of Affordable Housing recommendations.

Recommended HOME-ARP Projects and Activities

Development of Affordable Housing

Youth and Family Outreach (YFO)– Recommendation to award \$950,000.00 to construct an expanded childcare facility and 60 new affordable rental units in Portland, including 10 units designated for HOME-ARP Qualifying Populations.

“YFO currently serves families with housing instability and is proposing a development that addresses both the high demand for quality childcare services and affordable housing. YFO currently operates a childcare facility which serves approximately 50 children. The site is located in downtown Portland with access to a variety of services and amenities. As an existing childcare facility, YFO has over 300 children on its waiting list with 95% of their families living in Portland and, at any given time, roughly 18% experiencing homelessness. The expansion of the childcare facility would allow YFO to serve approximately 50 additional children.

There will be 4 efficiency units, 24 one-bedroom units, 22 two-bedroom units, and 10 three-bedroom units. MaineHousing will provide 10 project-based vouchers for 10 units that will be pledged for use by QPs.

There will be a community room, office, indoor bike storage, trash room, laundry room, fitness room, and broadband infrastructure with capacity to support the provision of Telemonitoring and/or Telehealth services. On the second floor of the building there will be a separate condominium unit where YFO intends to expand its childcare space to be able to serve 50 additional children for a total of about 110 children.”

New construction is anticipated to begin in fall 2025 and is expected to take 17 months, with completion in early 2027. Lease-up is intended to begin in early 2027.

As the Committee may recall, this project was awarded \$1,080,000 in funding from the Jill C. Dusen Housing Trust Fund during the 2024 application cycle. The request for HOME-ARP funding is the result of the loss of anticipated AHP funding from the Federal Home Loan Bank that was not awarded and construction price increases

Greater Portland Family Promise (GPFP)– Recommendation to award \$479,000.00 to rehabilitate a two-family dwelling in Portland to serve as transitional housing for 4 families meeting HOME-ARP eligibility. This initiative is designed to provide temporary, stable housing for families experiencing homelessness or at risk of homelessness, offering them a safe, supportive environment while they work toward securing permanent housing.

“This new Family Promise Transitional Housing Program will provide families experiencing homelessness or at risk of homelessness with temporary residence for up to 18 months while they receive assistance in securing long-term housing. Each family will have a private, locked room, while kitchen, bathroom, laundry, and community spaces will be shared. Family Promise will also offer on-site supportive services, including housing navigation and case management, to help families transition into permanent housing successfully.

As part of this initiative, GPFP will provide supportive services in the form of housing navigation services to help families secure permanent housing, housing stabilization case management to ensure long-term housing success, basic needs assistance, including food, diapers and toiletries. Services will also include referrals for education, childcare, and employment.”

Total HOME-ARP Development of Affordable Housing Allocation: \$2,041,266.00

Total Requested: \$1,429,000 .00

Remaining in Allocation: \$612,266.00

Supportive Services

Commonspace – Recommendation to award \$471,454.45 for its Torchlight program, providing peer support, recovery coaching, and residential services across 4 Portland and Cumberland County properties consisting of: a 38-unit permanent supportive housing program for women, a 6-unit housing program for women, a 6-bed housing program for men, and a 6-unit program for women.

“Torchlight aims to support individuals through their first experience of housing and their early challenges related to substance use and older patterns of behavior that jeopardize their housing status. Unhoused individuals are provided an apartment with a flexible lease, which allows them to exit to any identified housing option when they have stabilized to the point of readiness for an environment of relatively higher behavioral accountability.”

Milestone – Recommendation to award \$197,000.00 to sustain 3 key programs serving all HOME-ARP Qualifying Populations: the HOME Team, HOPE Program, and Housing Navigator Program.

“The HOME Team makes nearly 14,000 outreach contacts a year, providing harm-reduction supplies, crisis de-escalation, and more than 1,600 medical or treatment transports.

The HOPE Program extends to encampments, completing Coordinated-Entry assessments, securing documentation, and moving high-barrier campers—40 in FY 2024—into permanent units; 52 lease-ups were achieved in 2024. For clients who need immediate shelter, our 36-bed emergency facility stabilized 689 people (average stay 18 days), while our medical detox admitted 720 individuals, initiating MAT and clearing a major health barrier for those at greatest risk of housing instability.

Once people are ready to exit crisis settings, a statewide Housing Navigator recruit’s landlord, negotiates leases, and provides tenancy coaching—ninety-six lease-ups last year with 90% still housed at 12 months—coordinating closely with HUD-VASH and SSVF teams for veteran households. Residential treatment and after-care services then offer relapse-prevention groups, peer support, and job readiness to sustain recovery.”

Preble Street – Recommendation to award \$350,718.55 for case management, client assistance, and other support services for QPs through Site-based Housing First and Rapid Rehousing programs.

“Through caseworkers at our Logan Place and Huston Commons Housing First communities, both located in Portland, we estimate serving 14 unduplicated tenants/households annually – all chronically homeless adults. The primary outcome is sustaining stable tenancy in permanent housing of 80 percent of clients served.

Through our Rapid Re-Housing Program, we estimate serving 40 unduplicated households per year throughout Cumberland County. Anticipated outcomes for clients include obtaining and/or retaining permanent housing within 90 days; increased or maintained household income for 80 percent of clients, and prevention of return to homelessness for 80 percent of clients. Additionally, the program aims to divert a minimum of 50 percent of households engaged in Housing Problem Solving services.

For both programs, clients may also achieve other positive outcomes, including connections to community resources including medical care, mental health treatment, and substance use treatment, medical insurance such as Medicaid, benefits such as SSI or SSDI and SNAP.”

Total HOME-ARP Supportive Services Allocation: \$1,019,173.00

Total Requested: \$1,019,173.00

Total Remaining: \$0.00



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-111

Agenda Date: 10/20/2025

Agenda Item Request:

Award of bid to McGovern Auto Group/MHQ for the purchase of Sheriff's Patrol Replacement Vehicles

Background and Purpose of Request:

Requestor: Captain Kerry Joyce

Two Vendors out of a total of Five vendors responded to the RFP 2025 new Vehicle request from Cumberland County with McGovern Auto Group/ MHQ beings the lowest RFP received.

Approve the expenditure of \$391,468 from the General Revenue budget to purchase (7) seven 2025 Chevrolet 4-wheel drive patrol vehicles at \$55,924 each from McGovern/MHQ in Shrewsbury Ma. 01545.

Approve the expenditure of \$111,848 from the Standish contract budget to purchase (2) two 2025 Chevrolet 4-wheel drive patrol vehicles at \$55,924 each from McGovern/MHQ in Shrewsbury Ma. 01545.

Approve the expenditure of \$55,197 from the General Revenue budget to purchase (1) one 2025 Chevrolet Tahoe 4-wheel drive Special Service for CID/Admin from McGovern/MHQ in Shrewsbury Ma. 01545

Five vendors were sent RFP's by the Finance Director.

Two Vendors responded with RFP's by the closing date: Quirk Auto Group and McGovern/MHQ Auto Group.

McGovern/MHQ Auto Group submitted the lowest bid.

This purchase would replace the oldest and highest mileage vehicles in the Patrol and CID fleet with the recommendation from Fleet Supervisor Steve Wilkes.

Funding Amount and Source:

Expense a total of \$446,665.00 from the 2025-2026 Budget line item 11-106-7345-06 vehicle account.

Expense a total of \$111,848.00 from the 2025-2026 Standish contract funds line item 21-212-7345-06 vehicle account.

Cumberland **County**
POSITION PAPER FOR AGENDA ITEM

TO:	Cumberland County Commissioners
FROM:	Captain Kerry Joyce
DATE:	9/20/25
SUBJECT:	Request to Purchase Sheriff's Patrol/CID Replacement Vehicles

Requested Action:

Two Vendors out of a total of Five vendors responded to the RFP 2025 new Vehicle request from Cumberland County with McGovern Auto Group/ MHQ beings the lowest RFP received.

Approve the expenditure of \$391,468 from the General Revenue budget to purchase (7) seven 2025 Chevrolet 4-wheel drive patrol vehicles at \$55,924 each from McGovern/MHQ in Shrewsbury Ma. 01545.

Approve the expenditure of \$111,848 from the Standish contract budget to purchase (2) two 2025 Chevrolet 4-wheel drive patrol vehicles at \$55,924 each from McGovern/MHQ in Shrewsbury Ma. 01545.

Approve the expenditure of \$55,197 from the General Revenue budget to purchase (1) one 2025 Chevrolet Tahoe 4-wheel drive Special Service for CID/Admin from McGovern/MHQ in Shrewsbury Ma. 01545

Background & Purpose of Request:

Five vendors were sent RFP's by the Finance Director.

Two Vendors responded with RFP's by the closing date: Quirk Auto Group and McGovern/MHQ Auto Group.

McGovern/MHQ Auto Group submitted the lowest bid.

This purchase would replace the oldest and highest mileage vehicles in the Patrol and CID fleet with the recommendation from Fleet Supervisor Steve Wilkes.

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Expense a total of \$446,665.00 from the 2025-2026 Budget line item 11-106-7345-06 vehicle account.

Expense a total of \$111,848.00 from the 2025-2026 Standish contract funds line item 21-212-7345-06 vehicle account.

Maine
Cumberland **County**
POSITION PAPER FOR AGENDA ITEM

Attachments: (Please list out any Attachments you're including):

- RFP from McGovern MHQ Auto Group.
- RFP from Quirk Auto Group.

Result: On this date _____, the Cumberland County Board of Commissioners, by vote of _____, _____ the above request.



QUIRK AUTO GROUP

LEO CHICOINE | 2074301621 | lchicoine@quirkauto.com

CUMBERLAND COUNTY

Prepared For: SPECIAL SERVICE

Vehicle: [Fleet] 2026 Chevrolet Tahoe (CK10706) 4WD 4dr Commercial



THANK YOU FOR THE OPPORTUNITY TO QUOTE YOU ON YOUR NEXT PURCHASE. IF YOU
HAVE ANY QUESTION.
PLEASE GIVE ME A CALL.



QUIRK AUTO GROUP

LEO CHICOINE | 2074301621 | lchicoine@quirkauto.com

Vehicle: [Fleet] 2026 Chevrolet Tahoe (CK10706) 4WD 4dr Commercial (⚠ Incomplete)

VK3	License plate front mounting package		\$0.00
VPV	Ship Thru, Produced in Arlington Assembly and shipped to Kerr Industries and onto Arlington Assembly		\$0.00
VZ2	Speedometer calibration	Inc.	
WUA	Fascia, front high-approach angle	Inc.	
ZW7	Suspension, Premium Smooth Ride		\$0.00
—	Capless Fuel Fill	Inc.	
—	Exterior ornamentation delete	Inc.	
—	Instrumentation, analog	Inc.	
—	Theft-deterrent system, vehicle, PASS-Key III	Inc.	
—	Power supply, 50-amp, power supply, auxiliary battery, passenger compartment wiring harness	Inc.	
—	Power supply, 100-amp, auxiliary battery, passenger compartment wiring harness	Inc.	
—	Power supply, 120-amp, (4) 30-amp circuit, Primary battery, relay controlled, passenger compartment harness wiring	Inc.	
—	Seat belts, 3-point, all seating positions	Inc.	
—	Active Hill Hold Assist	Inc.	
—	Protected idle	Inc.	

SUBTOTAL	\$57,737.00
Adjustments Total	\$0.00
Destination Charge	\$2,595.00
TOTAL PRICE	\$60,332.00

FUEL ECONOMY

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A

\$57,116.00
Leo Chicoine

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Data Version: 26273. Data Updated: Aug 20, 2025 6:47:00 PM PDT.



QUIRK AUTO GROUP

LEO CHICOINE | 2074301621 | lchicoine@quirkauto.com

CUMBERLAND COUNTY SHERIFF

Vehicle: [Fleet] 2026 Chevrolet Tahoe (CK10706) 4WD 4dr Commercial



THANK YOU FOR THE OPPORTUNITY TO QUOTE YOU ON YOUR NEXT PURCHASE. IF YOU
HAVE ANY QUESTION.
PLEASE GIVE ME A CALL.



QUIRK AUTO GROUP

LEO CHICOINE | 2074301621 | lchicoine@quirkauto.com

Vehicle: [Fleet] 2026 Chevrolet Tahoe (CK10706) 4WD 4dr Commercial (Incomplete)

WUA	Fascia, front high-approach angle	Inc.
XCS	Tires, 275/55R20SL all-season, blackwall, Firestone Firehawk Pursuit	Inc.
Z56	Suspension Package, heavy-duty, police-rated.	Inc.
—	Capless Fuel Fill	Inc.
—	Exterior ornamentation delete	Inc.
—	Instrumentation, analog	Inc.
—	Theft-deterrent system, vehicle, PASS-Key III	Inc.
—	Power supply, 50-amp, power supply, auxiliary battery, passenger compartment wiring harness	Inc.
—	Power supply, 100-amp, auxiliary battery, passenger compartment wiring harness	Inc.
—	Power supply, 120-amp, (4) 30-amp circuit, Primary battery, relay controlled, passenger compartment harness wiring	Inc.
—	Seat belts, 3-point, all seating positions	Inc.
—	Active Hill Hold Assist	Inc.
—	Protected idle	Inc.

SUBTOTAL	\$58,574.00
Adjustments Total	\$0.00
Destination Charge	\$2,595.00
TOTAL PRICE	\$61,169.00

FUEL ECONOMY

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A

\$57,849.00

Leo Chicoine
Phet Sridangse

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Data Version: 26273. Data Updated: Aug 20, 2025 6:47:00 PM PDT.

Vendor Background and Qualifications

McGovern Automotive Group and McGovern MHQ Inc (MMHQ) are committed to utilizing experience and skills to work together with The Cumberland County Sheriff's Office

Please see attached/enclosed copy of Class I dealer's license.

- a) MMHQ is made up of a team that has more combined experience than any other organization in the municipal vehicle and upfitting industry in New England. team, has successfully managed the delivery of over 75,000 vehicles to over 300 cities and towns representing over \$2 Billion in sales.

The municipal division became part of the McGovern Automotive Group in August 2021. The MMHQ team is not new to the New England municipal marketplace, however. Its experience is multi, varied, and vast. Clay Chase and the MMHQ team have directly secured several procurement contracts within the vehicle and upfitting marketplace in New England, including six (6) of the current GBPC contracts. Clay and the MHHQ team have also secured contracts with multiple cities and towns within the Commonwealth, as well as the Massachusetts Department of State Police contract for vehicle and aftermarket equipment, the Massachusetts VEH110 vehicle contract and PSE01 equipment contract.

In 2023 McGovern acquired MHQ, located in Marlborough, MA. MHQ had been in the industry for over 40 years.

Matt McGovern has been in the automotive business acquiring and developing new vehicle franchises since 1993. The McGovern Auto Group was established in 2016 and has quickly grown to 31 new vehicle franchised dealerships, two used vehicle dealerships, and three collision centers all located in the New England and metro Boston area. One of our long-term goals has been to develop a fleet and upfit business to capture the massive opportunity to service municipal customers in the New England area. We are aware of the delays in receiving and servicing vehicles and equipment as well as service, parts, and warranty items. Customer satisfaction always has been and will remain our number one goal. We will be proud to serve all of our front-line workers, Emergency Response, Law Enforcement and Municipal organizations alike.

McGovern Auto Group will be the largest and only dealer group in New England with the latest technology and efficiencies in the Municipal segment. Recently, we opened a 200,000 square foot facility in Shrewsbury, MA. This location will also be our headquarters for McGovern MHQ Inc and is also the location of McGovern Collision Center. Our Shrewsbury facility has roughly 70,000 square feet dedicated to new installations and upfitting as well as warranty work. It will

VENDOR PRICING DATA SHEET

The following information is a requirement to be completed by the vendor.

Item Description	2025/2026 CHEVROLET TAHOE 4WD SPECIAL SERVICES
Cost (per unit)	\$ 55,197.00
Company Name	McGovern MHQ Inc
Company Address	420-2 Boston Turnpike Shrewsbury, MA 01545
Contact Person	Kim Glynn
Email	kglynn@mcgovernauto.com
Telephone	508-561-2132
Delivery Time (after receipt of order)	150 Days
Shipping Charges (if applicable)	\$0.00
Payment Terms	30 days

Note: Insert or attach any additional information that the vendor may deem appropriate in response to this RFP

Vendor Background and Qualifications

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VENDOR PRICING DATA SHEET

The following information is a requirement to be completed by the vendor.

Item Description	"2025/2026 " CHEVROLET 4WD PURSUIT VEHICLE 9C1
Cost (per unit)	\$55,924.00
Company Name	McGovern MHQ Inc
Company Address	420-2 Boston Turnpike Shrewsbury, MA 01545
Contact Person	Kim Glynn
Email	kglynn@mcgovernauto.com
Telephone	508-561-2132
Delivery Time (after receipt of order)	150 Days
Shipping Charges (if applicable)	\$0.00
Payment Terms	30 Days

Note: Insert or attach any additional information that the vendor may deem appropriate in response to this RFP



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-112

Agenda Date: 10/20/2025

Agenda #:

Agenda Item Request:

Authorize the County Manager to provide notice to amend the U.S. Marshals Prison Operations contract to reflect the exclusion of Immigration and Customs Enforcement (ICE) detention and furthermore; relinquish financial reimbursement from the holding of Immigration detainees.

Background and Purpose of Request:

For a number of months, the County Commissioners have received requests from interested parties to remove the County out of the federal contract for the holding of ICE inmates at the County Jail. The Commissioners have had a series of meetings to hear concerns of such an arrangement. In September, the Commissioners held a listen and learn workshop providing for more information to be shared and a series of questions to be asked. Commissioners have also explored the legality of the holding of all public safety inmates at the county jail as it applies to State Statute and MDOC Mandates. The Commissioners have instructed staff to place the Marshals contract on the October 20th meeting for Commissioner consideration.

Financial: Reduction of Federal Revenue upwards of 2.5 million annually.

Effective: Provide a 30-day notice of amendment of contract



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-112

Agenda Date: 10/20/2025

Agenda Item Request:

Authorize the County Manager to provide notice to amend the U.S. Marshals Prison Operations contract to reflect the exclusion of Immigration and Customs Enforcement (ICE) detention and furthermore; relinquish financial reimbursement from the holding of Immigration detainees.

Background and Purpose of Request:

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Financial: Reduction of Federal Revenue upwards of 2.5 million annually.

Effective: Provide a 30-day notice of amendment of contract



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-113

Agenda Date: 10/20/2025

Agenda Item Request:

First Reading of proposed amendments to the *Cumberland County Government By-laws*, which establish an alternative disbursement warrant authority and incorporate the Board's previously approved Public Participation Policy into the By-laws.

Background and Purpose of Request:

After discussing recommended financial policies with the County Auditors, staff recommend that the Commissioners amend the *Cumberland County Government By-laws* to clearly establish the authority and procedures for one Board member to sign County Treasurer disbursement warrants. Under this proposed amendment, a majority of the members of the Board may delegate review, approval, and signature authority to one Board member so that the designated Board member may approve disbursement warrants individually and outside of a public Board meeting.

Staff recommend that the Public Participation Policy that was adopted by the Board at the September 15, 2025 meeting be incorporated into the By-laws as an Appendix. This will ensure that the Policy remains visible to the public and is not misplaced overtime.

Funding Amount and Source: N/A.

Effective Date: Effective if approved after second reading.

Attachments: Proposed Amendments to By-Laws.



Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-113

Agenda Date: 10/20/2025

Agenda Item Request:

First Reading of proposed amendments to the *Cumberland County Government By-laws*, which establish an alternative disbursement warrant authority and incorporate the Board's previously approved Public Participation Policy into the By-laws.

Background and Purpose of Request:

After discussing recommended financial policies with the County Auditors, staff recommend that the Commissioners amend the *Cumberland County Government By-laws* to clearly establish the authority and procedures for one Board member to sign County Treasurer disbursement warrants. Under this proposed amendment, a majority of the members of the Board may delegate review, approval, and signature authority to one Board member so that the designated Board member may approve disbursement warrants individually and outside of a public Board meeting.

Staff recommend that the Public Participation Policy that was adopted by the Board at the September 15, 2025 meeting be incorporated into the By-laws as an Appendix. This will ensure that the Policy remains visible to the public and is not misplaced overtime.

Funding Amount and Source: N/A.

Effective Date: Effective if approved after second reading.

Attachments: Proposed Amendments to By-Laws.

CUMBERLAND COUNTY GOVERNMENT
BY-LAWS
DECEMBER 2011
Proposed Amendment October 2025

The by-laws for the County of Cumberland shall be as defined as follows, with excerpts from the County Charter, where applicable, as well as additions and revisions as defined over the course of time, as recommended by the County Manager, and approved the Board of Commissioners.

I: AUTHORITY

1.1 Name: The name of the County as it operates shall be Cumberland County, Maine, (hereafter “County”).

1.2 Nature and Legal Capacity: The County is an agency of the State and a body politic and corporate and shall be vested with all rights and powers of local self-government which are now, or hereafter may be, provided by the Constitution and laws of Maine and the County Charter. In addition, it shall be vested with all the rights and programs from the Federal Government that are available either directly or through the State.

1.3 Boundaries: The external boundaries of the County are prescribed by state law

1.4 Elected Positions: Pursuant to the Constitution and laws of the State of Maine [Section 3, Article 4 of Administration], the County shall have an elected Board of County Commissioners and the following elected official positions. If authorized by State law, any and/or all of following elected official positions may be permanently transferred to appointed, professional positions by a majority vote of the County electorate:

1.4.1 Sheriff (listed in state constitution)

1.4.2 Judge of Probate (listed in state constitution)

1.4.3 Register of Probate (listed in state constitution)

1.4.4 District Attorney (listed in state constitution)

2: POWERS AND DUTIES

2.1 General Grant of Powers: The County shall have those powers, duties and functions granted or allowed by the Constitution and laws of the United States of America or the State of Maine as fully as if each power were comprised in that general authority and were specifically granted by the Charter. The County shall have the necessary general police powers to assist its citizenry with their safety, health, education and general welfare and it shall avail itself of any and all powers invested by home rule to the advantage of its citizens. In addition, it may utilize all the laws, statutes and options available to private enterprise that are not in conflict with State Statues. All these powers are to be interpreted broadly.

2.2 Transfer of Powers: Whenever a governmental, public or non-profit entity requests a transfer of any or all privileges, powers, authority or functions to or from the County, the Board of County Commissioners (hereafter “Board”) may in its sole discretion arrange for a cooperative transfer based upon a contractual or governmental agreement.

2.3 Intergovernmental Cooperation: The Board may, in the best interest of the County citizens, contract for one or more functions of the County to be performed in cooperation with or transferred to one or more governmental, public or private entities.

2.4 The County Manager shall be responsible for the execution of those orders and the administration of all County entities, services and functions.

2.5 Construction of Services: The powers granted by the Charter and by-laws shall be construed broadly in favor of the Charter form of government enabling the County to implement programs and services for other governmental entities, non profit organizations and its citizens directly while avoiding the creation of special districts or other legal entities to accomplish these programs.

2.6 Procurement: The Board shall have the authority to procure items and services from and contract with the most responsive, responsible vendor and may utilize a bias towards organizations located within the County per the bylaws, except as required by State law.

3: BOARD OF COUNTY COMMISSIONERS

3.1 Number of County Districts: There shall be five (5) districts, with a single Commissioner representing each district.

3.2 Terms: Each County Commissioner elected shall serve four (4) years, beginning on the First day of January after his or her election, and continuing after such term until his successor is elected and qualified. The terms shall be reasonably staggered. No Commissioner may serve more than three (3) consecutive terms.

3.3 Qualifications:

3.3.1 Residence: An individual is eligible to be nominated and elected to the Office of County Commissioner only when they are a resident of the District from which nominated and a registered voter of the County.

3.3.2 Non-residence: The office of any member of the Board shall become immediately vacant when the commissioner ceases to be any of the following: a resident of the district from which elected except as provided in Section 3.1.2; a registered voter of the County; any other cause as provided by the Charter, by-laws or by the Constitution and laws of the State.

3.3.3 Ineligible: Upon election, a County Commissioner is immediately ineligible to serve in any other elected or appointed office as provided by the Charter, by-laws or by the Constitution and laws of the State, except as follows:

3.3.3.1 Dual Offices: No one shall hold elective or appointive office in two governmental entities if money and/or resources are exchanged between them except where clearly authorized by the Bylaws or pursuant to an agreement under the Inter-local Cooperation Act.

3.3.3.2 Time Restriction: For a trailing period of 18 months, no former Commissioner shall hold any compensatory or appointed County position and must obtain written authorization from the County Manager approved by the Board to be employed by an organization having any business relationship with the County.

3.4 Vacancies: If a seat on the Board becomes vacant more than eight (8) months prior to the next November general election, the Board shall appoint a qualified person (as defined above) to fill the vacancy until the next November general election, at which time a qualified person will be elected to fill the remainder of the term.

3.5 Exclusion: After due process of formal charges and a hearing, and upon finding that a Commissioner-elect is not entitled to a seat because of a failure to meet the requirements in section 3.3.1 or 3.3.2., or if a Commissioner-elect was not “duly elected,” the full Board, by a simple majority vote, may deny the Commissioner-elect a seat on the Board.

3.6 Censure and Expulsion: After due process of formal charges, a hearing and upon a formal vote on a resolution agreed to by a majority plus one of the full Board, Commissioners may be involuntarily removed from office before the normal expiration of their Charter terms by an “expulsion” from the Board of Cumberland County Commissioners. The Board may determine the Rules of its Proceedings and punish by immediate expulsion Commissioners for nonattendance, disorderly behavior and moral turpitude with the concurrence of a majority plus one of the full Board.

3.7 Compensation: Changes in salaries and available benefits of all commissioners shall be set by the Board and approved by a majority plus one vote of a full Finance Committee; said salary shall constitute full compensation for all services. Reimbursement for reasonable expenses incurred in performance of their duties may be allowed upon formal review and approval by the Board.

3.8 Powers of the Board: The Board shall be the policy determining body of the County. The Board may exercise all the powers singularly and/or jointly granted to the County, the Charter, these by-laws and by local governmental entities, public and nonprofit entities or its voters.

3.8.1 Specific Powers: The Board shall appoint by a majority of a full Board and remove by a majority plus one vote of a full Board:

3.8.1.1 The County Manager, Auditor and Commissioner's Attorney, as well as such of those elected offices that may become appointive.

3.8.1.2 Other Appointments: The County Manager shall follow the process as prescribed in these Bylaws and may present his appointments to the Board for their confirmation.

3.8.1.3 Finance: In order to ensure transparency, the Board shall require the highest professional standards for its accounting and for the comprehensive annual financial report as prescribed in these Bylaws.

3.8.1.3.1 Budgets: The County Manager shall present to the Board the full annual County budget for their review, oversight, and endorsement prior to a public presentation. This shall include the review of all the budgetary requests including salaries and the final budgetary determinations and appropriations for all County governmental operations and functions. Ratification of the budget shall require a majority vote of a full Board.

3.8.1.3.2 Revenues: The Board shall apply for available public and private grants to assist the needs of citizens, to provide required services and to fund capital improvements; they shall establish and charge reasonable fees and assessments to offset all expenditures; in addition and pursuant to State law, they shall appropriate funds as necessary to support their budget and pay debt service.

3.8.1.3.3 Financial Instruments: The Board is authorized to utilize any and all financial instruments that create an advantage for serving its citizens.

3.8.1.3.4 Audit: The Board shall cause independent audits by a certified public accountant of all government operations and functions of the County annually and as the Board deems necessary.

3.8.1.3.5 The Board may annually designate, in writing, one member of the Board to act on behalf of the Board to review, approve, and sign County Treasurer's disbursement warrants outside of a public meeting of the Board. The authority delegated to one board member is in addition to, not in lieu of, majority power. A majority of the members of the Board may override the delegation of authority by requesting that the full Board review, approve, and sign a disbursement warrant at any time.

3.8.2 Other: The Board may investigate the affairs of County Government, and shall be the judge of the election and qualifications of its members.

3.8.3 Committees: The Board may create and abolish such committees as it deems necessary to assist in the performance of its duties, may appoint the membership necessary and may serve as ex officio committee members. A committee shall be a Standing Committee or an Ad Hoc Committee.

All committees shall have a clearly written charge and have their budgets approved by the Board.

At the Annual Meeting, the Board shall review and vote to authorize each Ad Hoc Committee or by default they shall be abolished.

3.8.3.2 Ad Hoc Committees: Ad Hoc Committees are temporary committees developed for the County by its Board or Administration that perform limited, singular assignments generally of limited duration, less than 18 months. They have neither an ongoing operational nor a capital budget and are not part of the Bylaws.

3.9 Board Organization: At the annual Board meeting, on the first Monday after the First of January, except if that is an official holiday and if so, it shall be the following Monday, the Board shall, at the discretion of the board, elect from among its members a chairman and a vice-chairman to serve as such at its pleasure and present its complete table of organization. The time of subsequent annual meetings shall be as determined the board.

3.9.1 The board shall operate under the rules of Roberts Rules of Order

3.9.2 The chairman shall preside over the meetings of the Board, have a vote on all questions before it, and have authority to preserve order at all Board meetings.

3.9.3 Public Meetings shall be posted in two major print media outlets and sent to broadcast media, including internet sources online and posted inside the Courthouse and other places as deemed necessary by the Commissioners, at least three business days in advance. Special meetings must be posted electronically and in the courthouse at least 24 hours in advance, unless there is an urgent and pressing need to meet, which can be posted only in the Courthouse with 24 hours notice.

3.9.4 Chair- the Chair shall preside at all meetings and may call special meetings of the Commissioners whenever necessary. The Chair shall be responsible for establishing any and all committees for the Board and appointments to these committees, except as defined in the Charter or State Statute.

3.9.4.1 Vice chair- the vice chair shall perform the duties of the chair in the absence of the chair.

3.9.4.2 Chair- In the event of a vacancy, the vice-chair shall assume the duties of the chair's unexpired term as stated in the charter previously. Fulfillment of this term shall not be considered as part of term limitations if applicable

3.9.5 Election of officers- the Board shall elect officers at the annual meeting for a term of one year. The method of determining the officers shall be at the discretion of the Board.

3.10 Bylaw Changes: The adoption, amendment or repeal of a Bylaw shall require a reading at two (2) formal Commission meetings and the concurrence of the majority plus one vote of the full Board.

3.10.1 Rules: The Board shall adopt Roberts Rules of Order for parliamentary procedure and create Board subcommittees as is necessary for the orderly transaction of its business.

3.11 Meetings:

3.11.1 Regular Meetings. The Board shall meet regularly and publicly in the County at least once each month and for eleven (11) of the twelve (12) months in the year. The Board shall provide for the manner, time and place for holding all regular Board meetings, except a regular meeting shall be scheduled and held in each Commissioner's district at least biennially.

3.11.1.1 Quorum: A majority of a full Board constitutes a quorum and the required number of votes to act upon a motion, except as set forth herein. A lesser number or the County Manager may only adjourn the meeting to another place and time.

3.11.1.2 Special Meetings. Special meetings may be held at the call of the chairman or three (3) or more members of the Board. Upon call for a special meeting, adequate public notice shall be given of the time, place and purpose of the meeting in accordance with the procedures established by the Board's Bylaws. Actions of the Board at special meetings on matters not included in the notice of the meetings shall not be effective until approved at a regular meeting or at a special meeting for which the action was included in the notice.

3.11.1.3 Emergency Meetings: An emergency meeting of the Board may be called at the Chair's discretion; if Commissioners are not able to physically attend, the communications and votes of such may be transmitted by any electronic device. A complete record of the meeting, the Chair's justification for such action, and a recorded roll call vote shall be expressed, vetted and read into the record of the next formal Board meeting.

3.11.1.4 Non-meetings: Chance meetings or planned social gatherings of the Board members, at which no discussion, action, vote, or poll of County business is taken, do not constitute public meetings; however a reasonable public calendar of such events must be presented at the following Board meeting.

3.12 Bonding: The Board shall designate which officers and employees shall be bonded and fix the amount and approve the form of the bond.

3.13 Records. The Board of County Commissioners shall cause a public record of its proceedings to be kept in accordance with the Bylaws; a written copy of such records shall be available to the public prior to the next formal meeting and maintained by the County Clerk. The individual votes on questions before the Board shall be recorded.

4: ADMINISTRATION

4.1 General Provisions: All functions and duties required of the County or County officials by this Charter shall be the responsibility of the Board of County Commissioners. Duties and functions shall be distributed among such committees, departments, offices and agencies as the law, the Board or the Charter may establish. All entities, services and functions are under the direction and the supervision of the County Manager, subject to the approval and control of the Board of County Commissioners or through its committee structure except as provided by law. The Board has the obligation to use its powers to operate the County in an optimal businesslike manner and to provide services that are in the best interest of its citizenry.

4.2 County Manager: The County manager shall be appointed solely on the basis of his or her executive and administrative qualifications.

4.2.1 Administration. The County Manager shall carry out the Board's policies and be delegated with and responsible for the County's entire management functions, including planning, organizing, staffing, direction and control; in addition, the County Manager is responsible for the preparation of and enforcement of personnel policies, administrative codes and Bylaws as created by the County Commissioners. The County Manager shall assume responsibility for all County elected, appointed and professional positions and their entities, services and functions and may delegate such by the agreement of the Board except as provided by law.

4.2.2 Appointments: All administrative officers and employees of the County other than elective administrative officers shall be appointed by the County Manager. The qualifications for such an appointment or position shall be on a professional basis and may be prescribed by the County Commissioners.

4.2.3 Administrative Code. The County Manager shall maintain an administrative code that shall set forth the committee and departmental organization of the government and the nature and scope of each together with all required rules and

procedures for their operation and in addition the required personnel procedures and regulations. The administrative code shall be submitted to the Board for adoption, review, amendment and repeal. It may be formally amended or repealed by a vote of the majority plus one of a full Board. At least decennially, the administrative code shall be formally reviewed by an independent group of the electorate selected by the Commissioners, one per District.

4.3 Organizational Structure: The Board and/or the County Manager may from time to time establish additional administrative departments, combine any two or more administrative departments into a single such department, separate departments thus combined, abolish any administrative department and prescribe the duties and functions of any administrative department. A function of the County prescribed by State law but not allocated to any County officer or agency shall be allocated to such department or committee of the County as the Board shall determine.

4.4 The County Organizational Chart, Personnel Policy and Administrative Code are attached to this document.

5: FINANCE

General Provisions:

5.1 Budget: The Board of County Commissioners is responsible for the review of the County Manager's draft budget, its submittal to the County's Finance Committee (FC) and for the preparation and presentation of the final annual operating budget and capital program to their citizens prior to its adoption. The annual County budget process shall be transparent and as detailed as necessary to ensure a knowledgeable understanding by the electorate of the entire County's expenditures and revenues. A copy of the accepted final budget document shall be filed with the State in accordance with State law.

5.2 Fiscal Year: The fiscal year of the County shall be July 1st to June 30th.

The transition year is January 1, 2023. The creation of a 6-month budget for January 1, 2023 to June 30, 2023. Subsequently a 12-month budget will be created covering July 1, 2023 to June 30, 2024. The 6-month budget will be pro-rated over one to five years dependent upon the wishes of individual municipalities. The pro-rated budget will be included in the annual fiscal year Warrant until such time the 6-month budget is fully funded.

*(*Amended March 9, 2020; **Amended May 20, 2020;***Amended January 2022)*

5.3 Appropriation Authority: The County Commissioners shall have the authority to appropriate money according to their budgetary requirements; in addition, the County shall have all taxing authority prescribed by the State Constitution and the authority to present any and all tax information to its electorate.

5.4 Finance Committee (FC)

5.4.1 Committee Membership: Representatives to the FC shall be municipally elected officials from the Commissioner District in which their municipality resides.

Municipally elected officials of each Commissioner District may appoint two (2) representatives to serve on the FC for a three (3) year term; a representative shall not serve more than two consecutive terms. No municipality shall have more than one representative unless it serves more than one half ($\frac{1}{2}$) of a District's population. A District Commissioner may appoint representatives to fill FC vacancies occurring 120 calendar days prior to the commencement of the Board's fiscal year. A FC vacancy shall immediately occur when representatives no longer qualify for membership.

5.4.2 Finance Committee Meetings: On the call of the County Commissioners or at least 90 calendar days prior to the commencement of the fiscal year, the FC shall meet. The FC shall select a chairperson from its full membership. It shall also appoint such other officers as it may deem necessary and create such sub-committees as may be necessary to perform its duties.

5.5 General Budget Procedures: The County Commissioners shall present their preliminary budget to the FC with dispatch and at least fifty five (55) business days prior to the end of their fiscal year. The budget shall also present a 1 year estimated revenue projection. The County, through the Board, shall provide the Committee with all the reasonable resources necessary to scrutinize the budget, transparency being the imperative. The FC shall act on the budget with dispatch and take action no later than thirty (30) business days prior to the end of the County's fiscal year or the Board's preliminary budget shall be considered FC endorsed. Upon receipt of the FC's provisional Budget and at least ten (10) business days prior to the end of the County's fiscal year, the Commission shall adopt their final budget. The Board may modify and reinstate any and all of the proposed FC's changes by a recorded majority vote of a full Board; the Board shall provide written definitive reasons to the public for their revisions.

5.6 Operating and Capital Budget Process: Annually each County entity shall submit a detailed budget including revenues as may be required by the County Manager.

5.6.1 Preparation: The County Manager shall compile all operational and capital budget requests, prepare a draft budget, including revenue estimates therein and submit the same to the Board of Commissioners for their review and approval. The operating budget shall include a one (1) year projection of total revenues based upon expressed assumptions; the capital program shall include a five (5) year projection of capital programs and bonding.

5.6.2 Notification: Prior to the Commissioners adopting their proposed budget, they shall notify the Finance Committee (FC) and hold one or more public hearings throughout the County on the Manager's draft budget.

5.6.3 Budget Modifications: After said hearing(s), the Commissioners shall review the preliminary budget as submitted by the County Manager, together with the Manager's recommendations, and make such additions, deletions or modifications as they deem necessary to insure the proper fiscal performance of County government.

5.6.4 Provisional Budget: After deliberation of the Board's proposed budget, the FC may accept or amend it by a majority vote of a full Committee; the changes shall be limited to gross department amounts and shall relate solely to the proposed appropriations paid by County taxes. Once the review is completed it shall be presented to the Board of Commissioners at a public meeting.

5.6.5 Annual Budget Acceptance: The Board shall meet to accept and/or modify the proposed budget. They may reinstate any or all of the recommended FC's changes to the proposed budget by a recorded majority vote of a full Board; the Board shall provide written definitive reasons to the public for each of their revisions and decisions.

5.6.6 Unauthorized Budget: In the event the budget is not authorized before the start of a fiscal year, the County shall, until a final budget is adopted, operate on an interim budget which shall be no more than 80% of the previous year's budget.

5.7 Emergency Appropriations: Emergency appropriations may be made by the Board of County Commissioners; it requires ratification by a majority of the full FC. The chairman of the FC shall call a special meeting within seven (7) business days of the Board's action to formally ratify the emergency appropriation; non-action by the FC is ratification. If FC ratification is not obtained, then the Commission must go through the formal process per Section 5.6.5.

5.8 Borrowing

5.8.1 Revenue Securities: The Board shall have the authority to issue revenue bonds, notes or other securities and financial instruments that are totally project remunerated and shall not negatively affect the County's tax rate; each project shall be run as a profit center. The Board of County Commissioners may issue any form of tax, grant or bond anticipation certificate or note as authorized by the County Charter, 30 M.R.S.A. §401-A, or by the Constitution or general laws of the State.

5.8.2 Tax Securities: The Board of County Commissioners may issue any form of tax, grant or bond anticipation certificate or note as authorized by the County

Charter 30 M.R.S.A. §401-A, or by the Constitution or general laws of the State. Annually, the Board of County Commissioners shall have the authority to issue tax supported bonds, notes or other securities and financial instruments of the County up to 1/10 of one mil based upon the County's property valuation, or greater upon approval of the electorate in a County-wide referendum.

5.9 Transfer of Appropriations: To the extent permitted by its appropriation and within the last three months of each fiscal year, on request of the manager, the Board of Commissioners may transfer any unencumbered balance of an appropriation or portion thereof to another account, department, office, or agency of the County unless such funds were derived from income restricted to the specific purpose for which they were originally appropriated. Year end balances may be used to pay down debt if authorized by the Board of County Commissioners.

6.0 ADDENDUMS/ REVISIONS

Commissioner Vote: May 20, 2020 - Amended Fiscal Year - Section 5.2

Reformatting: May 28, 2020

Commissioner Vote: December 8, 2021 -Amended Fiscal Year - Section 5.2

Commissioner Vote: First Reading October 20, 2025- new disbursement warrant authority- Section 3.8.1.3.5; Public Participation Policy- Appendix 1.

County Commissioners Public Participation Policy

September 15, 2025

Any person wishing to address the County Commissioners during a designated public comment period may do so in accordance with the following procedures:

1. Public Comment Periods; Regular Meetings

The County Commissioners may hold one or more public comment periods at regularly scheduled meetings, or as provided in this policy. Comment periods may be “general” public comment periods, at which time the public may comment on County business in general, or “specific” public comment periods, at which time the public may comment on specific items on the agenda. If a specific public comment period is designated for agenda items, no public comment related to those agenda items is allowed at a general public comment period.

A. Specific Public Comment (on Agenda Items): Individuals addressing the County Commissioners during a specific public comment period shall limit their comments to matters directly related to the agenda item(s) and shall limit their comments to three (3) minutes. Individuals shall only speak once, unless asked a question from a member of the Commissioners. No more than thirty (30) minutes shall be allocated for public comment on individual agenda item(s). The County Commissioners, through a majority vote, may authorize the Chair to extend the time for specific public comment for an additional, specified period of time.

B. General Public Comment: Individuals addressing the County Commissioners during a general public comment period shall limit their comments to three (3) minutes. Individuals shall only speak once during public comment. No more than one (1) hour of the Commissioner meeting will be allocated for general public comment. The County Commissioners, through a majority vote, may authorize the Chair to extend the time for general public comment for an additional, specified period of time.

2. County Commissioner Special Meetings: County Commissioner Special Meetings are non-regular meetings held by the Commissioners to address County business that generally must be addressed prior to a regularly scheduled meeting. Only specific public comment is allowed at a Special Meeting in accordance with Section 1 above. The County Commissioners, through a majority vote, may authorize the Chair to hold a general public comment period.

3. County Commissioner Workshops: County Commissioner Workshops are non-regular meetings held by the Commissioners to discuss County business in a working session. No public comment is allowed at workshops, unless a majority of the County Commissioners vote to authorize the Chair to allow public comment. If public comment is allowed, individuals shall only speak once and for no more than three (3) minutes. The Commissioners shall define the length of the public comment period.

4. Consent Calendar Agenda Items: No public comment is allowed on items that fall on the Consent Calendar. A member of the public or a Commissioner may request an item to be removed from the Consent Calendar and placed within New Business so that a discussion can occur. By a positive vote of the Commissioners, Consent Calendar items may be moved.

5. Written Comments: Written comments may be submitted to the County Commissioners for consideration at any time, including prior to, after, or during a public comment period.

5. Decorum: Individuals attending County Commissioner meetings shall abide by the following rules of decorum:

- A. Individuals interested in speaking at a designated public comment period should state their name and municipality of residence prior to addressing the Commission.
- B. Individuals shall direct their remarks exclusively to the Chair, unless the Chair allows otherwise.
- C. Individuals will strive to be accurate in their statements and avoid making comments that are obscene, threatening, or disruptive.
- D. Individuals, are requested not to applaud or otherwise express approval or disapproval of any statements made or action taken at such meeting outside of a designated public comment period.
- E. All statements should respect the dignity and seriousness of the proceeding.

The Chair is responsible for administering the expectations of this policy and may ask any person violating the expectations set forth in this policy to cease such action or risk being removed.



Position Paper

File #: 25-114

Agenda Date: 10/20/2025

Agenda #:

Agenda Item Request:

Amend the following sections of the *Administrative Regulations & Policies*: #3 “FOAA Schedule of Fees,” and #4 “Meal & Travel Allowance,” and adopt proposed Policy #22 “Unassigned Fund Balance Policy” (new admin reg).

Background and Purpose of Request:

Policy #3 “FOAA Schedule of Fees” was reviewed after consulting with the Public Information Officer in the Executive Department. The amendments are necessary to update references in the Policy to statutory thresholds regarding FOAA fees (see P.L 2023, c. 155, § 3). Furthermore, staff believe that it would be helpful to amend this policy to clarify that FOAA fees and record request requirements are governed by State law, not exclusively the Policy. The proposed amendments clarify the internal procedures for handling record requests, including stressing that record requests must be forwarded by employees to the appropriate Public Information Officer immediately to ensure the County complies with the response timeframes in the FOAA. Staff recommend re-naming the policy from a “schedule of fees” to a policy governing “record request procedures” to reflect the purpose of these amendments. This document is presented as a repeal and replace.

Policy #4 “Meal & Travel Allowance” was reviewed by staff after confusion with the implementation of a per-diem reimbursement for meal expenses when County employees travel on County business. The proposed amendments to this Policy are also intended to clarify what documentation is required for employees to be reimbursed for meal and travel expenses. The proposed amendments eliminate the distinction between reimbursements for in-state and out-of-state travel and instead categorize travel as either “same-day” or “multi-day” travel. Same-day travel and meal expenses generally do not need to be approved prior to travel, but must be itemized on an *Expense Reimbursement Form* approved by the employee’s Director, Deputy Director, or Captain level supervisor or above before the employee can be reimbursed. Multi-day travel expenses must be estimated and approved prior to travel on a *Multi-day Travel & Professional Development Request Form*. Staff recommend that this form be removed from Appendix H1 and relocated to the Staff Intranet. This multi-day travel pre-approval form, along with an *Expense Reimbursement Form*, which contains the actual expenses incurred, must be submitted to the Finance Department with itemized receipts or credit card receipts. The multi-day per-diem meal reimbursement is retained, but the proposed Policy clarifies that employees may be reimbursed \$45 for meal expenses incurred on the first and last day of travel and \$65 for meal expenses incurred on all other full days of travel. Finally, staff recommends that the section in the Policy regarding transportation expenses (i.e., airfare, mileage) be clarified to stress that an employee is only eligible for mileage reimbursement when using their own private vehicle to conduct County business during working hours. Staff recommend that the discussion in the current Policy on what constitutes working hours be taken out. Instead, the proposed Policy directs employees to contact their Director, Captain level supervisor or above, the County Manager or Finance Director to discuss specific travel situations and the applicability of Fair Labor Standards Act requirements on a case-by-case basis. We have presented a redline document for Commissioner review.

After discussing recommended financial policies with the County Auditor staff recommends that the

Commissioners adopt a new policy, **Policy #22 “Unassigned Fund Balance Policy.”** This proposed Policy clarifies and more clearly establishes the County’s goals regarding unassigned fund balance. Maintenance of sufficient level of unassigned fund balance is essential to ensuring the County can cover unanticipated budget expenses, maintain or improve the County’s bond rating, and maximize investment earnings. The proposed Policy establishes a goal amount of unassigned fund balance that is consistent with GFOA recommendations, procedures for maintaining that goal amount, and references the statutory requirements regarding surplus funds (30-A M.R.S. § 924, which requires that unencumbered surplus funds exceeding 20% of the amount to be raised by taxation in the following fiscal year be used to reduce the tax levy). This is a repeal and replace policy and for the first time added to the Admin Regulations.

Funding Amount and Source: N/A

Effective Date: Effective immediately.



Position Paper

File #: 25-114

Agenda Date: 10/20/2025

Agenda Item Request:

Amend the following sections of the *Administrative Regulations & Policies*: #3 “FOAA Schedule of Fees,” and #4 “Meal & Travel Allowance,” and adopt proposed Policy #22 “Unassigned Fund Balance Policy” (new admin reg).

Background and Purpose of Request:

Policy #3 “FOAA Schedule of Fees” was reviewed after consulting with the Public Information Officer in the Executive Department. The amendments are necessary to update references in the Policy to statutory thresholds regarding FOAA fees (see P.L 2023, c. 155, § 3). Furthermore, staff believe that it would be helpful to amend this policy to clarify that FOAA fees and record request requirements are governed by State law, not exclusively the Policy. The proposed amendments clarify the internal procedures for handling record requests, including stressing that record requests must be forwarded by employees to the appropriate Public Information Officer immediately to ensure the County complies with the response timeframes in the FOAA. Staff recommend re-naming the policy from a “schedule of fees” to a policy governing “record request procedures” to reflect the purpose of these amendments. This document is presented as a repeal and replace.

Policy #4 “Meal & Travel Allowance” was reviewed by staff after confusion with the implementation of a per-diem reimbursement for meal expenses when County employees travel on County business. The proposed amendments to this Policy are also intended to clarify what documentation is required for employees to be reimbursed for meal and travel expenses. The proposed amendments eliminate the distinction between reimbursements for in-state and out-of-state travel and instead categorize travel as either “same-day” or “multi-day” travel. Same-day travel and meal expenses generally do not need to be approved prior to travel, but must be itemized on an *Expense Reimbursement Form* approved by the employee’s Director, Deputy Director, or Captain level supervisor or above before the employee can be reimbursed. Multi-day travel expenses must be estimated and approved prior to travel on a *Multi-day Travel & Professional Development Request Form*. Staff recommend that this form be removed from Appendix H1 and relocated to the Staff Intranet. This multi-day travel pre-approval form, along with an *Expense Reimbursement Form*, which contains the actual expenses incurred, must be submitted to the Finance Department with itemized receipts or credit card receipts. The multi-day per-diem meal reimbursement is retained, but the proposed Policy clarifies that employees may be reimbursed \$45 for meal expenses incurred on the first and last day of travel and \$65 for meal expenses incurred on all other full days of travel. Finally, staff recommends that the section in the Policy regarding transportation expenses (i.e., airfare, mileage) be clarified to stress that an employee is only eligible for mileage reimbursement when using their own private vehicle to conduct County business during working hours. Staff recommend that the discussion in the current Policy on what constitutes working hours be taken out. Instead, the proposed Policy directs employees to contact their Director, Captain level supervisor or above, the County Manager or Finance Director to discuss specific travel situations and the applicability of Fair Labor Standards Act requirements on a case-by-case basis. We have presented a redline document for Commissioner review.

After discussing recommended financial policies with the County Auditor staff recommends that the

Commissioners adopt a new policy, **Policy #22 “Unassigned Fund Balance Policy.”** This proposed Policy clarifies and more clearly establishes the County’s goals regarding unassigned fund balance. Maintenance of sufficient level of unassigned fund balance is essential to ensuring the County can cover unanticipated budget expenses, maintain or improve the County’s bond rating, and maximize investment earnings. The proposed Policy establishes a goal amount of unassigned fund balance that is consistent with GFOA recommendations, procedures for maintaining that goal amount, and references the statutory requirements regarding surplus funds (30-A M.R.S. § 924, which requires that unencumbered surplus funds exceeding 20% of the amount to be raised by taxation in the following fiscal year be used to reduce the tax levy). This is a repeal and replace policy and for the first time added to the Admin Regulations.

Funding Amount and Source: N/A

Effective Date: Effective immediately.

#22: Unassigned Fund Balance Policy

I. PURPOSE

The purpose of this policy is to establish guidelines for the maintenance and preservation of unassigned fund balance for the County of Cumberland. Maintaining a sufficient unassigned fund balance promotes financial stability and provides for prudent management of the County's General Fund, including by allowing the County to:

- Cover unanticipated budget expenses with existing resources, as opposed to borrowing or covering a budget shortfall by increasing County taxes.
- Maintain or improve a strong bond rating.
- Maximize investment earnings.

II. DEFINITIONS

A. General Fund- the primary operating fund for the County, including funding for the jail.

B. Fund Balance- the cumulative difference of all revenues and expenditures of the General Fund at the close of the fiscal year.

The County shall comply with the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, issued February 2009. Board Statement No. 54 establishes five fund balance classifications, as summarized below:

Restricted Components

1. **Nonspendable Fund Balance** – Funds that cannot be spent because they are either not in a spendable form or are legally/contractually required to be maintained intact.
2. **Restricted Fund Balance** – Funds that can only be spent according to the terms imposed by their provider or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Components

1. **Committed Fund Balance** – Funds that are subject to limitations imposed by the County Commissioners, and remain so unless removed in the same manner.
 2. **Assigned Fund Balance** – Funds that are constrained by the County Commissioners through a stated intended use, but are neither restricted nor committed.
 3. **Unassigned Fund Balance** – Any remaining funds not classified in one of the other categories and that have not been restricted, committed, or assigned to specific purposes within the General Fund.
- C. Unencumbered Surplus Funds** –the actual revenue in excess of estimates, as filed with the Office of the State Auditor for the fiscal year; all unexpended account balances at the end of the fiscal year, except for capital reserve accounts; all overlay permitted under 30-A M.R.S. § 706; and any unexpended balances carried forward from prior fiscal years, including amounts retained as working capital. See 30-A M.R.S. § 924(4).

III. POLICY

- A. As recommended by the Government Finance Officers Association (GFOA), Cumberland County strives to maintain an Unassigned Fund Balance that is at least 16.7% of the County's General Fund annual operating budget, or 2 months of operating expenditures.
- B. If the Unassigned Fund Balance drops below the 16.7% level, based on the most current financial statement, the fund must be restored to the target level over a period of not more than two (2) fiscal years through the annual budget and/or tax commitment process.
- C. If the Unassigned Fund Balance exceeds 20% of the County's General Fund annual operating budget during the fiscal year all or part of the excess may be used to establish or fund a capital reserve account or the County may retain the funds as working capital for the use and benefit of the County, except correctional unencumbered surplus must carry forward in the correctional services fund balance.
- D. If Unencumbered Surplus Funds exceed 20% of the amount to be raised by taxation in the following fiscal year, after restoring the contingent account, any remaining excess funds over the 20% threshold must be used to reduce the tax levy per 30-A M.R.S. § 924 (Surplus Funds).

IV. ADMINISTRATION

- A. Annually, during the presentation of the Annual Comprehensive Financial Report (ACFR), the Finance Director shall report on the status of the various components of the Fund Balance in accordance with this Policy.
- B. The Finance Director shall calculate the amount of Unassigned Fund Balance necessary to comply with this Policy at the annual reporting time above and report that amount to the County Manager.
- C. Should the Unassigned Fund Balance fall below the 16.7% level, the County Manager shall propose to the County Commissioners a plan to restore the balance to the target level as provided in this Policy and State law.

AMENDMENT EFFECTIVE: OCTOBER __, 2025

#3: FOAA Record Request Procedures

I. PURPOSE

The Maine Freedom of Access Act (“FOAA”) grants the public a broad right to access public records while protecting legitimate governmental interests and the privacy rights of individual citizens. The FOAA establishes the procedures and requirements the County must follow when responding to a request for public records (1 M.R.S. § 400, et seq.).

Employees shall comply with the applicable requirements in state law and this Policy when handling a request for public records.

II. PROCEDURES

- A. Employees who receive a request to inspect or copy public records shall immediately forward the request to the appropriate Public Information Officer.** The FOAA establishes specific timeframes for responding to a request. Therefore, it is imperative that employees forward requests to the responsible Public Information Officer as soon as possible. Record requests pertaining to records in the custody of the Regional Communications, District Attorney and Sheriff’s Office/Jail shall be forwarded to the designated Public Information Officer in those departments. All other record requests shall be forwarded to the Public Information Officer in the Executive Department.
- B.** The Public Information Officer will be the point person for responding to the request. The Public Information Officer is responsible for ensuring that all requirements and procedures in state law are followed.
- C.** The following outlines the general procedures for responding to a record request. Public Information Officers should refer to state law to determine the specific requirements that apply to each request.
 - 1. Upon receipt of request, the Public Information Officer should create a record of the name of the requestor, the date the request was received, and other information necessary to respond to the request. An annual log of record requests should be maintained with sufficient information to identify each record requests and the actions the County has taken in regard to the request.
 - 2. A written acknowledgement of receipt of the request must be provided to the requestor within 5 working days of receipt of the request. Clarification on the number, type, or nature of the public records requested may be sought in order to administer the request.
 - 3. If the County will deny access to any public record, written notice of the denial must be provided to the requestor within 5 working days of receipt of the request or the requestor must be notified in this timeframe that the request will be denied in full or in part following a review.
 - 4. Within a reasonable time, an estimate of the time necessary to complete the request must be provided to the requestor. An estimate of any fees necessary to complete the request should also be provided. If the fee estimate is greater than \$50, this must be conveyed to the requestor for confirmation before completing the request. If the fee estimate is greater than \$100, the County may request full or partial payment prior to initiating search, retrieval, compilation, conversion, or copying of the records.

III. COSTS ASSOCIATED WITH REQUEST

The FOAA, along with other statutes, establish the fees the County may charge for responding to a public records request. Employees shall follow the fee requirements that apply to the records requested. For example:

- A. Fees.** The County generally may charge a fee to cover the actual cost of searching for, retrieving, and compiling the requested public record, except the County may not charge a fee for the first two hours of staff time per request. After the first two free hours of staff time, the County may charge up to \$25 per hour. The County may charge for the actual cost to convert an electronically stored public record into a usable format and the actual cost of a device to store the public record (i.e., a USB drive), if the storage device will be given to the requestor by the County. The County may also charge for the actual mailing costs to mail a copy of a record.
- B. Photocopies.** The County may charge a reasonable fee to cover the cost of copying. A reasonable fee is generally no more than 10 cents for an 8 1/2 x 11 black and white copy of a record.
- C. Waiver.** Fees may be waived if the requestor is indigent or if the County determines the release of the records is in the public interest because doing so is likely to contribute significantly to the public understanding of County operations and is not primarily in the commercial interest of the requestor. Public Information Officers should discuss the amount or waiver of fees with the County Manager or Assistant County Manager.

Remove Appendix B1-Schedule of Fees CCSO

AMENDMENT EFFECTIVE: OCTOBER __, 2025



#4: Meal & Travel Allowances & Reimbursement

(Effective December 2024)

I. PURPOSE

The purpose of this policy is to establish ~~meal & travel~~ expense reimbursement guidelines ~~rates~~ for County employees.

~~Employees required to travel and/or use personal conveyances on official business for the County will be reimbursed for such~~ may request reimbursement for expenses as food, lodging and transportation expenses as may be incurred while on such official business of the County in accordance with this Policy. Only necessary food, lodging and transportation expenses incurred by employees during travel for County business are eligible for reimbursement.

II. DEFINITIONS

- A. Same-Day travel is when an employee conducts County business, including attending trainings or a conference, in a location that is different than their regular place of employment or assigned work area and travel to the location does not require an overnight stay.
- B. Multi-day travel is when an employee conducts County business, including attending trainings or a conference, in a location that is different than their regular place of employment or assigned work area and travel to the location requires an overnight stay.
- C. An "Overnight Stay" may be required when a conference, training, or event occurs over multiple consecutive days and/or when it would be difficult to arrive at the location of the conference, training, or event in a timely manner or safely return from that location in a single day because of the timing of the event and distance from the employee's home or regular place of employment.

III. REQUEST PROCEDURES

The procedures for requesting reimbursement for travel expenses depend on whether an employee engages in single-day or multi-day travel.

- A. Multi-Day Travel Expenses. ~~E~~Those employees who wish to attend a traveling for County business to locations training/conference (in or out of state) that includes require an overnight stay, either before or after the training/conference, shall must submit complete a *Multi-Day Travel & Professional Development /Training Rrequest Fform* as (located on the Staff Intranet) attached in Appendix -)G. A full estimate of all eligible travel costs shall be provided within the request form. The request form shall be approved by: 1) the employee's ~~Those employees who plan on traveling for training shall receive permission from their immediate supervisor~~ Director, Deputy Director, or a Captain level supervisor or above and 2) the County Manager or ~~his/her/they~~ designee Assistant County Manager prior to travel plans being made.



A copy of the approved *Multi-Day Travel & Professional Development Request Form* must be submitted to the Finance Department with an itemized and approved *Expense Reimbursement Form* (located on the Staff Intranet), the receipts itemizing the expenses to be reimbursed, and any credit card statement that includes the actual travel charges placed on the credit card.

When a supervisor travels, ~~assurances arrangements~~ shall be made ~~that the~~ to ensure the office will be covered by another supervisor during the travel period.

Cumberland County is not responsible for hotel arrangements prior to a flight. Lodging expenses will only be covered by the County at the location where the training or conference is being held.

B. Same-Day Travel Expenses. Employees traveling on County business that does not require an overnight stay shall complete an itemized *Expense Reimbursement Form* (located on the Staff Intranet). A full itemization of all actual and necessary travel expenses shall be provided within the request form. The *Expense Reimbursement Form* must be approved by the employee's Director, Deputy Director, or Captain level supervisor or above for reimbursement of Same Day travel and meal expenses.

Approved *Expense Reimbursement Forms* must be submitted to the Finance Department with the receipts itemizing the expenses to be reimbursed and any credit card statement that includes related travel charges placed on the credit card.

C. Credit Card Expenses. Travel expenses placed on a County credit card are not eligible for reimbursement. Employees must follow the approval procedures and documentation requirements in this Policy and the County Credit Card Policy when using a County credit card for travel expenses (Policy # 14).

~~IV.~~ **POLICY MEAL EXPENSES**

~~Employees required to travel and/or use personal conveyances on official business for the County will be reimbursed for such expenses as food, lodging and transportation as may be incurred while on such official business of the County.~~

Meal expenses are divided between the following categories: Same-Day, and ~~In-State Multi-Day~~ Multi-Day.

At no time will the County reimburse employees for alcoholic beverages.

~~Same-day meal expenses are those that have been approved for one-day events, typically but not necessarily within the state of Maine. Multi-Day expenses are those that require an~~



~~employee to spend multiple days outside of their normal work environment and seek outside lodging, and may or may not be located within the state of Maine~~

The ~~limits maximum~~ allowances for meal expenses are as follows:

~~A. A. Same-Day Meal Reimbursements Allowances(In-State or Out-of-State):~~ The County will only reimburse employees for Same-Day meal expenses that are actually incurred while the employee is engaged in travel for County business. Meals that occur outside of actual and necessary travel time are not eligible for reimbursement. An employee shall not be reimbursed meal expenses if a meal is included in the registration costs for a conference or training, or is otherwise provided at no cost to the employee, unless the employee provides a reason for not accepting the provided meal.

~~Same-D~~ay meal expenses will have the following maximum allowances including all taxes and tips:

Lunch: \$20

Dinner: \$30

~~The An~~ employee will be reimbursed Same-Day meal expenses by submission of an approved Expense Reimbursement Form and itemized receipts that contain the actual meal expenses incurred by the employee. Non-itemized receipts will not be reimbursed by the County.

~~B. In State Multi-Day Meal Reimbursements~~

~~Multi-day meal expenses will have the following maximum allowances including all taxes and tips:~~

~~Breakfast: \$15~~

~~Lunch: \$20~~

~~Dinner: \$30~~

~~The employee will be reimbursed by submission of itemized receipts. Non-itemized receipts will not be reimbursed by the County.~~

~~B. Out-of-State Multi-Day Meal Reimbursement~~Per-diem: Meal expenses for Multi-Day travel shall be reimbursed by a flat rate per-diem as follows:

1. First and last day of travel: \$45

2. All other full days of travel: \$65



No itemized receipts are required to be submitted. An employee will be reimbursed the flat rate per-diem by submission of an approved *Multi-Day Travel & Professional Development Request Form* and *Expense Reimbursement Form*. Per-d—Diem reimbursement will be made after the traveling has occurred.

The County Manager has discretion when approving a *Multi-Day Travel & Professional Development Request Form* to adjust the per-diem reimbursement amounts if doing so is necessary to more accurately account for the meal expenses incurred by the employee. County employees in travel status on official county business are entitled to expenses of necessary travel, lodging and meals. They are allowed actual reasonable costs of travel and lodging. ~~Per Diem reimbursement will be made after the traveling has occurred.~~

~~Per Diem reimbursement will be made after the traveling has occurred.~~

~~All out of state travel and per diem must be authorized by the appropriate department head/supervisor, Deputy Manager or County Manager prior to departure.~~

~~C. The purpose of this policy is to provide clear directions on travel reimbursement for all County employees.~~

V. TRANSPORTATION EXPENSES

Cumberland County will cover necessary transportation expenses incurred by employees traveling for County business, including airfare and mileage reimbursement for travel to conferences and trainings and when employees use personal vehicles during working hours for official County business. “Working hours” for purposes of this Policy has the same meaning as working hours/hours worked for purposes of the Fair Labor Standards Act (FLSA). For example, commuting time to travel to and from an employee’s regular place of employment or assigned work area is generally not “hours worked” and is not compensated nor eligible for travel reimbursement.

Employees are required to itemize transportation expenses on an approved *Expense Form*, and/or a *Multi-Day Travel & Professional Development Request Form* (for multi-day travel), and submit those forms to the Finance Department with the receipts itemizing the transportation expenses to be reimbursed or attached to the credit card statement that includes the actual costs incurred.

A. **Mileage Reimbursement:** Mileage reimbursement shall be at the standard mileage rate established by the IRS.

An employee is only eligible for mileage reimbursement when using their own private vehicle to conduct County business. Mileage reimbursement is not available when using a County owned vehicle or when traveling with other employees or officials in their privately owned vehicles.



An employee traveling in a personal vehicle from home to a work location other than their regular place of employment or assigned work area during normal working hours is entitled to mileage reimbursement only if the travel is further than the employee's normal commute. When an employee is required to travel further to a location than their regular place of employment or assigned work area, the employee shall be reimbursed the mileage from their regular place of employment or assigned work area to the location they are required to travel/report to.

- B. **Tolls.** Employees may request reimbursement for toll expenses incurred when traveling for County business by submitting an *Expense Reimbursement Form*, and a *Multi-Day Travel & Professional Development Request Form* (for multi-day travel), to the Finance Department with itemized receipts that include the actual toll costs incurred during the travel.

Employees should contact their Director, or Captain level supervisor or above, the County Manager, or Finance Director with questions concerning the applicability of this Policy to specific travel expenses. Eligibility for reimbursement of meal and travel expenses in unique situations may need to be determined on a case-by-case basis.

Delete APPENDIX H1 "Professional Development & Training Request Form"

AMENDMENT EFFECTIVE: OCTOBER __, 2025

Mileage Reimbursement

~~Any employee requesting reimbursement for work-related travel must have prior approval from the Department Head and Commissioners. An employee who elects to use a private vehicle when a County-owned vehicle is made available by the Department Head will not be eligible for reimbursement. Mileage reimbursement shall be at the standard mileage rate established by the IRS. Travel and Expense Forms are available on the County's Intranet.~~

~~In general, mileage will be reimbursed after your normal commute to work, regardless of the location of training. See "For a One Day Trip" for further explanation.~~

~~Commuting Time~~



The FLSA states that normal travel time from home to work is not work time and does not need to be compensated. For example, Patrol Deputies in Cumberland County who take their cruiser home with them and drive to their work location in their cruiser are not considered to be at work until they reach their assigned work location. It is my understanding that the CCISO considers a patrol deputy to be at work once he/she reaches their assigned area of work. If the employee is required to perform some work on the way to their assigned area, that time is work time and must be compensated. For example, if an employee lives in Saco and is assigned to work in Standish, the employee is not at work until he/she enters Standish. If the employee is required to perform some work prior to reaching Standish, the employee must be compensated for his/her time for performing that work. See 29 C.F.R. § 785.35. Further, as an illustration, if an employee finishes their work on premises at 5:00PM, is sent to another job that is completed at 8:00PM, and is required to return to the employer's premises at 9:00PM, all of that time is considered to be working time. However, if the employee goes home rather than returning to the employer's premises, travel time after 8:00PM is considered normal travel time from home to work and not considered to be hours worked.

Travel from Home to Work in Emergency Situations

When an employee is called out after completing their days' work and must travel a substantial distance to perform work for the employer, the employee is considered to be working once called out, so the travel time is considered work time. The FLSA takes no position on whether travel time from home to reach a regular place of employment outside of regular hours and travel back home is considered to be work time. See 29 C.F.R. § 785.36. It is my understanding that the CCISO pays employees for their travel time if required to respond to a call outside of their normal working hours, so there is no issue under the FLSA.

Travel Home to Work on Special One-Day Assignment in another Location

Travel from home to a location that is different than the employee's regular work site is not ordinary travel to work time as the employer required the employee to undertake the travel. However, not all of the travel time must be considered to be work time. The amount of travel time the employee normally spends in commuting to work may be deducted from the travel time to the alternate work location and additional travel time beyond the usual commute time is considered to be work time and must be paid. For example, if an employee who lives in Saco and is regularly assigned to work in Standish, is assigned to attend training at the Maine Criminal Justice Academy and the amount of time it generally takes for the employee to drive from home (Saco) to the work location (Standish) is



~~30 minutes, the employee is not entitled to be paid for the first 30 minutes of travel time to and from the MCJA. If the employee lives halfway between the MCJA and his/her regular work location, the employee would not be paid for travel time to attend the academy as the time to reach each place is the same. See 29 C.F.R. §785.37.~~

Overnight Travel

~~When an employee is required to travel overnight for the employer, the time the employee is traveling during normal working hours, including those hours on non-work days, is considered to be work time. Regular meal periods are not considered to be work time. However, time spent in overnight travel outside of regular work hours is not considered to be work time if the employee is a passenger on an airplane, bus, boat, plane or automobile. If an employee travels by plane to Washington D.C. to attend a meeting or training and travels on a day the employee is not scheduled to work, the travel time is not work time, but if it is a regularly scheduled work day and the travel occurs during work hours, the travel time is work time. See 29 C.F.R. § 785.39.~~

Private Automobile Use For Travel Away from Home Community

~~If an employer offers public transportation to an employee for travel away from their home community, but the employee requests permission to drive their own vehicle instead, the employer may count as "hours worked" either the time spent traveling in the vehicle or the time the employee would have had to count as "hours worked" during working hours had the employee used the public transportation. See 29 C.F.R. 785.40.~~

D. Training Time

~~Employee attendance at training that is required by an employer is considered to be work time and must be compensated. Pursuant to 29 C.F.R. § 785.27, training time is not considered to be work time only when the following four criteria are met:~~

- ~~1. Attendance is outside of the employee's regular working hours;~~
- ~~2. Attendance is in fact voluntary;~~
- ~~3. The course, lecture or meeting is not directly related to the employee's job; and~~
- ~~4. The employee does not perform any productive work during such attendance.~~

~~Note that, for the purposes of the criteria above, attendance is not voluntary if it is required by the employer, or if the employee is led to understand or believe that their present working conditions or continued employment would be adversely affected by nonattendance. Further, in determining whether training~~



~~is directly related to an employee's job, the FLSA provides that training is directly related to an employee's job if it is designed to make the employee handle their job more effectively as distinguished from training an employee for a different job, or to a new or additional skill. See 29 C.F.R. §785.28 and 785.29.~~

~~An example of training time that would not be considered to be work time would be an employee who is taking courses towards earning an associate or bachelor's degree. The County may reimburse for some portion of the cost of the course, but the employee is not required by the County to take the courses.~~

~~Finally, note that travel time to attend training is governed by the above-referenced travel provisions. If an employee is traveling each day to training, then the employee is considered to be on a one day assignment at another location.~~

~~E. Receipts (Non-Per Diem)~~

~~The County will reimburse employees for meals and lodging, as long as the employee submits a detailed itemized receipt showing purchased items. At no time will the County reimburse for alcoholic beverages.~~

~~A detailed original receipt, issued by the vendor must accompany each expense; summary invoices that only list totals and don't provide detail will not be accepted. The Travel and Expense Form must be submitted through Department Head/Supervisor to the Deputy Manager or County Manager for processing for reimbursement. Prior approval from the Commissioners is required if the above amounts are to be exceeded, and approval must be noted on the Travel and Expense Form.~~

~~EFFECTIVE: March 11, 2019~~



ACCOUNTING AND FINANCIAL REPORTING, BUDGETING AND FORECASTING

Fund Balance Guidelines for the General Fund

Governments should establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.

In the context of financial reporting, the term *fund balance* is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis.[1] While in both cases *fund balance* is intended to serve as a measure of the financial resources available in a governmental fund; it is essential that differences between GAAP *fund balance* and budgetary *fund balance* be fully appreciated.

1. GAAP financial statements report up to five separate categories of fund balance based on the type and source of constraints placed on how resources can be spent (presented in descending order from most constraining to least constraining): *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*. [2] The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *unrestricted fund balance*. In contrast, budgetary fund balance, while it is subject to the same constraints on spending as GAAP fund balance, typically represents simply the total amount accumulated from prior years at a point in time.
2. The calculation of GAAP fund balance and budgetary fund balance sometimes is complicated by the use of sub-funds within the general fund. In such cases, GAAP fund balance includes amounts from all of the subfunds, whereas budgetary fund balance typically does not.
3. Often the timing of the recognition of revenues and expenditures is different for purposes of GAAP financial reporting and budgeting. For example, encumbrances arising from purchase orders often are recognized as expenditures for budgetary purposes, but never for the preparation of GAAP financial statements.

The effect of these and other differences on the amounts reported as *GAAP fund balance* and *budgetary fund balance* in the general fund should be clarified, understood, and documented.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial

resources available in other funds should also be considered in assessing the adequacy of unrestricted fund balance in the general fund.

GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.[3] Such a guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.[4] In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

Appropriate Level. The adequacy of unrestricted fund balance in the general fund should take into account each government's own unique circumstances. For example, governments that may be vulnerable to natural disasters, more dependent on a volatile revenue source, or potentially subject to cuts in state aid and/or federal grants may need to maintain a higher level in the unrestricted fund balance. Articulating these risks in a fund balance policy makes it easier to explain to stakeholders the rationale for a seemingly higher than normal level of fund balance that protects taxpayers and employees from unexpected changes in financial condition. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.[5] The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.[6] Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time. In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on assigned fund balance, rather than on unrestricted fund balance.

Use and Replenishment.

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

1. Define the time period within which and contingencies for which fund balances will be used;
2. Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;
3. Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Generally, governments should seek to replenish their fund balances within one to three years of use.

Specifically, factors influencing the replenishment time horizon include:

1. The budgetary reasons behind the fund balance targets;
2. Recovering from an extreme event;
3. Political continuity;
4. Financial planning time horizons;
5. Long-term forecasts and economic conditions;
6. External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

Unrestricted Fund Balance Above Formal Policy Requirement. In some cases, governments can find themselves in a position with an amount of unrestricted fund balance in the general fund over their formal policy reserve requirement even after taking into account potential financial risks in the foreseeable future. Amounts over the formal policy may reflect a structural trend, in which case governments should consider a policy as to how this would be addressed. Additionally, an education or communication strategy, or at a minimum, explanation of large changes in fund balance is encouraged. In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.

Notes:

1. For the sake of clarity, this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
2. These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

3. Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
4. See Recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to "maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (Recommended Practice 4.1).
5. In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America's largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.
6. In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues and/or expenditures, that decision should be followed consistently from period to period.

*This best practice was previously titled *Appropriate Level of Unrestricted Fund Balance in the General Fund*.*

Board approval date: Wednesday, September 30, 2015

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Summary

The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The initial distinction that is made in reporting fund balance information is identifying amounts that are considered *nonspendable*, such as fund balance associated with inventories. This Statement also provides for additional classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report

a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. Governments are required to disclose information about the processes through which constraints are imposed on amounts in the committed and assigned classifications.

Governments also are required to classify and report amounts in the appropriate fund balance classifications by applying their accounting policies that determine whether restricted, committed, assigned, and unassigned amounts are considered to have been spent. Disclosure of the policies in the notes to the financial statements is required.

This Statement also provides guidance for classifying stabilization amounts on the face of the balance sheet and requires disclosure of certain information about stabilization arrangements in the notes to the financial statements.

The definitions of the general fund, special revenue fund type, capital projects fund type, debt service fund type, and permanent fund type are clarified by the provisions in this Statement. Interpretations of certain terms within the definition of the special revenue fund type have been provided and, for some governments, those interpretations may affect the activities they choose to report in those funds. The capital projects fund type definition also was clarified for better alignment with the needs of preparers and users. Definitions of other governmental fund types also have been modified for clarity and consistency.

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. Early implementation is encouraged. Fund balance reclassifications made to conform to the provisions of this Statement should be applied retroactively by restating fund balance for all prior periods presented.

How the Changes in This Statement Will Improve Financial Reporting

The requirements in this Statement will improve financial reporting by providing fund balance categories and classifications that will be more easily understood. Elimination of the *reserved* component of fund balance in favor of a *restricted* classification will enhance the consistency between information reported in the government-wide statements and information in the governmental fund financial statements and avoid confusion about the relationship between reserved fund balance and restricted net assets. The fund balance classification approach in this Statement will require governments to classify amounts consistently, regardless of the fund type or column in which they are presented. As a result, an amount cannot be classified as restricted in one fund but unrestricted in another. The fund balance disclosures will give users information necessary to understand the processes under which constraints are imposed upon the use of resources and how those constraints may be modified or eliminated. The clarifications of the governmental fund type definitions will reduce uncertainty about which resources can or should be reported in the respective fund types.

Unless otherwise specified, pronouncements of the GASB apply to financial reports of all state and local governmental entities, including general purpose governments; public benefit corporations and authorities; public employee retirement systems; and public utilities, hospitals and other healthcare providers, and colleges and universities. Paragraph 3 discusses the applicability of this Statement.

Statement No. 54 of the
Governmental Accounting
Standards Board

Fund Balance Reporting and Governmental Fund Type Definitions

February 2009



Governmental Accounting Standards Board
of the Financial Accounting Foundation
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Statement No. 54 of the Governmental Accounting Standards Board

Fund Balance Reporting and Governmental Fund Type Definitions

February 2009

CONTENTS

	Paragraph Numbers
Introduction.....	1–2
Standards of Governmental Accounting and Financial Reporting	3–35
Scope and Applicability of This Statement	3–4
Governmental Fund Reporting	5–35
Fund Balance Reporting	5–22
Nonspendable Fund Balance.....	6–7
Restricted Fund Balance	8–9
Committed Fund Balance	10–12
Assigned Fund Balance.....	13–16
Unassigned Fund Balance.....	17
Classifying Fund Balance Amounts.....	18–19
Stabilization Arrangements.....	20–21
Displaying Fund Balance Classifications on the Face of the Balance Sheets	22
Fund Balance Disclosures.....	23–27
Fund Balance Classification Policies and Procedures	23
Reporting Encumbrances	24
Details of Fund Balance Classifications Displayed in the Aggregate	25
Stabilization Arrangements.....	26
Minimum Fund Balance Policies.....	27
Governmental Fund Type Definitions	28–35
General Fund.....	29
Special Revenue Funds	30–32
Capital Projects Funds	33
Debt Service Funds	34
Permanent Funds.....	35
Effective Date and Transition	36
Appendix A: Background	37–47
Appendix B: Basis for Conclusions and Board Member Dissent.....	48–136
Basis for Conclusions	49–134
Basis for Board Member Dissent.....	135–136
Appendix C: Illustration	137
Appendix D: Codification Instructions.....	138

Statement No. 54 of the Governmental Accounting Standards Board
Fund Balance Reporting and Governmental Fund Type Definitions
February 2009

INTRODUCTION

1. National Council on Governmental Accounting (NCGA) Statement 1, *Governmental Accounting and Financial Reporting Principles*, paragraphs 118–121, established the fund balance classifications for governmental funds. Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, retained those classification requirements. Research conducted after implementation of Statement 34, however, found considerable differences in how governments interpret and apply the standards for fund balance reporting. The differences existed, in part, because certain terms were not well defined, which affected the amounts that were reported as reserved and unreserved fund balances. Consequently, many users have been receiving inconsistent and noncomparable information which reduced its usefulness and led to confusion as to what the information presented in fund balance reporting actually communicated. These concerns were exacerbated by two additional factors. First, different interpretations of certain aspects of the definitions of governmental fund types reduced the comparability of the governmental fund financial statements, because the funds used and the purposes for using them varied significantly from government to government. Second, the introduction of restricted net assets under Statement 34 led to confusion regarding its relationship to reserved fund balance.

2. The objective of this Statement is to improve the usefulness, including the understandability, of governmental fund balance information. This Statement provides

more clearly defined categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. It also clarifies the existing governmental fund type definitions to improve the comparability of governmental fund financial statements and help financial statement users to better understand the purposes for which governments have chosen to use particular funds for financial reporting.

STANDARDS OF GOVERNMENTAL ACCOUNTING AND FINANCIAL REPORTING

Scope and Applicability of This Statement

3. This Statement establishes accounting and financial reporting standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types.

4. This Statement supersedes NCGA Statement 1, "Summary Statement of the Principles—Types of Funds," and paragraphs 26, 118, 120, and 121; NCGA Interpretation 3, *Revenue Recognition—Property Taxes*, paragraph 10; GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, footnote 15; GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, footnote 13; GASB Statement 34, paragraph 84; GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, footnote 11; and GASB Interpretation No. 4, *Accounting and Financial Reporting for Capitalization Contributions to Public Entity Risk Pools*, footnotes 3 and 6. In addition, this Statement amends NCGA Statement 1, paragraphs 30, 91, and 119; NCGA Interpretation 3, paragraph 11; NCGA Interpretation 6, *Notes to the*

Financial Statements Disclosure, paragraphs 4 and 5; GASB Statement 33, footnote 9; GASB Statement 34, paragraphs 37, 64, and 65 and footnotes 24 and 38; GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section*, paragraph 12; GASB Interpretation 4, paragraphs 4 and 7; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, paragraph 16.

Governmental Fund Reporting

Fund Balance Reporting

5. Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications discussed in paragraphs 10–16 and therefore would not report amounts in all possible fund balance classifications.

Nonspendable Fund Balance

6. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned, then they should be included in the appropriate fund balance classification (restricted, committed, or assigned), rather than nonspendable fund balance. The corpus (or principal) of a

permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

7. For purposes of reporting net assets, Statement 34, paragraph 35, requires amounts that are “required to be retained in perpetuity” to be classified as “nonexpendable” within the restricted net asset category. For fund balance reporting purposes, however, those amounts should be classified as nonspendable rather than restricted.

Restricted Fund Balance

8. Except as provided for in paragraph 7, amounts that are restricted to specific purposes, pursuant to the definition of *restricted* in paragraph 34 of Statement 34, as amended by Statement No. 46, *Net Assets Restricted by Enabling Legislation*, should be reported as *restricted fund balance*. Fund balance should be reported as restricted when constraints placed on the use of resources 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.

9. *Enabling legislation*, as the term is used in this Statement, authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a *legally enforceable* requirement that those resources be used only for the specific purposes stipulated in the legislation. *Legal enforceability* means that a government can be compelled by an external party—such as citizens, public interest groups, or the judiciary—to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance

10. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority should be reported as committed fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts. The authorization specifying the purposes for which amounts can be used should have the consent of both the legislative and executive branches of the government, if applicable. Committed fund balance also should incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

11. In contrast to fund balance that is restricted by enabling legislation, as discussed in paragraph 9, amounts in the committed fund balance classification may be redeployed for other purposes with appropriate due process, as explained in paragraph 10. Constraints imposed on the use of *committed* amounts are imposed by the government, separate from the authorization to raise the underlying revenue. Therefore, compliance with constraints imposed by the government that *commit* amounts to specific purposes is not considered to be legally enforceable, as defined in paragraph 9.

12. The formal action of the government's highest level of decision-making authority that commits fund balance to a specific purpose should occur prior to the end of the reporting period, but the amount, if any, which will be subject to the constraint, may be determined in the subsequent period.

Assigned Fund Balance

13. Amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance, except for stabilization arrangements, as discussed in paragraph 21. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

14. Both the committed and assigned fund balance classifications include amounts that have been constrained to being used for specific purposes by actions taken by the government itself. However, the authority for making an assignment is not required to be the government's highest level of decision-making authority. Furthermore, the nature of the actions necessary to remove or modify an assignment is not as prescriptive as it is with regard to the committed fund balance classification. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed. Some governments may not have both committed and assigned fund balances, as not all governments have multiple levels of decision-making authority.

15. Assigned fund balance includes (a) all remaining amounts (except for negative balances, as discussed in paragraph 19) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed and (b) amounts in the general fund that are intended to be used for a specific purpose in accordance with the provisions in paragraph 13. By reporting particular amounts that are not restricted or committed in a special revenue, capital projects, debt

service, or permanent fund, the government has *assigned* those amounts to the purposes of the respective funds. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the government itself. However, governments should not report an assignment for an amount to a specific purpose if the assignment would result in a deficit in unassigned fund balance.

16. An appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance. As discussed in paragraph 15, assignments should not cause a deficit in unassigned fund balance to occur.

Unassigned Fund Balance

17. Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has 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. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance, as discussed in paragraph 19.

Classifying Fund Balance Amounts

18. Fund balance classifications should depict the nature of the net resources that are *reported* in a governmental fund. An individual governmental fund could include

nonspendable resources and amounts that are restricted, committed, or assigned, or any combination of those classifications. Typically, the general fund also would include an unassigned amount. A government should determine the composition of its ending fund balance by applying its accounting policies regarding whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, the classification should be based on the government's accounting policies regarding whether it considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. If a government does not establish a policy for its use of unrestricted fund balance amounts, it should consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

19. The amount that should be reported as nonspendable fund balance, as described in paragraph 6, should be determined before classifying amounts in the restricted, committed, and assigned fund balance classifications, as discussed in paragraph 18. In a governmental fund other than the general fund, expenditures incurred for a specific purpose might exceed the amounts in the fund that are restricted, committed, and assigned to that purpose and a negative residual balance for that purpose may result. If that occurs, amounts assigned to other purposes in that fund should be reduced to eliminate the deficit. If the remaining deficit eliminates all other assigned amounts in the fund, or if there are no

amounts assigned to other purposes, the negative residual amount should be classified as *unassigned* fund balance. In the general fund, a similar negative residual amount would have been eliminated by reducing unassigned fund balance pursuant to the policy described in paragraph 18. A negative residual amount should not be reported for restricted, committed, or assigned fund balances in any fund.

Stabilization Arrangements

20. Some governments formally set aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise. Those amounts are subject to controls that dictate the circumstances under which they can be spent. Many governments have formal arrangements to maintain amounts for budget or revenue stabilization,¹ working capital needs, contingencies or emergencies, and other similarly titled purposes. The authority to set aside those amounts generally comes from statute, ordinance, resolution, charter, or constitution. Stabilization amounts may be expended only when certain specific circumstances exist. The formal action that imposes the parameters for spending should identify and describe the specific circumstances under which a need for stabilization arises. Those circumstances should be such that they would not be expected to occur routinely. For example, a stabilization amount that can be accessed “in an emergency” would not qualify to be classified within the committed category because the circumstances or conditions that constitute an emergency are not sufficiently detailed, and it is not unlikely that an “emergency” of some nature would routinely occur. Similarly, a stabilization amount that can be accessed to offset an “anticipated revenue shortfall”

¹Throughout this Statement, the term *stabilization* is used to refer to economic stabilization, revenue stabilization, budgetary stabilization, and other similarly intended (including “rainy-day”) arrangements.

would not qualify unless the shortfall was quantified and was of a magnitude that would distinguish it from other revenue shortfalls that occur during the normal course of governmental operations.

21. For the purposes of reporting fund balance, stabilization is considered a *specific purpose*, as discussed in paragraph 5. Stabilization amounts should be reported in the general fund as restricted or committed if they meet the criteria set forth in paragraphs 8–11, based on the source of the constraint on their use. Stabilization arrangements that do not meet the criteria to be reported within the restricted or committed fund balance classifications should be reported as *unassigned* in the general fund. A stabilization arrangement would satisfy the criteria to be reported as a separate special revenue fund only if the resources derive from a specific restricted or committed *revenue* source, as required by paragraph 30.

Displaying Fund Balance Classifications on the Face of the Balance Sheets

22. Amounts for the two components of nonspendable fund balance—(a) not in spendable form and (b) legally or contractually required to be maintained intact—as described in paragraph 6, may be presented separately, or nonspendable fund balance may be presented in the aggregate. Restricted fund balance may be displayed in a manner that distinguishes between the major restricted purposes, or it may be displayed in the aggregate. Similarly, specific purposes information for committed and assigned fund balances may be displayed in sufficient detail so that the major commitments and assignments are evident to the financial statement user, or each classification may be displayed in the aggregate.

Fund Balance Disclosures

Fund Balance Classification Policies and Procedures

23. Governments should disclose the following about their fund balance classification policies and procedures in the notes to the financial statements:

- a. For *committed* fund balance: (1) the government's highest level of decision-making authority and (2) the formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment
- b. For *assigned* fund balance: (1) the body or official authorized to assign amounts to a specific purpose and (2) the policy established by the governing body pursuant to which that authorization is given
- c. For the classification of fund balances in accordance with paragraph 18: (1) whether the government considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and (2) whether committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Reporting Encumbrances

24. For governments that use encumbrance accounting, significant encumbrances should be disclosed in the notes to the financial statements by major funds and nonmajor funds in the aggregate in conjunction with required disclosures about other significant commitments. Encumbered amounts for specific purposes for which resources already have been restricted, committed, or assigned should not result in separate display of the encumbered amounts within those classifications. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed, or assigned should not be classified as unassigned but, rather, should be included within committed or assigned fund balance, as appropriate, based on the definitions and criteria in paragraphs 10–16.

Details of Fund Balance Classifications Displayed in the Aggregate

25. If nonspendable fund balance is displayed in the aggregate on the face of the balance sheet, amounts for the two nonspendable components should be disclosed in the notes to the financial statements. If restricted, committed, or assigned fund balances are displayed in the aggregate, specific purposes information, as required in paragraph 22, should be disclosed in the notes to the financial statements. Governments may display the specific purpose details for some classifications on the face of the balance sheet, as discussed in paragraph 22, and disclose the details for other classifications in the notes to the financial statements.

Stabilization Arrangements

26. Governments that establish stabilization arrangements, even if an arrangement does not meet the criteria to be classified as restricted or committed, should disclose the following information in the notes to the financial statements:

- a. The authority for establishing stabilization arrangements (for example, by statute or ordinance)
- b. The requirements for additions to the stabilization amount
- c. The conditions under which stabilization amounts may be spent
- d. The stabilization balance, if not apparent on the face of the financial statements.

Minimum Fund Balance Policies

27. If a governing body has formally adopted a minimum fund balance policy (for example, in lieu of separately setting aside stabilization amounts), the government should describe in the notes to its financial statements the policy established by the government that sets forth the minimum amount.

Governmental Fund Type Definitions

28. Governmental fund types include the general fund, special revenue funds, capital projects funds, debt service funds, and permanent funds, as discussed in paragraphs 29–35.

General Fund

29. The general fund should be used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds

30. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Those specific restricted or committed revenues may be initially received in another fund and subsequently distributed to a special revenue fund. Those amounts should not be recognized as revenue in the fund initially receiving them; however, those inflows should be recognized as revenue in the special revenue fund in which they will be expended in accordance with specified purposes. Special revenue funds should not be used to account for resources held in trust for individuals, private organizations, or other governments.

31. The restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of the inflows reported in the fund.² Other

²For revolving loan arrangements that are initially funded with restricted grant revenues, the consideration may be whether those restricted resources continue to comprise a substantial portion of the *fund balance* in the fund's balance sheet.

resources (investment earnings and transfers from other funds, for example) also may be reported in the fund if those resources are restricted, committed, or assigned to the specified purpose of the fund. Governments should discontinue reporting a special revenue fund, and instead report the fund's remaining resources in the general fund, if the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources.

32. Governments should disclose in the notes to the financial statements the purpose for each major special revenue fund—identifying which revenues and other resources are reported in each of those funds.

Capital Projects Funds

33. Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Debt Service Funds

34. Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Permanent Funds

35. Permanent funds should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs—that is, for the benefit of the government or its citizenry. Permanent funds do not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments.

EFFECTIVE DATE AND TRANSITION

36. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. Early implementation is encouraged. Fund balance reclassifications made to conform to the provisions of this Statement should be applied retroactively by restating fund balance for all prior periods presented. Changes to the fund balance information presented in a statistical section may be made prospectively, although retroactive application is encouraged. If the information for previous years is not restated, governments should explain the nature of the differences from the prior information.

The provisions of this Statement need not be applied to immaterial items.

This Statement was adopted by the affirmative votes of six members of the Governmental Accounting Standards Board. Mr. Williams dissented.

Members of the Governmental Accounting Standards Board:

Robert H. Attmore, *Chairman*
Michael D. Belsky
William W. Holder
Jan I. Sylvis
Marcia L. Taylor
Richard C. Tracy
James M. Williams

Appendix A

BACKGROUND

37. A project on fund balance reporting was initiated by the GASB in August 2002. Concerns were expressed to the GASB that some users of governmental financial information were unclear about the distinctions between reserved and unreserved fund balances and the relationship between reserved fund balances and restricted net assets, the latter of which was first required to be reported by Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*.

38. At its initial stage, the project also encompassed an issue regarding the determination of net asset restrictions resulting from enabling legislation. Research on both the net asset and fund balance issues was conducted in 2003. Separate surveys of financial statement preparers and users produced a total of 170 responses. The GASB also reviewed the fund balance information in the audited financial statements of 191 governments that report governmental funds and had implemented Statement 34 at that time. Those financial statements were selected at random from the GASB’s financial report repository and included 127 general purpose local governments, 35 general purpose county governments, and 29 school districts. The results of that research were complemented by the findings of two other studies—interviews with financial statement users conducted for the GASB by Dr. Gilbert Crain in 2000, and the GASB’s study of the information needs of users in 2005.

39. The GASB’s research indicates that fund balance is one of the most universally used pieces of governmental financial information by a very diverse community of users,

including municipal analysts at rating agencies and mutual funds; taxpayer associations; legislators and legislative staff at the state, county, and local levels; and the media. In general, fund balance is examined as part of an effort to identify resources that are liquid and available to finance a particular activity, program, or project. Municipal analysts, for example, assess a government's ability to call upon ready resources if needed to repay long-term debt. However, there are considerable differences in the way that users interpret fund balance information and widespread confusion about the nature of the information and the reporting requirements within the generally accepted accounting principles (GAAP) for state and local governments.

40. The GASB's research also revealed issues that significantly affect the usefulness of fund balance information for meeting user needs. It is evident that some governments report reserved fund balance that many would have concluded should have been properly reported as unreserved. This difference of opinion in practice could be because relevant parts of GAAP are unclear, or because the guiding pronouncement in question—National Council on Governmental Accounting (NCGA) Statement 1, *Governmental Accounting and Financial Reporting Principles*—was 30 years old, and some of its original intentions have not been passed along to newer generations of financial statement preparers and auditors. Regardless of the reason, the uneven application of these standards can make it difficult for users to identify the amount of resources that is truly available. This situation is exacerbated by differences from government to government in the methods used to establish fund balance reservations and by a dichotomy between governments that voluntarily report designations of fund balance and those that do not. Consequently, some fund balance information may not be suitable for comparisons between governments.

41. Based on these findings, the project was moved to the GASB's current agenda in December 2003, and deliberations began in January 2004. In June 2004, the GASB decided to pursue additional research on fund balance reporting and created a separate project on the net asset issues. The net asset reporting project ultimately led to the issuance, in December 2004, of Statement No. 46, *Net Assets Restricted by Enabling Legislation*.

42. The objectives of the fund balance reporting project were to consider whether reporting requirements related to fund balance adequately met the needs of financial statement users and to contemplate potential changes that would improve the usefulness of fund balance information. Because it was apparent that the quality of fund balance information is affected by the types of funds in which resources are reported and by the circumstances under which resources flow between funds, the project also considered clarifications to the definitions of governmental fund types.

43. Forty interviews with a mixture of types of users were conducted on fund balance issues in the latter half of 2004. The interviews sought answers to fundamental questions such as what fund balance information was used for, what parts of fund balance were most important, what the perceived problems were in using fund balance information, and what preferences exist regarding how fund balance should be reported. Although the interview subjects offered a variety of reasons why they use fund balance information, their answers may be distilled as follows: Users want to assess a government's financial flexibility or liquidity, specifically as it relates to the availability of current financial resources. However, many expressed frustration in their efforts to make that assessment for several

reasons, including differences in the funds that governments choose to report and imperfect understanding among users of fund balance terminology.

44. Following completion of this phase of research, discussions of fund balance issues resumed in July 2005. Over the ensuing 15 months, the GASB examined the information and feedback collected from its research and developed an Invitation to Comment, *Fund Balance Reporting and Governmental Fund Type Definitions*, to solicit constituents' views and preferences on a variety of issues. Early in the GASB's discussions leading to the Invitation to Comment, the Board determined that addressing fund balance issues would require not only improving the categories in which fund balance was presented on the balance sheet but also clarifying the meaning of the fund type definitions that governed what resources are reported in the various types of governmental funds. As a result, the Invitation to Comment considered two distinct but complementary approaches to improving fund balance information. It discussed possible clarifications of the definitions of governmental fund types, and it presented alternative methods of categorizing and reporting the components of fund balance.

45. A task force was assembled comprising 13 persons broadly representative of the GASB's constituency. The task force members reviewed and commented on papers prepared for the Board's deliberations and on preliminary versions of the Invitation to Comment and the subsequent Exposure Draft, *Fund Balance Reporting and Governmental Fund Type Definitions*. In addition, at several stages of the project, input was sought from the Governmental Accounting Standards Advisory Council.

46. The Invitation to Comment was made available in October 2006. Ninety-five responses were received. The comments and suggestions from the organizations and individuals that responded to the Invitation to Comment contributed to the Board's deliberations leading to the issuance of an Exposure Draft of proposed standards in April 2008.

47. Ninety letters were received in response to the Exposure Draft and eight individuals or organizations testified at a public hearing held in Kansas City, Missouri in July 2008. Twenty-six governments, composed of 5 states, 8 counties, 10 cities, and 3 special districts volunteered to field test the proposed standard. Issues raised by the respondents and field test participants are discussed in Appendix B, Basis for Conclusions.

Appendix B

BASIS FOR CONCLUSIONS AND BOARD MEMBER DISSENT

48. This appendix summarizes factors considered significant by the Board members in reaching the conclusions in this Statement. It includes discussion of alternatives considered and the Board's reasons for accepting some and rejecting others. Individual Board members may have given greater weight to some factors than to others.

Basis for Conclusions

Scope and Applicability

49. Throughout the early stages of the discussions leading to the Invitation to Comment, the Board was determined to limit the scope of the project to only fund balance classification and display issues. Ultimately, however, the Board was persuaded that a path forward toward solving the fund balance reporting issues might include improving the consistency in how governmental fund types were reported. However, rather than taking a "clean sheet of paper" approach to the definitions of the special revenue fund type, capital projects fund type, and debt service fund type, the Board concluded that fund balance reporting issues could be addressed by clarifying, or interpreting, certain terms within fund type definitions at this time. Some respondents to the Invitation to Comment and to the Exposure Draft questioned whether expanding the scope to also consider fund type definitions was appropriate within the context of "fund balance reporting," while others questioned the adequacy of a limited-scope approach to modifying fund type definitions.

50. Each of the various alternative modifications to the definitions of the governmental fund types proposed in the Invitation to Comment would have resulted in some level of

change in the practices followed by many governments, especially with regard to reporting special revenue funds. The Board considered the concerns expressed about the project scope together with other comments from those respondents that did not support the proposed modifications to the definitions because of the potential for significant changes in practice. With those concerns in mind, the Board continued to deliberate the possibility of amending or clarifying the existing definitions of the special revenue fund type, capital projects fund type, and debt service fund type. In the end, however, the Board declined to alter the existing fund type definitions in ways that would generally impose more restrictive interpretations regarding the resources that may be reported in those fund types beyond what was originally provided for in NCGA Statement 1 (but not always followed in practice). The Board concluded that any deliberations that could lead to more substantive changes to the fund type definitions should come only after a broader reexamination of governmental fund reporting.

Fund Balance Reporting

The Alternative Models in the Invitation to Comment

51. The Invitation to Comment presented three alternative models for reporting fund balance information. Model A preserved the existing fund balance components (reserved, unreserved, designated) but incorporated changes to their definitions to address misconceptions and inconsistencies identified in the GASB's research. The two other models, B and C, featured alternative titles for their fund balance components and focused on different aspects of fund balance. Model B made an initial distinction between resources that are available for appropriation and those that are not. Within the *available for appropriation* category, Model B further distinguished between amounts that are committed to specific uses (narrower than the fund's purpose) and those that are available

for any purpose *of the fund*. Model C distinguished between restricted and unrestricted fund balances, using the definition of restricted from paragraph 34 of Statement 34, as amended.

52. Each of the three models received support from the respondents to the Invitation to Comment. Many respondents indicated a preference for Model A for reasons including (a) they believe the most appropriate approach would be to clarify the meanings of the existing components of fund balance and educate constituents about those newly clarified components and (b) they believe that it would be advantageous to retain familiar terminology and that the introduction of new terms would serve more to confuse than clarify. However, supporters of Model B appreciated its use of “understandable” terms, as did proponents of Model C. The Board found it informative to contrast the sentiments of the supporters of Model B or C to the views expressed by those proponents of Model A who favored that approach because it used familiar terms. Similarly, the Board compared the contention that Model B employs understandable terms with the comments by some Model A supporters that the terms in the other approaches (B and C) would be confusing to users.

53. The characteristic of the Model C approach that was most commonly embraced by the Invitation to Comment respondents was its perceived consistency; that is, they favored the consistent use of the same classification regardless of the fund or column in which it is used, as well as the consistency with the restricted/unrestricted distinction made in proprietary funds and the government-wide statement of net assets.

54. Although Invitation to Comment respondents may have expressed a preference for a particular model, many also referred to aspects of the other models that they believe may provide important information. Thus, rather than pursuing any of the three alternatives, as set forth in the Invitation to Comment, the Board concluded that the most effective approach would be to simultaneously consider (a) what information is important to users and (b) the nature or character of the resources reported in governmental funds.

55. The most frequently articulated need (primarily from credit market users) is to achieve an understanding about availability or liquidity of the net current financial resources that constitute fund balance. Those users want to know about the character of residual amounts. They want to know the extent to which the use of amounts reported in governmental funds is constrained and how binding those constraints are. Are they enforceable by parties external to the government? Does the government itself have the ability through some specified level of due process to remove or modify the constraints? Or are they less-binding or even nonbinding constraints that are simply indications of management's intent to use resources for specific purposes, with management having the power to change their intentions through a less rigorous process? That information, the Board concluded, would probably best be depicted by using terminology that is applied consistently in each of the governmental funds.

56. The Board acknowledged that the general, special revenue, capital projects, and debt service fund types all could include amounts that are restricted to a specific use (as defined by Statement 34, as amended), committed to a specific use by the government's own actions, assigned to a specific use by the government, or any combination of the three classifications. Accordingly, the Board concluded that to respond to the need for

information about *availability*, fund balance should be classified and displayed in a manner that will reveal to readers where amounts in those classifications are reported. Because those fund types have some flexibility with regard to the amounts that can be reported in them, simply knowing that amounts are reported in a particular fund type or column may not help readers in their assessment of availability.

57. Taking into consideration the input received from the Invitation to Comment respondents and the comments and preferences expressed by interviewees and survey participants, the Board concluded that the required components of fund balance should clearly distinguish the various levels of constraints that are imposed on its use. In developing the Exposure Draft, the Board agreed that the approach should first distinguish between amounts that are nonspendable and those that are spendable, and then provide a further breakdown based on the different levels of constraints.

Fund Balance Classifications

58. Some Exposure Draft respondents commented that financial statement users understand the existing fund balance categories and that sharpening those definitions and re-educating users would be a preferable approach to the changes proposed in the Exposure Draft. The GASB's substantial body of research, the results of which were summarized in both the Invitation to Comment and the Exposure Draft, characterized the status of user comprehension of fund balance information under the existing standards to be such that change would be advantageous. The argument from respondents that users understand the existing fund balance categories may be accurate in their specific cases; however, that generalization is not borne out by the Board's research results.

59. Other respondents argued that restructuring the presentation of fund balance is inconsistent with stated users' needs in other GASB standards. They referred to discussions in paragraphs 417 and 418 of the Basis for Conclusions section of Statement 34 to illustrate their point. Those paragraphs state that the Board believes that the distinction between reserved and unreserved fund balance "provides information that users have consistently deemed important and useful" and that "information about amounts that are 'available for appropriation' has always been regarded as very useful by governmental financial statement users." During the development of Statement 34, the Board did not have the benefit of the fund balance user needs research that was subsequently conducted in connection with this Statement. Therefore, the references to user needs and to the importance and usefulness of the existing fund balance display methods in Statement 34 were based on long-standing impressions and general research discussions with financial statement users that were held during the development of Statement 34. The Board's more recent research found that the information that users "consistently deemed important and useful" was not what was actually being delivered to them in many instances. The research results highlighted in paragraph 39 in the Background section of this Statement reaffirms the notion that fund balance information is very important but concludes that "there are considerable differences in the way that users interpret fund balance information and widespread confusion about the nature of the information and the reporting requirements within the generally accepted accounting principles for state and local governments."

60. In discussions leading to the Exposure Draft, the Board considered the significance of the statement from paragraph 417 of Statement 34 that "information about amounts

‘available for appropriation’ has always been regarded as very useful by governmental financial statement users.” It was determined that to regard unreserved fund balance as equivalent to available for appropriation was potentially misleading because reserved amounts are also “available for appropriation” to the extent that they can be appropriated for the purposes for which they have been reserved. When Statement 34 was issued, the Board did not have a sufficient basis for proposing changes to fund balance reporting *at that time*, but since that time, research has provided compelling reasons for the need to change.

Conflicts with Legal or Oversight Agency Requirements and the Budgetary Process

61. Some respondents to the Exposure Draft pointed out that some governments are subject to requirements to establish *reserves* or to submit reports that include information based on existing fund balance classifications. They are concerned that reporting new classifications of fund balance would conflict with the statutory and regulatory requirements they follow. The Board is sensitive to these concerns but believes that if specific aspects of GAAP, as may be incorporated in statutory or regulatory reporting, could not be changed, it would significantly undermine efforts to improve financial reporting. Furthermore, the Board does not agree that the new fund balance classifications cannot meet most current statutory and regulatory reporting needs. For example, a statute that regulates the establishment, funding, and use of *reserves* by local governments would, under the classification approach in this Statement, likely have resulted in the reporting of *restricted* fund balance. Thus, information regarding those reserves would only be labeled differently but would be equally transparent. Oversight agencies that currently require information to be submitted using previous fund balance terminology would have the

opportunity to change their requirements for consistency with the classifications in this Statement. If such a change were not considered feasible, a crosswalk to the regulatory presentation could be provided for the oversight body. The Board recognizes that such changes initially may be inconvenient to government, but it is confident that the continuing value of the revised fund balance classifications exceeds the effort required to incorporate the changes.

62. Some respondents to the Exposure Draft expressed similar concerns about the potential difficulties that new fund balance terms would introduce into their budgetary processes. The Board understands and respects the concerns of those who consider the budget and the existing fund balance classifications inextricably linked, but it believes that the classifications in this Statement can be equally, if not more, pertinent to the budgetary process. For example, it would be very useful to know the amount of resources that are restricted, committed, or assigned to (and thus, available to finance) a program or activity when contemplating how the budget of that program or activity is to be funded. Differences between budgetary accounting and GAAP financial reporting have always existed for many governments; budgetary terminology and fund structure for many governments differ from what is reported in their financial statements. The Board accepts that the fund balance classifications in this Statement may not bring financial reporting *closer* to budgetary concepts, but it does not believe that the gap will invariably widen as a result of this standard.

Number of Classifications

63. Some respondents to the Exposure Draft stated that it proposed too many classifications of fund balance and would therefore be too complex. A common

suggestion was to combine the proposed classifications of *limited* (*committed*, in this Statement) and *assigned* fund balance. The Board considered that suggestion and other approaches to reducing the classifications, such as requiring a distinction only between restricted and unrestricted fund balances. However, the Board concluded that classifications such as unrestricted fund balance or a combined committed/assigned fund balance were too broad to sufficiently meet users' needs to identify differences in the relative strengths of the constraints placed on how resources can be used. Consequently, the Board decided to retain the five proposed classifications; however, greater clarity was provided regarding the nature of each classification and how they differ from each other.

Nonspendable Fund Balance

64. The budgetary connotations of the term *appropriation*, and concerns expressed by several of the Invitation to Comment respondents about its inapplicability in certain circumstances, led the Board to base fund balance classifications on a notion of *spendable* amounts, rather than amounts that are *available for appropriation*. The Board believes this approach is consistent with the fact that governmental funds historically have been characterized as having a *spending* focus. The nonspendable category comprises the net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

65. Respondents generally reacted favorably to the proposed nonspendable fund balance category, but there were some who suggested that certain clarifications would improve the final standard. Some respondents urged the Board to explain more clearly what *spendable form* means and to offer more examples of items that could possibly be included within the nonspendable fund balance classification. The Board responded by clarifying that,

generally, *not in spendable form* means that an item is not expected to be converted to cash (for example, inventory). Also, paragraph 6 was expanded to discuss how the long-term amount of loans and notes receivable, and property acquired for resale should be classified. That paragraph further explains that if the proceeds from their collection or sale, respectively, are restricted, committed, or assigned, those constraints take precedence over the nonspendable nature of the resources when classifying the amounts.

Spendable Fund Balance

66. The Exposure Draft proposed that the remaining classifications of fund balance be reported under the general heading of *spendable fund balance*. The label was primarily intended to communicate that all fund balance not classified as *nonspendable* would, by default, be *spendable*, and further to convey that the resources are spendable for the purposes to which they have been restricted, committed, or assigned. Nevertheless, many Exposure Draft respondents believed that the term would be misunderstood. A concern shared by several of the respondents is that because the term *spendable* is commonly used in other contexts, it may carry a connotation that the resources in such a category may be spent for any purpose, when in fact they may be subject to significant external or internal constraints controlling the purposes for which those resources may be used. In response to those concerns, the Board decided that, because the Exposure Draft only used the term as a title for a category of other fund balance classifications, eliminating references to it in the final Statement would have no substantive effect on the specific fund balance amounts that are required to be reported.

Restricted Fund Balance

67. Research shows that one of the difficulties that users have encountered since the implementation of Statement 34 is understanding the relationship between reserved fund

balance and restricted net assets. The similarity in terminology has caused many users to infer a more direct connection than would normally exist pursuant to a strict application of the two definitions. The Board agreed that the advantages of using a consistent term throughout the financial statements would outweigh the disadvantages that come with replacing a familiar term. Therefore, the Board concluded that the term used to identify the most binding level of constraint on the use of fund balance in the fund financial statements should be the same term used to describe the equivalent level of constraint on the use of net assets in proprietary funds and the government-wide statements. The Board believes that there is a distinct advantage to using the same term to characterize the status of these balances regardless of the context in which they are reported. By doing so, the Board believes that the confusion that arises when an amount can be reported as reserved in one particular fund but unreserved in another will be eliminated.

68. Exposure Draft respondents also pointed out a potential inconsistency between restricted net assets and restricted fund balances. Paragraph 35 of Statement 34 indicates that permanent fund principal should be included in the restricted net assets classification. However, in the Exposure Draft, permanent fund principal would have been regarded as nonspendable rather than restricted fund balance, resulting in a discontinuity between restricted fund balance and restricted net assets. The Board's general intention was that the definition of restricted fund balance be identical to that of restricted net assets. In deliberating Statement 34, the Board concluded that permanent fund principal should be classified as restricted because it could not be spent and would be miscast as unrestricted, and a net asset classification analogous to nonspendable was not under consideration. The Board believes that the nonspendable classification more closely defines permanent fund

principal and should be used to report permanent fund corpus in governmental funds. Further, that classification inconsistency will not be the sole source of differences between restricted *fund balance* and restricted *net assets*; in many instances, differences will arise from the different measurement focuses and bases of accounting employed in reporting net assets and fund balance.

Committed Fund Balance

69. The Invitation to Comment included a definition of the term *legally limited*, as it might have been used in the definition of *special revenue funds*, as “resources that are legally limited to a particular purpose by a government that cannot be used for any other purpose unless the government removes or changes the limitation by taking the same action it employed to impose the limitation or by taking a higher authority action.” Many of the Invitation to Comment respondents supported the proposed definition. For the Exposure Draft, the Board used a modified version of that definition to describe the limited fund balance classification. The definition was modified by eliminating the word *legally* because it implies a restriction that is enforceable by law and may overstate the strength of the constraints that can be imposed by a government upon itself.

70. Numerous respondents to the Exposure Draft expressed concern about the use of the term *limited* for this portion of fund balance. Among the alternative titles suggested, the Board selected the term *committed fund balance*. The Board had previously considered titling this portion of fund balance *committed*, but it had opted for *limited* because the notion of commitments has other meanings in GAAP. Ultimately, the Board concluded that *committed* had fewer objectionable connotations than other possible titles. This

change, however, should not be construed as a substantive change to this classification of fund balance as it was proposed in the Exposure Draft.

71. Some respondents to the Exposure Draft suggested that the definition of committed, and how it is distinguished from restricted and assigned, should be clarified for the final Statement. In response, the Board added an explanation of how the actions taken by a government to commit resources differ from those taken to restrict resources through enabling legislation, even though both kinds of actions are taken by the government itself. In response to another concern by respondents, the Board also clarified the meaning of *commitment* as it applies to fund balance classification by providing that contractual obligations that will be satisfied with existing fund resources should be reported as committed fund balance.

Authority to Commit Resources

72. The Board considered whether this Statement should specify which formal actions of a government's highest level of decision-making authority are required to commit fund balance to a specific purpose, but it determined that it would not be practical to do so because of differences in the powers accorded to governments. For example, some governments may establish statutes or ordinances and resolutions, whereas some may only be able to pass resolutions, and other governments—such as some special-purpose governments—may have no legislative authority at all. Furthermore, the legal standing of the actions available to a government may differ. For some governments, a resolution may carry the force of law, but for others, a resolution may be only ceremonial in nature. In response to concerns about lack of consistency, this Statement requires disclosures that

should give users a clear understanding of the authority behind the commitments of fund balance and the specific actions taken to impose them.

73. Because the overall classification approach includes two categories of self-imposed constraints (committed and assigned), the Board agreed that it would be appropriate to start with the assumption that the level of authority required to establish constraints sufficient to invoke display in the *committed* fund balance category should be high enough to represent the consensus objective of the governing body as a whole. In other words, the purpose constraints imposed on amounts in that category should come from the source that possesses the highest level of decision-making authority.

74. The level of authority necessary to establish fund balance commitments is similar to that required in the restricted (through enabling legislation) category. Enabling legislation exclusively involves revenues *authorized* by the restricting legislation. It is not uncommon for governments to pass legislation to raise new revenues for a specific purpose. For fund balance classification, *enabling legislation* is considered a compact with the resource providers that the revenues raised pursuant to that legislation would be used *only* for the promised purpose. In contrast, the committed fund balance classification includes amounts generated from existing revenue sources that are formally constrained to be used for a specific purpose, but there is no comparable compact with the providers of those resources about how they can be used. Thus, the substantive difference between amounts that are restricted by enabling legislation and amounts that are in the committed fund balance category is the relative inability of the government to redeploy restricted amounts for other purposes.

75. This Statement requires, for financial reporting purposes, that the formal action that establishes committed fund balance occur before the end of the reporting period. The Board recognizes, however, that even if the specific purpose of the commitment is established before year-end, a mechanism or formula for determining the amount subject to the commitment is sometimes based on events, conditions, or results that are not known or finalized at that time. As a result, this Statement allows that the amount subject to the commitment may be determined in the subsequent period before financial statements are issued.

Assigned Fund Balance

76. Throughout its deliberations about defining the fund balance classifications, the Board generally supported the notion that there was a need for a classification representing a level of constraint that was less binding than that associated with the limited (committed) fund balance classification but not so available as to be considered unassigned. The Board also considered, and ultimately rejected, alternatives that would have reported those amounts in the committed or unassigned classifications. The decision to establish the assigned classification essentially depended on whether amounts classified as assigned would be sufficiently distinguishable from those other two classifications. The Board believes that the definition of assigned fund balance in this Statement appropriately provides for that distinction.

77. The Board views an assignment as an expression of a government's *intent*, comparable to designations in the previous fund balance classification and display model. By accepting the validity of that analogy, the Board had the benefit of the input obtained from its past research efforts and from the responses to the Invitation to Comment relative

to questions asked about designations of fund balances. Those sources clearly indicated that information about management's plans or intentions is considered important. There was considerable interest in information about the designations themselves: three-quarters of the survey respondents said that they consider information about the purposes of designations "important" or "very important." Furthermore, over 70 percent of the respondents to the 2003 user survey rated information about *unreserved–undesignated* fund balance to be "very important" to the decisions they make or to their assessments of a government's financial health.

78. Both the committed and assigned fund balance classifications include amounts that have been constrained to being used for specific purposes by actions taken by the government itself. As noted earlier in paragraph 72, this Statement does not specify which actions of a government would be required to establish committed fund balance, largely because of the differences in abilities and structures from government to government. Those differences led the Board to reach the same conclusion with regard to identifying particular actions that should be required to assign amounts. Several respondents to the Exposure Draft commented that it would be difficult to distinguish between the actions taken to *commit* fund balance amounts and actions taken to *assign* fund balance amounts. Other respondents indicated concern that some governments may not have decision-making processes in place to commit or assign resources, as described in the Exposure Draft. Those respondents urged the Board to provide clarification of the requirements. In response, the Board added paragraph 15 to highlight the differences between the committed and assigned fund balance classifications emphasizing (a) the level of authority required, (b) the nature of the actions necessary to nullify a commitment

or assignment of fund balance, and (c) the degree of difficulty with which they may be reversed. The Board also clarified in other places in this Statement that some governments may not report both committed and assigned fund balances because not all governments have multiple levels of decision-making authority.

79. The assigned category should include amounts that have been set aside for a specific purpose by an authorized government body or official, but the constraint imposed does not satisfy the criteria to be classified as restricted or committed. *How* the government's intent should be expressed and communicated is not specifically prescribed; however, the Statement does clarify that an authorized government body or official should be characterized as "the governing body itself or a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes." The Board believes that the disclosures required in paragraph 23(b) should provide users with a clear understanding of who is empowered to make assignments and by what authority.

80. Paragraph 12 in this Statement provides that the specific purpose for a fund balance commitment should be established prior to the end of the reporting period but that the specific amount of that commitment can be determined in the following period. The basis for that conclusion is discussed in paragraph 75. Some Exposure Draft respondents asked why such a provision was not also made for fund balance assignments. The Board does not believe that a similar timing requirement is necessary or appropriate for fund balance assignments largely for two reasons. First, the process of assigning amounts to specific purposes is less binding than the procedures for fund balance commitments, and second, assignments are often not considered until after the amount of unrestricted and

uncommitted fund balance is quantified. That is, it is common for governments to express an intent to use accumulated resources for specified purposes only after the amount that is available for assignment has been determined. Paragraph 15 clarifies that governments cannot assign an amount to a specific purpose if that assignment would cause a deficit to occur in unassigned fund balance.

Unassigned Fund Balance

81. In the Exposure Draft, the Board proposed that, based on the definitions of the restricted, committed, and assigned fund balance classifications, unassigned amounts could exist only in the general fund. Even though some contend that amounts in other governmental funds could, in actuality, be just as accessible as unassigned amounts in the general fund, the Board believes that governments, through the formal process of reporting amounts in other funds, have assigned those amounts to the purposes of the respective funds. This Statement provides that unassigned fund balance is the residual classification in the general fund and includes amounts that have not been assigned to other funds. Accordingly, assigned fund balance should be the least constraining classification in governmental funds other than the general fund.

Reporting Negative Balances

82. Respondents to the Exposure Draft and participants in the field test raised questions about the appropriate fund balance classification for reporting *negative* fund balances. A negative balance communicates that more resources were spent for a specific purpose than had been restricted, committed, or assigned to that purpose. A prohibition against reporting negative restricted fund balances already exists by extension of the requirements for reporting restricted net assets. Item 7.24.13 in the *Comprehensive Implementation Guide* states that restricted net assets is intended to portray, at the date of the statement of

net assets, the extent to which the government has assets that can only be used for a specific purpose. If the related liabilities exceed the assets on hand, then the “shortfall,” by default, is covered by unrestricted net assets. Extending that logic to the unrestricted fund balance classifications, the Board believes that shortfalls in any of the classifications would be covered by the next classification for that specific purpose in the government’s spending prioritization policy (stopping at zero in each classification). Thus, if fund balance (exclusive of nonspendable amounts) in total is negative, then the negative amount can only be attributed to the unassigned fund balance classification. Similar to the net asset conclusion discussed above, shortfalls ultimately are covered by unassigned resources. The Board believes that the use of unassigned resources “in substance” should be recognized in the fund balance classifications. Consequently, the Board concluded that negative balances should be reported only in the unassigned classification. Although the general fund is the only fund in which a positive unassigned fund balance may be reported, other governmental funds may be required to use the unassigned fund balance classification to report negative amounts.

83. Paragraph 19 states that if expenditures incurred for a specific purpose exceed the amounts that have been restricted, committed, and assigned to that purpose and a negative balance for that purpose results, then amounts assigned to other purposes in that fund should be reduced before reporting a negative unassigned fund balance amount. This provision does not require the reduction of restricted or committed fund balance amounts. The Board believes that in funds other than the general fund, the expenditure of resources assigned to one specific purpose has been, in substance, *reassigned* to the other purpose for which they actually have been spent. In the general fund, on the other hand, the Board

believes that an overexpenditure for a specific purpose is first covered by unassigned resources, to the extent adequate unassigned resources exist. That is, the government has, in effect, assigned the amounts to the purpose for which they were spent, thereby reducing unassigned fund balance rather than attributing the overexpenditure to amounts assigned to other purposes. The fund balance classification policy for the general fund, discussed in paragraph 18, would describe that resource flow assumption.

Classifying Fund Balance Amounts

84. This Statement does not require the presentation of a detailed statement of changes in fund balances; rather, it provides that an analysis of ending fund balance can be made to determine how residual balances should be classified. In developing the Exposure Draft, the Board discussed approaches that would have established a required spending prioritization scheme, but it rejected them because they would necessarily be arbitrary and would not be sensitive to the differences in resource management philosophies that exist from one government to another. Some respondents to the Exposure Draft indicated that they believe the standard *should* require a specific spending prioritization. They believe that the final standard should state that resources are used in the same descending order as the fund balance classifications appear in the hierarchy, and one Board member agrees with that position (see paragraphs 135 and 136). The Board redeliberated the issue and reaffirmed the Exposure Draft's approach that fund balance at the end of a reporting period should reflect the government's accounting policy that determines which amounts in the various classifications are considered to have been spent. The Board recognizes that a final determination of whether specific resources are *restricted* may ultimately be subject to legal interpretation. The government's policy should therefore be consistent with such legal determinations. For example, if a government's policy is to spend

unrestricted resources before certain restricted resources, the reported restricted amounts are required to be legally constrained for a specified purpose at the end of the reporting period to be included in the restricted fund balance classification. Disclosure of the government's policies should provide context within which readers can better understand the fund balance information being reported.

85. Several respondents commented that some governments do not have formal spending prioritization policies and that establishing those policies may be difficult. However, governments already are required by Statement 34 to have a policy for determining whether restricted or unrestricted amounts are spent. Furthermore, establishing an additional policy to determine whether committed, assigned, or unassigned amounts have been spent is expected to be a one-time effort at the time of implementation. Nevertheless, in response to those concerns, the Board decided that this Statement should provide a "default" policy for governments that do not establish a policy, stipulating that, committed amounts would be reduced first, followed by assigned amounts, and then unassigned, when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Some respondents also contended that the spending prioritization policy disclosures required in the Exposure Draft would become "boilerplate" and thus should not be required. The Board is sensitive to concerns about excessive disclosure but continues to believe that those disclosures are essential for a reader's understanding of the fund balance classifications required by this Statement. Because the procedures for committing and assigning resources to specific purposes may differ from government-to-government, users need to understand the

process through which the constraints have been imposed by a particular government to help assess the availability of amounts reported in governmental funds.

86. Some commentators pointed out that governments may have different policies for different programs or functions and that a single flow assumption would not be representative of that management approach. In response to those comments, the Board modified that provision from the Exposure Draft to eliminate the unintended implication that a government would be required to apply a single classification policy to all of its programs or functions.

87. The Exposure Draft included a provision that in other than the general fund, unspent amounts that were assigned to a specific purpose that is no longer applicable should not be reported as assigned fund balance but, rather, should be included in the unassigned fund balance of the general fund by reporting those amounts as due to the general fund. Many respondents objected to that proposal, indicating that they believe that amounts transferred to other funds remain committed or assigned to a specific purpose until the government takes action to eliminate or modify those commitments or assignments. After redeliberating the Exposure Draft's requirement, the Board agreed with that notion. Although the Board believes that preparers have a responsibility to periodically review the status of commitments and assignments, the Board does not believe that a cautionary provision in the standard is necessary to inform them that it would be inappropriate to continue to report an amount as committed or assigned if the purpose for which the commitment or assignment was imposed has expired. In addition, the Board understands that, in many cases, the reason that a fund is in a deficit position is because it has a large balance "due to the general fund" representing a loan that was needed to cover current

expenditures in anticipation of other resources. The provision in the Exposure Draft would have caused an amount due *from* the general fund to be reported, offsetting the amount due *to* the general fund and, in effect, reclassifying the loan as a transfer. After considering the comments to the Exposure Draft made by respondents, the Board agreed that, in this instance, reporting a flow of funds that likely will not take place should not be required.

Level of Detail of Fund Balance Classifications

88. The Exposure Draft proposed that the two components of nonspendable fund balance—resources that are not in spendable form and those that are legally or contractually required to be maintained intact—be presented separately. Restricted fund balance would be reported at the same level of detail as required for restricted net assets in paragraph 32 of Statement 34. Committed and assigned fund balances would be reported in sufficient detail so that the major purposes for which amounts are committed and assigned can be identified readily.

89. Several Exposure Draft respondents urged the Board to clarify those requirements in the final Statement. Some concluded that the disclosures suggested by the Exposure Draft would be too detailed and too time-consuming to compile. Others recommended that the Board express a preference for either display or disclosure. Still others preferred a requirement that called for display in the aggregate with supporting details disclosed in the notes. Many users have traditionally been ambivalent about whether this type of information is disclosed in the notes or displayed on the face of financial statements. Users that express a preference are divided—some prefer more detail on the face of the statement, provided it is not so voluminous as to be distracting, whereas others prefer note

disclosure, as they believe it can be more informative and easier to read. Consequently, the Board does not believe that there is any single approach that offers such an advantage over others that its use should be required or encouraged. Thus, the nonprescriptive approach in the Exposure Draft was retained for the final Statement, and governments are provided with options for meeting these requirements—through display, disclosure, or a combination of both.

Stabilization Arrangements

90. Stabilization (rainy-day) arrangements were discussed in the Invitation to Comment in connection with the alternatives proposed for the special revenue fund definition. Respondents were asked their preferences for reporting stabilization amounts (a) as a component of fund balance in the general fund, (b) in a note disclosure or separate schedule that disaggregates the general fund, (c) as a new fund type, or (d) by another approach. The Board considered the advantages and disadvantages of each of those alternatives and the comments from respondents to the Invitation to Comment before reaching the conclusion proposed in the Exposure Draft.

91. Initially, the Board considered including stabilization amounts as a classification within the nonspendable fund balance classification based on the concept that stabilization amounts are spendable only when certain specific circumstances or conditions exist—if those circumstances or conditions do not exist at the end of the financial reporting period, then the resources cannot be spent. The Board eventually rejected that approach primarily because the nonspendable caption implies a level of constraint that overstates most stabilization arrangements.

92. The Board concluded that, generally, the most appropriate presentation of stabilization amounts would be as a component of fund balance in the general fund. The Board agreed that *economic stabilization* (or a similar intention by a different name) constituted a *specific purpose* and, therefore, amounts constrained to stabilization would usually meet that criterion for inclusion in the committed or restricted fund balance classifications of the general fund. In some instances, for example, if setting aside stabilization resources is a constitutional requirement, those amounts may meet one or more of the criteria of the restricted fund balance classification. The Board believes that it is unlikely that a stabilization arrangement would satisfy the criteria to be reported as a separate special revenue fund because the resources usually do not derive from a specific restricted or committed *revenue* source, as required by that fund type definition. Paragraph 21 of this Statement was amended to clarify that point.

93. This Statement requires that stabilization arrangements be classified within the committed or restricted fund balance classifications if they satisfy the respective criteria of those classifications. However, the Board concluded that, for financial reporting purposes, stabilization should be regarded as a specific purpose only if the circumstances or conditions that signal the need for stabilization are identified in sufficient detail. The guidance provided in paragraph 20 of this Statement was expanded to clarify the meaning of *specific purpose*, in the context of stabilization.

94. The Board considered and rejected the notion that stabilization amounts might also meet the assigned fund balance criteria and could therefore be reported within the assigned classification. The Board believes that *stabilization* is a purpose that, relative to specific activity or program purposes, has inherent financial reporting significance. That

is, awareness of the existence and conditions of stabilization arrangements and amounts can help users assess a government's financial health. Consequently, for financial reporting purposes, the Board believes that a government's ability to establish and spend stabilization amounts should be the province, at a minimum, of its highest level of decision-making authority, which is consistent with the criteria for the committed fund balance classification.

95. The GASB's research found that users often consider stabilization arrangements to be a positive indicator of a government's fiscal management philosophy; that is, governments that establish stabilization arrangements are perceived by many to be responsibly setting aside resources to withstand unexpected revenue shortfalls or expenditure needs. However, some financial statement users interviewed by the GASB expressed concern about their inability to find stabilization amounts in the financial statements of certain governments. Thus, the Board concluded that information about stabilization arrangements should be disclosed in the notes to financial statements, even if those arrangements do not meet the criteria for display as committed or restricted fund balance.

Minimum fund balance policy disclosures

96. Many governments create *de facto* stabilization arrangements by establishing formal minimum fund balance requirements. The Board believes that users are similarly interested in information about those minimum fund balance requirements and how they are complied with by the respective governments. Therefore, this Statement also requires that governments disclose their minimum fund balance policies. Some Exposure Draft respondents and field test participants asked that the final Statement more clearly identify

the minimum balance arrangements that are intended to be the focus of the disclosure requirement. They pointed out that governments are often required to maintain minimum balances by ordinance, statute, indenture, contract, and other sources and asked whether the disclosures would be required for all minimum balances, regardless of the source of the requirement or its objective. To clarify the focus of the minimum balance disclosures, paragraph 27 refers to policies rather than requirements and emphasizes that those policies are *adopted* or *established* by the government to distinguish them from other minimum balance requirements that are *imposed* upon the government from other sources and authority.

Reporting Encumbrances

97. In developing the Exposure Draft, the Board discussed the question of whether encumbrances meet the criteria to be included in the restricted, committed, or assigned fund balance classifications. In the previous model, encumbrances were included in the *reserved* fund balance category. However, within the classification approach in this Statement, the Board concluded that an encumbrance does not represent any further constraint on the use of amounts than is already communicated by classification as restricted, committed, or assigned. The restricted, committed, and assigned classifications of fund balance are distinguished by the extent to which purpose limitations have been established regarding the use of those amounts. None of those classifications are based on a budgetary availability notion in the way encumbrances are. In fact, amounts in any of those three classifications also could be encumbered from a budgetary perspective. Based on those considerations, the Board determined that reporting encumbrances as a separate classification is incompatible with the focus on purpose limitations established in the restricted/committed/assigned fund balance hierarchy. Given that difference in focus, the

Board concluded that, for governments that use encumbrances in their budgetary accounting system, information about significant encumbrances should be disclosed in the notes to the financial statements in conjunction with other commitments, rather than displayed on the face of the fund financial statements.

98. The comments of respondents to the Exposure Draft and participants in the field test made it evident that many disagreed with or did not fully understand that encumbrances should not be displayed on the face of the balance sheet but may be disclosed. Some respondents argued that encumbrances represent legal commitments or contractual obligations and should be reported as restricted. Others expressed their belief that encumbrances are nonspendable and should be included in that fund balance classification. Some contended that encumbrances should be explicitly displayed on the face of the statement. Many argued that encumbrances should be classified as committed or assigned, and others rejected the possibility that they could be classified as unassigned. The Exposure Draft's contention that encumbrances are a budgetary consideration, rather than a financial reporting matter, also was disputed by some respondents.

99. The Board recognized that the Exposure Draft did not sufficiently communicate that encumbered resources are included within the relevant classifications based on the purposes to which the encumbrances relate. For example, an amount could be classified as restricted to a specific purpose, some or all of which also may be encumbered. That further delineation of the encumbered portion of restricted fund balance is not required to be displayed because the encumbrance does not further restrict the purpose for which the resources may be used. Displaying the encumbered portion separately on the face of the financial statements would result in a level of detail that does not add to the decision-

usefulness of the information. The Board therefore decided to add clarifying language in the Statement to explicitly state that encumbrances should not be reported separately from the classifications of fund balance—restricted, committed, and assigned—on the face of the balance sheet.

100. In response to the contention that an encumbrance (through the issuance of a purchase order) represents a legal commitment with an outside party and thus should be regarded as restricted fund balance, the Board points out that such an interpretation is not consistent with the definition of *restricted* in Statement 34 and in this Statement. *Restricted*, as defined, applies to resources that have been provided by creditors (bond sales), grantors, or donors or have been raised pursuant to enabling legislation. In the case of encumbrances, vendors have not provided resources—they have not provided goods or services and have no influence over how a government uses its existing resources. If and when a purchase order is filled, a vendor is entitled to payment and a liability would be recognized, but at no point does that vendor have any legally enforceable authority, as outlined in Statement 34 and amended by Statement 46, over how the government uses its resources.

101. The Board also determined that the Statement should clarify whether unassigned amounts that are encumbered for a specific purpose that is not already included within the restricted, committed, or assigned classifications should continue to be regarded as unassigned. That is, does the process of encumbering amounts equate to the process that leads to commitments or assignments? To address this issue, the Board clarified that encumbrances of otherwise unassigned amounts should be reported in the fund balance classification that equates to the process that the government uses in encumbering

amounts. Thus, encumbrances of unassigned amounts could be classified as committed or assigned depending on the process by which amounts are encumbered.

Appropriations of Existing Fund Balance

102. In developing the Exposure Draft, the Board considered the common situation in which the subsequent year's budget includes a specific provision to use *existing resources* (ending fund balance from the prior year) for a specific purpose. The Board discussed whether that action would meet the criteria to be reported as an assignment and concluded that in some circumstances, appropriations of existing fund balance would constitute an assignment, and in other situations, it would not. That distinction should be based on whether the appropriation possesses the characteristics of an assignment; that is, whether both the *amount* and the *purpose* of the appropriation are specified. For example, a general fund budget could include an appropriation of a specific amount from the prior year's fund balance to finance the renovation of an athletic field.

103. In the Exposure Draft, the application of the fund balance classification provisions to an appropriation of existing fund balance was discussed only in the Basis for Conclusions. Respondents to the Exposure Draft sought clarification of that application guidance and suggested that it appear in the standards section of the final Statement. In addition, several respondents argued that "balancing the budget" by appropriating a portion of existing fund balance constitutes the setting aside of resources for a specific purpose and that that intent should be communicated through the fund balance classifications. Some of those respondents argued that the Exposure Draft's requirement to identify a specific purpose (that is, more specific than balancing the budget) was too restrictive and arbitrary—they suggested that a government could simply choose any item from its

budget and assert that the existing resources were intended to finance that purpose. The Board generally agreed and responded to those concerns by adding paragraph 16 to this Statement. That paragraph clarifies the circumstances under which such an appropriation of existing fund balance constitutes an assignment. Specifically, the Board agreed that an appropriation of fund balance in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance.

104. The Board considered whether an appropriation of existing fund balance could be classified as a commitment rather than an assignment. Some assert that an appropriation of existing fund balance necessary to balance the next year's budget is tantamount to a temporary stabilization arrangement. That is, that portion of existing fund balance constitutes an amount that the government *intends* to use for budgetary stabilization in the subsequent year. However, appropriation of existing fund balance lacks the constraints and ongoing nature of the formal stabilization arrangements addressed in this Statement. Therefore, even though the specified use—stabilization—is similar in those two situations, the fact that in one instance stabilization is an *intent*, while in the other it is a *committed purpose*, the Board believes, leads to the appropriate classification distinction. The Board also believes that an appropriation of existing fund balance does not meet the criteria for a commitment because the government does not have to take action to remove the constraint—it expires at the end of the budgetary period. Formal stabilization arrangements would generally result in committed fund balance classification, as provided for in paragraph 21, whereas the appropriation of existing fund balance for temporary budgetary stabilization would result in an assignment, provided that the amount is

specified as a budgetary resource in the budget document and the purpose of the appropriation is specified.

Governmental Fund Type Definitions

105. The definitions of the individual governmental fund types presented in this Statement provide that funds of a particular type either *should be used* (that is, required) or *are used* (that is, discretionary) for all activities that meet its criteria. If use of a fund type is generally discretionary, specific situations under which a fund of that type should be used are identified either in the definitions in this Statement (debt service funds) or by requirements established in other authoritative pronouncements (special revenue and capital projects funds).

General Fund

106. For consistency with clarifications made to the terminology in the definitions of the other governmental fund types and to acknowledge that other governmental funds are required only in prescribed situations, the Board concluded that the definition of *general fund* in paragraph 26 of NCGA Statement 1 needed a conforming alteration. That definition stated that the general fund “is used to account for all financial resources except those required to be accounted for in another fund.” To recognize that the establishment of other funds can be discretionary in certain circumstances, the Board concluded that the definition should be revised to state that the general fund should be used “to account for and report all financial resources not accounted for and reported in another fund.” Thus, the unintended notion that no other governmental funds should be reported unless they are *required* is eliminated.

Special Revenue Fund Type

107. In the deliberations for the Exposure Draft, regarding the definition of the special revenue fund type, the Board acknowledged that the diversity in the reporting of those funds in practice could largely be attributed to confusion that derived from several provisions in the previous definition. Those provisions determined the nature of the revenue source for which a special revenue fund may be created to report in external financial statements, as well as the nature of other resources that also may be reported in those funds. The provisions in the definition that appeared to cause the confusion were *proceeds of specific revenue sources, legally restricted, and specified purposes*. The Invitation to Comment included alternative interpretations of those parts of the definition, each of which would have, to different degrees, limited the reporting of special revenue funds by many governments.

108. As discussed earlier, the fund balance information needs of users vary—from information about compliance with restrictions on the use of revenues, to the relative availability of resources, to the revenues and expenditures of specific programs and activities. The comments received from the Invitation to Comment respondents about the use of special revenue funds validated that notion and are indicative of the differences in the way in which those funds have been reported in practice. On one side are those that believe that special revenue funds should be used only to report the use and availability of specific revenues (a motor fuel tax fund, for example), while on the other side are those that believe that special revenue funds also may be used to report the revenues and expenditures of specific programs or activities (a public library fund, for example).

109. In connection with the intent of the proceeds of specific revenue sources provision, a question in the Invitation to Comment asked what resources should be accounted for in a special revenue fund included in external financial reports. The alternatives were (a) only a specific revenue source, (b) a specific revenue source and transferred matching amounts, or (c) a specific revenue source, transferred matching amounts, and other legally limited transferred amounts. The comments received from the respondents to the Invitation to Comment reflected the differences in practice. Because different user groups have different needs, supporters of either a revenue-focused approach or an activity-focused approach could declare that consideration of user needs indicates support for their preferred definition. On the one hand, many users from the investor/creditor group generally contend that the focus of special revenue funds should be on revenues so they can easily identify resources that are available. On the other hand, several preparer and attestor respondents believe that users other than credit market participants also want information about programs or activities and that special revenue funds have been an effective medium in reporting that information.

110. Financial reporting standards do not *require* separate fund usage for either specific revenues or specific activities. That is, GAAP does not require all restricted road and bridge taxes, for example, to be reported in separate special revenue funds. Therefore, some governments report those revenues in their general fund and others use one or more funds. Similarly, GAAP does not require governments to report their public parks activities (or any other specific function, program, or activity) in a separate fund. Consequently, some governments account for all public parks revenues and expenditures in the general fund, while others use a separate fund, and still others use both. As a result,

some have asserted that an activity-based approach is not in accord with the intended use of special revenue funds and does little, if anything, to enhance consistency. Because an activity could be reported in a variety of ways (in the general fund, in a special revenue fund, or in both), those that are interested in activity reporting may not find the information they need unless the special revenue fund definition *requires* reporting of activities in separate special revenue funds.

111. Proponents of an activity focus suggest that if it is essential for readers to be able to isolate the proceeds and uses of a restricted revenue, then a separate fund should be required for all restricted revenues. That is, if governments can report a specific restricted revenue in the general fund commingled with other restricted and unrestricted revenues, why should a similar mix be prohibited in a less comprehensive separate special revenue fund? Those who prefer a revenue focus would respond that if all unrestricted amounts were required to be reported in the general fund, a user's search for available amounts is simplified as long as restricted amounts in that fund are clearly identified. After weighing the arguments from both perspectives, the Board concluded that the need for information regarding available amounts is an important consideration, but it is not the only user need that should be addressed, and it should not be met at the expense of others.

112. A popular argument from those that support limiting the use of special revenue funds to reporting the uses of restricted revenues is that it demonstrates compliance with spending restrictions. Yet, the Board is aware that governments can report compliance selectively with whatever restricted revenues they choose to report in a separate special revenue fund. Restricted revenues for which they choose not to demonstrate compliance can be reported in the general fund with other revenues, both restricted and unrestricted.

That level of flexibility led the Board to conclude for the Exposure Draft that general purpose external financial statements are not the most appropriate medium for demonstrating this form of compliance.

113. Many users that favor limiting special revenue fund usage do not assert that they want to judge compliance but rather that they want to know about availability of resources. Government compliance with spending limitations is not a driving factor for those users; rather, they want to know where the available amounts are. The Board believes that such information can be provided through display and classification techniques and based the Exposure Draft classification approach on that notion.

114. Some Invitation to Comment respondents pointed out that Statement 34 provides for an activity or program focus in the government-wide statement of activities and, therefore, reporting similar information in governmental funds would be redundant. While that assertion, on its face, may seem valid, many financial statement users contend that the minimum requirement for level of detail (total direct expenses, for example) at the government-wide level is inadequate for assessing the operations of a particular activity or program. In other words, without additional details of program expenses (personnel and related expenditures, supplies, maintenance, and so on, by program), activity reporting in special revenue funds is the only way for users to get the level of information they need to assess a particular program without piecing it together from a variety of locations.

115. In arriving at the approach proposed in the Exposure Draft, the Board was faced with the question of whether a revenue focus or an activity focus provides better information. Users interested in locating available resources, or in determining how

restricted revenues were used, could easily obtain that information from revenue-based funds, while needing additional information to assess the uses and availability of resources if single activity-based funds were reported. The Board believes that those user needs are better served by revenue-based reporting. Conversely, users interested in program or activity information would generally need to look only to the single activity-based funds to obtain it, while under a revenue-based approach, they would have to gather the information from a variety of funds including the general fund. The Board believes that those users' needs are best met by activity-based reporting. Because the Board believes those competing user needs are of equal importance, the Board agreed that a solution to satisfy one need at the expense of the other should be avoided.

116. After carefully evaluating the strengths and weaknesses of the alternatives, the Board concluded for the Exposure Draft that the special revenue fund type definition should not be interpreted in a way that would prohibit governments from pursuing an activity-based reporting objective in certain cases. The Board believes that it is easier to understand information about specific revenues in an activity-based special revenue fund than it is to understand information about specific activities in a revenue-based fund framework. In addition, the Board believes that more effort will be required, and more confusion will result, in informing readers about activities if the special revenue fund type is defined so narrowly as to include only specific committed or restricted *revenues*. Nevertheless, the Board believes that it is important to stress that the definition requires that a specific restricted or committed revenue source be the *foundation* of a special revenue fund. This is one aspect of the clarification of the definition of the special revenue fund type for which the Board believes there appears to be little controversy.

117. Governments that currently report special revenue funds consistent with a narrow revenue-based approach are not required to convert those funds to incorporate more of an activity focus. In contrast, those governments that report special revenue funds in a manner consistent with the approach provided for in this Statement would have been required to make significant changes to comply with a narrower revenue-based definition.

118. The question posed in the Invitation to Comment regarding the meaning of *legally restricted* was intended to solicit views on how *binding* the limitations on the use of a specific revenue should be for it to form the foundation of a separate special revenue fund. That is, should it be necessary for the constraints to be imposed only through the legally restricting channels defined in paragraph 34 of Statement 34, as amended (Option 1)? Or can the constraints also be imposed by the reporting government itself even though the government has the ability, through some specified level of due process, to remove or modify them (Option 2)?

119. Respondents that expressed a preference for Option 1 alluded to consistency and comparability as reasons for their support. Some suggested that the Option 1 approach paralleled their belief that all unrestricted resources should be reported in the general fund and that the basis for a separate fund should be a legal restriction. Others stated that Option 1 would help to keep the number of funds at a minimum, and they believe that it would eliminate, or at least significantly reduce, the reporting of available resources in special revenue funds. The Board acknowledges that the consistency and comparability argument has some merit, but it also realizes that the argument is significantly diluted by the fact that governments can choose to report restricted revenues in a separate fund or commingle those revenues with other restricted and unrestricted resources in the general

fund. Thus, the Board believes that under Option 1, consistency or comparability would be fully achieved only to the extent that all special revenue funds presented would include only restricted revenues, but it would not be fully achieved in the sense that all governments would report the same restricted revenues in identical ways. The Board also agreed with the suggestion that Option 1 would impede a government's ability to report unrestricted resources in special revenue funds to make those resources appear less available than they actually are but concluded that the concern could be easily mitigated by clearly stated and well-defined classifications of fund balance.

120. A common argument made by those that preferred Option 2 is that it gives governments the flexibility to report in a manner that portrays how they actually manage their resources and activities. They contend that some decision makers (the legislative and oversight users) would find financial statements that do not provide this flexibility to be less useful. Another popular observation from the respondents that supported Option 2 was that the substance of the constraints arising from restrictions and commitments is so comparable that allowing separate fund reporting of one but not the other was not warranted. Finally, many that preferred Option 2 pointed out that it more closely resembles current practice and that adopting the definition in Option 1 would cause significant changes and loss of useful information. After considering the two alternatives, the Board determined for the Exposure Draft that intent of the *legally restricted* provision in the definition should not be the equivalent of *restricted* in Statement 34 but, rather, should encompass committed resources as well. Accordingly, the Board eliminated *legally* from the special revenue fund type definition because it implies a restriction that is

enforceable by law and overstates the strength of the constraints that can be imposed by a government on itself.

121. The responses discussed above to the questions in the Invitation to Comment about possible alternative interpretations of the terminology in the special revenue fund type definition were very informative to the Board and aided the deliberations that led to the special revenue fund type definition in the Exposure Draft. The Board decided not to propose substantive modifications to the definition but, instead, to propose that governments disclose in the notes to financial statements the kinds of revenues that are reported in special revenue funds. That is, the disclosure would reveal the nature and extent of the constraints imposed on the use of those revenues. In addition, the Board concluded that rather than requiring which revenues or amounts can be reported in special revenue funds, this Statement would provide for a fund balance classification and display methodology that would inform readers about the levels of constraint placed on the use of the amounts accumulated in special revenue funds.

122. Many respondents to the Exposure Draft expressed concern about the change from current practice that would result if the proposed clarifications were implemented. There appeared to be much uncertainty about whether governments can assign amounts to the purposes of an individual special revenue fund. One question that arose was whether a special revenue fund can include *any* amounts that are not restricted or committed. A second question was whether the foundation of a special revenue fund can be a specific revenue that has been assigned (rather than restricted or committed) to the purpose of the fund. The reason for the uncertainty was the reference in paragraph 26 of the Exposure Draft to “specific revenues that are restricted or limited,” while paragraph 27 of the

Exposure Draft referred to resources that have been assigned to the purpose of a special revenue fund. Many respondents also had questions about the inclusion of assigned amounts in the discussion in one paragraph but not the other. The Board's intent was to use the first paragraph to emphasize that assigned resources should not be considered an appropriate foundation for a separate special revenue fund. The following paragraph made the point that specific revenues also could be assigned to a special revenue fund (or existing resources from other funds could be transferred in) provided that a substantial portion of the resources in the fund are attributable to restricted or committed revenues.

123. The Board addressed the question of whether assigned amounts can be reported in special revenue funds to supplement restricted or committed resources by clarifying that discussion in the standard. The other issue was whether a government can establish and maintain a separate fund with assigned resources as the foundation.. The Board evaluated the pros and cons of such an approach and ultimately rejected it, concluding that it would be tantamount to having no parameters at all for using special revenue funds, and because such a permissive definition could ultimately undermine the significance of the general fund.

124. Respondents also voiced concerns about situations in which resources are received in one fund and distributed to other funds for expenditure in accordance with specified purposes. Some referred to those funds as "clearing funds," and they surmised that the Exposure Draft would allow for a clearing fund to be reported as a special revenue fund but not an ultimate expenditure fund because those "transferred" resources would not be considered *revenues* of that fund. The Board concluded that perception is a misinterpretation of the Exposure Draft's intent. In those instances, the foundation is a

specific revenue and if those resources are either restricted or committed, separate special revenue funds may be reported, regardless of the fact that the resource was initially received in another fund. The Board agreed that the final standard should clarify that, in those situations, the inflows should not be recognized as revenues in the fund that initially receives them.

125. Another recurring concern from the respondents was that additional clarification is needed to understand what is meant by *significant portion* in the Exposure Draft's definition of special revenue funds, which stated that "restricted or limited proceeds of specific revenue sources should comprise a *significant portion* of the resources reported." The first clarification that the Board made was to replace the term *significant* with *substantial* to eliminate possible confusion with other financial reporting considerations. Some asked if the criterion applies to revenues or balances. Others questioned whether governments have to continuously analyze their special revenue funds to see if the relative levels of resources within a particular fund still satisfy the significant portion requirement. The Board agreed with those respondents that the intent of that provision should be more clearly explained in the final Statement. In response to the uncertainty about revenues or balances, paragraph 30 clarifies that the evaluation should be based on *inflows*, but it also provides for an additional consideration for revolving loan funds. The Board did not intend for governments to monitor the content of their special revenue funds using specific criteria on an annual basis. Therefore, the Board clarified in paragraph 31 that the substantial portion assessment should be based on a government's *expectation* about whether a substantial portion of the inflows will be from specific restricted or committed revenue sources. In addition, the Board agreed that governments should report the net

resources of a special revenue fund in the general fund, for financial reporting purposes, if it becomes apparent that the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources.

Capital Projects and Debt Service Fund Types

126. The Invitation to Comment asked whether the definitions of capital projects and debt service fund types should be modified to limit the amounts that can be reported in those funds. The responses were divided between those who favored a more restrictive approach to include restricted and committed amounts only and those who prefer the flexibility implied in an approach that includes amounts intended for capital projects and debt service as well. Many of those that supported the more restrictive definition did so because they believe that intent is too imprecise. They also contended that the notion of intent is problematic because it is transitory, and there are many ways in which intent can be manifested. Other supporters of a more restrictive definition commented on the consistency and comparability they believe that approach promotes. Some of those respondents focused on consistency from year to year and comparability among governments, while others believe such an approach is consistent with the historical nature of those fund types.

127. Those that supported a broader approach (including assigned amounts) offered a variety of reasons for their preference. Many commented that a restrictive definition would affect the way governments use fund accounting to manage resources and suggested that the broader definition better reflects the way that many governments operate. Several of that method's supporters like the flexibility it provides, and others favor it because it allows for the accumulation of amounts for a particular capital project

and could show the financial statement user all of the amounts used for a common purpose.

128. As was true for the special revenue fund type, the Board believes that the consistency arguments would be more compelling if the use of capital projects and debt service funds were required in all instances. Thus, the Board acknowledges that while comparability from government to government can be enhanced, without significant restructuring of fund type definitions, any higher level of comparability will be elusive. Under the more restrictive definitions, a higher level of comparability could be obtained *if* a government reported a capital projects or debt service fund, because then a reader would be assured that the amounts in those funds could not be used for any other purpose. Nevertheless, those readers would not be assured that other similarly restricted amounts were not reported elsewhere.

129. The Board does not believe that the contention that a narrower, more restrictive definition is consistent with the nature of the funds is supported by the literature. For example, the argument that capital projects funds are intended to account for only restricted or committed resources is contradicted by the language in paragraph 28 of NCGA Statement 1, which characterizes those funds as *project-oriented* and further states that fund accounting records should reflect *total* project financial resources. Thus, one could conclude that a capital projects fund should report a complete *project*, not just the portion that is financed with restricted or committed resources. Similarly, paragraph 30 of that Statement, as amended, provides that debt service funds should be used when *financial resources* are being accumulated for future years' maturities. There is no stipulation that the resources being accumulated are required to be restricted or committed

to that purpose. The Board believes that those provisions of NCGA Statement 1 support the contention that broader definitions better reflect the way that many governments currently use those funds to manage their resources.

130. After considering the strengths and weaknesses of the comments made in support of the two approaches by respondents to the Invitation to Comment, the Board proposed broader definitions, including assigned amounts, for the Exposure Draft. The Board believes that interpreting the fund definitions as imposing restraints that many governments have not previously observed would not necessarily meet financial statement user needs. The Board concluded that the user needs intended to be addressed in this Statement can be met through effective fund balance classification and display requirements, and that such an approach is more consistent with the broader definitional approach—provided that what is meant by *intent* is clearly explained. The requirement in paragraph 23 to disclose a government’s *assignment* process is expected to provide that clarity.

131. In deliberations leading to the Exposure Draft, the Board discussed the term *major capital facilities* in the capital projects fund definition from the perspective of whether the term is sufficiently descriptive to provide for consistent application. The Board is aware that some governments use capital projects funds to report equipment and other personal property acquisitions, while others limit their use to reporting the acquisition or construction of structures and ancillary capital items. The Board considered expanding the discussion of *facilities* in the proposed definition to clarify and limit the scope of activities that could be reported in those funds, but it recognized that various governments have different views about what constitutes capital facilities. The Basis for Conclusions

section of the Exposure Draft, included a statement that the Board believes that capital projects funds are intended to be used to report the acquisition or construction of capital assets that clearly are *facilities* (buildings, building improvements, infrastructure assets, including ancillary items, for example) rather than those that clearly are not (buses, fire trucks, and computer workstation equipment, for example). Even though the capital projects fund definition proposed in the Exposure Draft used the same terminology from the previous definition (“acquisition or construction of major capital facilities”), many respondents reacted to the discussion of the Board’s perception of intent as if the definition was significantly more restrictive than the previous one.

132. Many respondents objected to the proposed clarification because they believed that the application of the definition would result in significant changes to their current practices. There was much concern expressed about the fact that the clarified definition in the Exposure Draft did not appear to adequately provide for the appropriate reporting of the proceeds of debt issuances that are used to finance capital projects. Several respondents suggested that the definition of a capital projects fund should reflect current practice as it has evolved. That is, they believe that the terminology in the definition (or the title of the fund itself) should be altered to be more representative of current practice. Some suggested that the term *major capital facilities* be defined to include items that clearly would not meet most definitions of *facilities* (equipment, for example), and others recommended that the reference be to capital *projects* rather than capital *facilities*. Other respondents suggested limiting the activity in the fund type to all capital expenditures requiring debt or the accumulation of resources, or the construction or acquisition of all

“GAAP capital assets.” The observation also was made that the activity reported in a capital projects fund should relate to a government’s capital budget or long-range plan.

133. The Board considered the comments from the Exposure Draft respondents in light of the fact that the proposed definition did not substantively modify the existing one and evaluated alternative courses of action that could be taken. Ultimately, the Board agreed to modify the definition to focus on a broader, more consistently understood notion of capital outlays, rather than the inconsistently interpreted reference to capital facilities in the previous definition. The Board concluded that use of the term *capital outlays* allows for the inclusion of expenditures for items that are capital in nature but may not qualify for financial reporting as capital *assets* under a government’s capitalization policy. Many Exposure Draft respondents were concerned about project resources that are spent for items that may not be capitalized. The Board recognizes that the definition in this Statement embraces current practice more so than the intent of the original definition. However, the Board does not believe that limiting the activity in capital projects funds to acquisition and construction of major capital facilities, as defined in the narrow sense, adequately captures the breadth of capital activities common in today’s environment, or that it provides essential, decision-useful information.

Permanent Fund Type

134. The definition of the permanent fund type is included in this Statement only to incorporate minor wording changes in the interest of consistency with the other definitions in this Statement. This Statement does not affect the requirement to report permanent funds pursuant to the definition.

Basis for Board Member Dissent

135. Mr. Williams dissents because he disagrees with the provision in paragraph 18 for allowing the use of a spending prioritization policy to determine the composition of fund balance (restricted, committed, assigned, and unassigned) when an expenditure is incurred for a purpose for which some or any of those classifications could be applied. Instead, he believes qualifying amounts should be considered expended in the hierarchy's descending order, which is consistent with the guidance in paragraph 18 for governments that have not established their own spending prioritization policies. He believes unless these higher level constraints are reduced first by qualifying amounts, a government's fund balance would show constrained amounts when expenditures have already satisfied those constraints. He therefore considers the application of a spending prioritization policy other than the hierarchy's descending order to be arbitrarily applied form over substance.

136. Mr. Williams believes a major purpose of the Board's changes in fund balance classifications is to increase transparency about applicable constraints. He believes allowing governments to apply the spending prioritization policy approach reduces transparency by reporting constraints on fund balance when such constraints have already been met. He also believes the spending prioritization policy approach will result in unduly complicated disclosures and less consistency, comparability, and usefulness of fund balance information.

Appendix C

ILLUSTRATION

137. The facts assumed in this example are illustrative only and are not intended to modify or limit the requirements of this Statement or to indicate the Board’s endorsement of the approach illustrated. Application of the provisions of this Statement may require assessment of facts and circumstances other than those illustrated here. The disclosures required by this Statement are generally of a “policies and procedures” nature, which should be specific to each government. Consequently, to avoid unintentionally influencing the content of those disclosures, they are not illustrated in this appendix.

Illustrative Fund Balance Section

Exhibit 1 depicts the fund balance section of the balance sheet from the governmental funds financial statements of a hypothetical government. In this Exhibit, the government has chosen to present the specific purpose details required by paragraph 22 on the face of the balance sheet. Exhibit 2 illustrates the same fund balance information, but in this case, the government has chosen to display the fund balance classifications in the aggregate. The specific purpose details, in the latter case, would be disclosed in the notes to the financial statements. Alternatively, the government could have used a combination of both approaches—display some classifications in the aggregate and others in detail.

Exhibit 1

	General Fund	Major Special Revenue Funds Highway Fund	School Aid Fund	Major Debt Service Fund	Major Capital Projects Fund	Other Funds	Total
Fund balances:							
Nonspendable:							
Inventory	\$ 125,000	\$ 108,000	\$ 16,000	—	—	—	\$ 249,000
Permanent fund principal	—	—	—	—	—	\$ 164,000	164,000
Restricted for:							
Social services	240,000	—	—	—	—	—	240,000
Parks and recreation	80,000	—	—	—	—	—	80,000
Education	55,000	—	—	—	—	—	55,000
Highways	—	—	—	—	\$ 444,000	—	444,000
Road surface repairs	—	24,000	—	—	—	—	24,000
Debt service reserve	—	—	—	\$ 206,000	—	—	206,000
School construction	—	—	—	—	301,000	—	301,000
Law enforcement	—	—	—	—	—	214,000	214,000
Other capital projects	—	—	—	—	51,000	—	51,000
Other purposes	30,000	—	—	—	—	—	30,000
Committed to:							
Zoning board	16,000	—	—	—	—	—	16,000
Economic stabilization	210,000	—	—	—	—	—	210,000
Homeland security	110,000	—	—	—	—	—	110,000
Education	50,000	—	103,000	—	—	—	153,000
Health and welfare	75,000	—	—	—	—	—	75,000
Assigned to:							
Parks and recreation	50,000	—	—	—	—	—	50,000
Library acquisitions	50,000	—	—	—	—	—	50,000
Highway resurfacing	—	258,000	—	—	—	—	258,000
Debt service	—	—	—	306,000	—	—	306,000
Public pool	—	—	—	—	121,000	—	121,000
City Hall renovation	—	—	—	—	60,000	—	60,000
Other capital projects	50,000	—	—	—	471,000	—	521,000
Other purposes	80,000	—	73,000	—	—	176,000	329,000
Unassigned:	525,000	—	—	—	—	—	525,000
Total fund balances	\$ 1,746,000	\$ 390,000	\$ 192,000	\$ 512,000	\$ 1,448,000	\$ 554,000	\$ 4,842,000

This level of detail is not required for display on the face of the balance sheet. Fund balance categories and classifications may be presented in detail or in the aggregate if sufficient detail is provided in the notes to the financial statements.

Exhibit 2

	General Fund	Major Special Revenue Funds Highway Fund	School Aid Fund	Major Debt Service Fund	Major Capital Projects Fund	Other Funds	Total
Fund balances:							
Nonspendable	\$ 125,000	\$ 108,000	\$ 16,000	—	—	\$ 164,000	\$ 413,000
Restricted	405,000	24,000	—	\$ 206,000	\$ 796,000	214,000	1,645,000
Committed	461,000	—	103,000	—	—	—	564,000
Assigned	230,000	258,000	73,000	306,000	652,000	176,000	1,695,000
Unassigned	525,000	—	—	—	—	—	525,000
Total fund balances	<u>\$ 1,746,000</u>	<u>\$ 390,000</u>	<u>\$ 192,000</u>	<u>\$ 512,000</u>	<u>\$ 1,448,000</u>	<u>\$ 554,000</u>	<u>\$ 4,842,000</u>

Appendix D

CODIFICATION INSTRUCTIONS

138. The sections that follow update the June 30, 2008, *Codification of Governmental Accounting and Financial Reporting Standards* for the effects of this Statement. Only the paragraph number of the Statement is listed if the paragraph will be cited in full in the Codification.

* * *

FUND ACCOUNTING

SECTION 1300

Sources: [Add the following:] GASB Statement 54

.103 [Add GASBS 54, ¶28, to the sources.]

.104 [Revise, as follows:] The *general fund* should be used to account for and report all financial resources not accounted for and reported in another fund. [GASBS 54, ¶29]

.105 [Revise as follows:] *Special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Those specific restricted or committed revenues may be initially received in another fund and subsequently distributed to a special revenue fund. Those amounts should not be recognized as revenue in the fund initially receiving them; however, those inflows should be recognized as revenue in the special revenue fund in which they will be expended in accordance with specified purposes. The restricted or committed proceeds of specific revenue sources should be

expected to continue to comprise a substantial portion of the inflows reported in the fund.³ Other resources (investment earnings and transfers from other funds, for example) also may be reported in the fund if those resources are restricted, committed, or assigned to the specified purpose of the fund. A stabilization arrangement (as discussed in paragraphs .157 and .158 of Section 1800) would satisfy the criteria to be reported as a separate special revenue fund only if the resources derive from a specific restricted or committed *revenue* source. Governments should discontinue reporting a special revenue fund, and instead report the fund's remaining resources in the general fund, if the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources. Resources restricted to expenditure for purposes normally financed from the general fund may be accounted for through the general fund provided that applicable legal requirements can be appropriately satisfied; and use of special revenue funds is not required unless they are legally mandated. The general fund of a blended component unit should be reported as a special revenue fund. Special revenue funds should not be used to account for resources held in trust for individuals, private organizations, or other governments. Governments should disclose in the notes to the financial statements the purpose for each major special revenue fund—identifying which revenues and other resources are reported in each of those funds. [NCGAS 1, ¶30; GASBS 14, ¶54; GASBS 54, ¶21, and ¶30–¶32]

.106 [Revise as follows:] *Capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital

³[Insert footnote 3; renumber remaining footnotes.]

outlays including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. Capital outlays financed from general obligation bond proceeds should be accounted for through a capital projects fund. [NCGAS 1, ¶10; GASBS 54, ¶33]

.107 [Revise as follows:] *Debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The debt service transactions of a special assessment issue for which the government is not obligated in any manner should be reported in an agency fund (see paragraph .114) rather than a debt service fund to reflect the fact that the government's duties are limited to acting as an agent for the assessed property owners and the bondholders, as discussed in Section S40, paragraph .119. [GASBS 6, ¶19; GASBS 54, ¶34]

.108 [Revise as follows:] *Permanent funds* should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs—that is, for the benefit of the government or its citizenry.⁴ Permanent funds do not include private-purpose trust funds (defined in paragraph .113), which should be used to report situations in which the government is required to use the principal or earnings for the benefit of

individuals, private organizations, or other governments. [GASBS 34, ¶65; GASBS 54, ¶35]

⁴[Insert current footnote 3.]

.117 [Replace the last sentence with the following:] Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. (See Section 1600, paragraph 124, about fund expenditure and liability recognition.) [NCGAS 1, ¶30, as amended by GASBS 6, ¶13; GASBS 54, ¶34]

* * *

REPORTING LIABILITIES

SECTION 1500

Sources: [Add the following:] GASB Statement 54

.113 [Replace current paragraph .113 with GASBS 54, ¶34.]

* * *

BASIS OF ACCOUNTING

SECTION 1600

.115 [Delete the first sentence; revise the second sentence as follows:] When property taxes are measurable but not available, the collectible portion (taxes levied less estimated uncollectibles) should be recorded as a deferred revenue in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. [NCGAS 1, ¶119, as amended by GASBS 33, ¶17; GASBS 54, ¶5]

.124 [Replace the last sentence with the following:] Accumulated amounts should be reported in the appropriate fund balance classification.¹² (See paragraphs .145–.149 in Section 1800.) [GASBI 6, ¶16, as amended by GASBS 54, ¶5]

¹²[Insert current footnote 11.]

* * *

THE BUDGET AND BUDGETARY ACCOUNTING

SECTION 1700

.128 [Replace subparagraph c with the following and eliminate subparagraph d:]

- c. Significant encumbrances should be disclosed in the notes to the financial statements by major funds and nonmajor funds in the aggregate in conjunction with required disclosures about other significant commitments. Encumbered amounts for specific purposes for which resources already have been restricted, committed, or assigned should not result in separate display of the encumbered amounts within those classifications. Encumbered amounts for specific purposes for which resources have not been previously restricted, committed, or assigned should not be classified as unassigned but, rather, should be included within committed or assigned fund balance, as appropriate, based on the definitions and criteria in paragraphs .147 through .153 of Section 1800.

[NCGAS 1, ¶91, as amended by GASBS 54, ¶24]

* * *

CLASSIFICATION AND TERMINOLOGY

SECTION 1800

Sources: [Add the following:] GASB Statement 54

.134 [Revise current footnote 6 as follows:]

⁷Because different measurement focuses and bases of accounting are used in the government-wide statement of net assets than in governmental fund statements, amounts reported as *restricted fund balances* in governmental funds may be different from amounts reported as *restricted net assets* in the statement of net assets. [GASBS 34, fn24, as amended by GASBS 54, ¶8]

.140 [Revise as follows:] In the governmental environment, resources are often assigned or committed to specific purposes, indicating that those amounts are not considered to be available for general operations. In contrast to *restricted* amounts, these types of constraints on resources are *internal* and can be removed or modified. As described in paragraph .134, however, *enabling legislation* established by the reporting government should not be construed as an *internal constraint*. Assignments and commitments should not be reported on the face of the statement of net assets. [GASBS 34, ¶37, as amended by GASBS 54, ¶10–¶16]

[Delete current paragraphs .142–.146, including heading. Insert new paragraphs .142–.162, including headings and footnotes, as follows; update cross-references; and renumber subsequent paragraphs and footnotes.]

.142–.162 [GASBS 54, ¶5–¶25]

Stabilization Arrangements

.163 [GASBS 54, ¶26, including subparagraphs; revise first sentence as follows:] Governments that establish stabilization arrangements as discussed in paragraph .157, even if an arrangement does not meet the criteria to be classified as restricted or committed, should disclose the following information in the notes to the financial statements:

Minimum Fund Balance Policies

.164 [GASBS 54, ¶27]

* * *

Sources: [Add the following:] GASB Statement 54

.119 [Revise footnote 13 as follows:]

¹³Because different measurement focuses and bases of accounting are used in the government-wide statement of net assets and in governmental fund statements, amounts reported as *restricted fund balances* in governmental funds may be different from amounts reported as *restricted net assets* in the statement of net assets. [GASBS 34, fn24, as amended by GASBS 54, ¶8]

.125 [Revise the first and last sentences as follows:] In the governmental environment, management often commits or assigns resources to be used for specific purposes, indicating that those amounts are not considered to be available for general operations. Assignments and commitments should not be reported on the face of the statement of net assets. [GASBS 34, ¶37, as amended by GASBS 54, ¶10–¶16]

[Replace current paragraph .157, including heading, with the following:]

Displaying fund balance classifications

.157 Amounts for the two components of nonspendable fund balance—(a) not in spendable form and (b) legally or contractually required to be maintained intact—as described in paragraph 6, may be presented separately, or nonspendable fund balance may be presented in the aggregate. (See paragraph .143 of Section 1800.) If nonspendable fund balance is displayed in the aggregate on the face of the balance sheet, totals for the two nonspendable classifications should be disclosed in the notes to the financial statements. Restricted fund balance may be displayed in a manner that distinguishes between the major restricted purposes, or it may be displayed in the aggregate. Similarly, specific purposes information for committed and assigned fund balances may be displayed in sufficient detail so that the major commitments and assignments are evident to the financial statement user, or each classification may be displayed in the aggregate. (See

paragraphs .145–.149 of Section 1800.) If restricted, committed, or assigned fund balance classifications are displayed in the aggregate, specific purposes information should be disclosed in the notes to the financial statements. Governments may display the specific purpose details for some classifications on the face of the balance sheet and disclose the details for other classifications in the notes to the financial statements.

[GASBS 54, ¶22 and ¶25]

.159 [Revise footnote 27:]

²⁷Fund balances should consist of the classifications described in paragraph .157. [GASBS 34, fn38, as amended by GASBS 54, ¶22]

* * *

NOTES TO FINANCIAL STATEMENTS

SECTION 2300

Sources: [Add the following:] GASB Statement 54

.106 [Add the following subparagraph (13) at the end of subparagraph a:]

(13) The government’s fund balance classification policies and procedures. (See Section 1800, “Classification and Terminology,” paragraph .155.)

[Delete subparagraph e; renumber subsequent subparagraphs.]

[Revise new subparagraph k as follows:]

k. Construction and other significant commitments, including encumbrances, if appropriate. (See Section 1700, “The Budget and Budgetary Accounting,” paragraph .128c.)

[NCGAS 1, ¶158; NCGAI 6, ¶4, as amended; GASBS 34, ¶113–¶123; GASBS 38, ¶6, ¶7, ¶9, ¶10, ¶14, and ¶15; GASBS 54, ¶23 and ¶24]

.107 [Revise subparagraph l as follows:]

l. Fund balance classification details. (See Section 1800, paragraph .160.)

[Insert new subparagraphs kk, ll, and mm at the end of the paragraph.]

- kk. Stabilization arrangements. (See Section 1800, paragraph .163.)
- ll. Minimum fund balance policies. (See Section 1800, paragraph .164.)
- mm. Information about major special revenue funds. (See Section 1300, paragraph 105.)

[NCGAI 6, ¶5, as amended; GASBS 34, ¶46, ¶56, ¶77, ¶89, and fn41; GASBS 38, ¶13; GASBS 42, ¶17; GASBS 43, ¶30; GASBS 46, ¶6; GASBS 54, ¶23–¶27, and ¶32]

* * *

STATISTICAL TABLES

SECTION 2800

.111 [Revise subparagraph a as follows:]

- a. Governments should present the required classifications of fund balances for both (1) the general fund and (2) all other governmental funds in the aggregate.

[GASBS 44, ¶12, as amended by GASBS 54, ¶5]

* * *

CLAIMS AND JUDGMENTS

SECTION C50

.134 [Revise the last sentence as follows; delete footnote 11; renumber subsequent footnotes.] In governmental funds, the deposit amount should be classified as nonspendable fund balance because it is considered contractually required to be maintained intact. [GASBI 4, ¶4, as amended by GASBS 54, ¶6]

.138 [Revise the last sentence as follows; delete footnote 15; renumber subsequent footnotes.] If prepaid insurance is reported, the deposit amount should be classified as nonspendable fund balance because it is not in spendable form. [GASBI 4, ¶7, as amended by GASBS 54, ¶6]

* * *

NONEXCHANGE TRANSACTIONS

SECTION N50

Sources: [Add the following:] GASB Statement 54

.111 [Delete the first sentence in footnote 8.] [GASBS 33, fn9, as amended by GASBS 54, ¶5]

.119 [Delete footnote 12; renumber subsequent footnotes.]

* * *

PROPERTY TAXES

SECTION P70

[Delete current paragraph .105; renumber subsequent paragraphs.]

.109 [Revise as follows:] Details of the governmental unit's property tax calendar, including lien dates, levy dates, due dates, and collection dates, should be disclosed in the notes to the financial statements. [NCGAI 3, ¶11, as amended by GASBS 54, ¶5]

* * *

PENSION PLANS—DEFINED BENEFIT

SECTION Pe5

.124 [Delete footnote 14; renumber subsequent footnotes.]

* * *

POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS

SECTION Po50

.126 [Delete footnote 11; renumber subsequent footnotes.]

§924. Surplus funds

The county commissioners of each county shall use any unencumbered surplus funds at the end of a fiscal year in the following fiscal year only as provided in this section. [PL 2005, c. 84, §2 (AMD).]

1. Restore contingent fund. The county commissioners shall first use any unencumbered surplus funds to restore the contingent account as provided in section 922, subsection 2.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

2. Reduce tax levy. After restoring the contingent account under subsection 1, the county commissioners shall use any unencumbered surplus funds to reduce the tax levy in the following fiscal year as provided in this subsection. The county commissioners shall use any remaining unencumbered surplus funds in excess of 15% for the fiscal year beginning in 2002, 18% for the fiscal year beginning in 2003 and 20% for the fiscal year beginning in 2004 and each fiscal year thereafter of the amount to be raised by taxation in the following fiscal year to reduce the tax levy in that year. The county commissioners may not commit taxes to be raised in any fiscal year until the county commissioners have complied with this subsection.

[PL 2001, c. 349, §6 (AMD).]

3. Other uses; working capital. After compliance with subsection 2, the county commissioners may use any remaining unencumbered surplus funds to fund a county charter commission, as provided in section 1322, subsection 4, or to establish or fund a capital reserve account under section 921, including a corrections services capital reserve account, as provided in section 5801. If not used for these purposes, any remaining surplus funds may not be expended but must be retained as working capital for the use and benefit of the county except that correctional unencumbered surplus may not lapse to the county's noncorrectional fund balance but must be carried forward as the county or regional jail authority correctional services fund balance. Correctional services funds may be expended only for corrections services.

[PL 2009, c. 391, §3 (AMD).]

4. Unencumbered surplus funds defined. As used in this section, the term "unencumbered surplus funds" means the actual revenue in excess of estimates, as filed with the Office of the State Auditor for that fiscal year; all unexpended account balances at the end of that fiscal year, not including capital reserve accounts established pursuant to section 921; all overlay as permitted under section 706; and any unexpended balances carried forward from prior fiscal years, including amounts retained as working capital.

[PL 2001, c. 349, §6 (NEW); PL 2013, c. 16, §10 (REV).]

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1993, c. 573, §3 (AMD). PL 2001, c. 349, §6 (AMD). PL 2005, c. 84, §2 (AMD). PL 2009, c. 391, §3 (AMD). PL 2013, c. 16, §10 (REV).

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Cumberland County

27 Northport Dr
Portland, ME 04103

Position Paper

File #: 25-115

Agenda Date: 10/20/2025

Agenda #:

Agenda Item Request:

Transfer FY25 fund balance to the strategic planning reserve account

Background and Purpose of Request:

As of Friday, staff have not heard from the auditors on the outcomes of the most recent audit. This memo serves as a placeholder on Monday's agenda. Staff will present an amended memo on Monday for Commissioner review.

The FY25 budget ended June 30, 2025. Now two+ months into the new budget, staff has learned of the 2024-2025-year end financial position from the auditors. The audited final expenditure and revenue lines show positive signs, allowing staff to explore transferring some of these funds into a reserve account in order to take care of capital and expenditure items that were not able to be funded in the 2025 budget.

The County received word this week from the auditors that the 20% unassigned fund balance has been obtained and adding any fund balance from 2024-2025 would exceed the cap. Staff brings forth a need to gain capacity in contingency accounts for legal, rents, union contracts and uncompensated absences, while also funding a number of projects that were slated for current and future budgets, but removed due to impacts to the tax rate. They are now proposed to be funded through the 2024/2025 fund balance.

In addition, four union contracts were negotiated this past year, of which, three have been settled. Those contracts exceeded the budgeted increases and also extended into the new budget year, requiring backpay.

The County has had a long-standing Strategic Planning Reserve, which has allowed projects throughout the year to be funded that were not considered in that year's general fund allocation. This fund has dwindled and there is a need to add funding capacity. I request the Commissioners consider transferring \$XXXX of the FY25 year-end fund balance to the Strategic Planning Reserve to cover the following items.

The funding would be set aside in the Reserve, allowing the following projects to receive funding:

Jail POD Shower Facilities	\$	
Jail Kitchen Tile Floor Renovation		\$
Jail Camera System Phase II	\$	
CCRCC Kitchen Remodel	\$	
Sheriff Office DRONE	\$	
CCRCC Standish Equipment Building		\$
Courthouse Fire Alarm Panel PH 1	\$	
Courthouse Upgrade for DA Space	\$	
Pearl & Milk Street Lease Agreements		\$
Miscellaneous CAPx Expenditures	\$	
Window Blinds for Probate Office	\$	
Back Pay for Union Contracts	\$	

Uncompensated Absences

\$

\$

Jail POD Shower Floors - the shower floors need significant attention. Instead of repainting these floors every other year, staff is looking into alternative materials for longevity and less maintenance. This is needing attention due to jail accreditation standards.

Jail Kitchen Floor - the jail kitchen floor tiles are broken and many large areas need to be replaced. This is not an easy task with the equipment the kitchen has.

Jail Camera System - the Geuterbruk camera system at the jail is at the end of its serviceable life. The system has a server and records to DVR. Most of the cameras on this system are no longer supported. We need to assure safety and security at the jail 24/7/365. This would be Phase I of a multi-phased project.

CCRCC Kitchen Remodel - the current kitchen is twenty years old and is need of some new cabinets and flooring. The 24-hour facility has seen its share of wear and tear over the years of operation. The County completely updated the dispatch room, but were not able to address flooring and kitchen cabinets outside the room.

Sheriff Office Drone - the SO needs a new drone for their public safety operations. They have the ability to receive a trade-in of their existing drone, but need additional capital to purchase a new drone.

CCRCC Standish Equipment Building - currently the County stores its new digital radio system in an old shed at the Standish Fire Station. The equipment supports antenna located on the tower on-site. This past winter the equipment was the home to a number of nests from mice in the building. There is a need to move the equipment out of this inadequate shelter and install in a more structurally sound shelter on-site.

Courthouse Fire Alarm Panel - The Courthouse needs a new Fire Alarm System. The more immediate need is a new fire alarm panel. The requested funds would be for the purchase and installation of a new panel. This would be the first phase of many phases to come.

Courthouse Upgrade DA - the DA's office is moving up into the space Northport staff left. For this to happen, it is a good time to paint, carpet and do other cosmetic repairs to the space prior to DA staff moving in. For security reasons, security infrastructure on the first floor is necessary.

Pearl & Milk Street Leases - At this time staff have been unable to sublease the Pearl Street space due to a variety of reasons. The Milk Street space is small and we only have a few more months left on the lease. Staff did not budget for either lease this year and the way subletting has gone over the last five months, we are not hopeful this will happen. With the short-term lease left, it has been difficult to sub-lease these spaces, in particularly the Pearl Street office.

Miscellaneous - We had a lean budget when it came to capital for FY26. This line will help absorb small items that may pop up during the remainder of the fiscal year.

Window Blinds for Probate Office - the Office is in much need of new blinds for their workspace. The windows along their side of the building gets the sun the majority of the day.

Back Pay for Union Contracts - Contract negotiations and the need to have an appropriate funding to support the contracts settled.

Uncompensated Absences - this fund pays employee compensation (sick and vacation) upon separation of service. The fund needs to have additional capital due to a number of long-term employees reaching retirement.

Recommendation:

Transfer \$XXXX from the FY25 Year-end Fund Balance to the Strategic Planning Reserve.



CUMBERLAND COUNTY COMMISSIONERS
POSITION PAPER OF THE COUNTY MANAGER

Date: October 20, 2025

Subject: Placeholder - Transferring FY25 Year End Fund Balance

Position:

As of Friday, staff have not heard from the auditors on the outcomes of the most recent audit. This memo serves as a placeholder on Monday's agenda. Staff will present an amended memo on Monday for Commissioner review.

The FY25 budget ended June 30, 2025. Now two+ months into the new budget, staff has learned of the 2024-2025-year end financial position from the auditors. The audited final expenditure and revenue lines show positive signs, allowing staff to explore transferring some of these funds into a reserve account in order to take care of capital and expenditure items that were not able to be funded in the 2025 budget.

The County received word this week from the auditors that the 20% unassigned fund balance has been obtained and adding any fund balance from 2024-2025 would exceed the cap. Staff brings forth a need to gain capacity in contingency accounts for legal, rents, union contracts and uncompensated absences, while also funding a number of projects that were slated for current and future budgets, but removed due to impacts to the tax rate. They are now proposed to be funded through the 2024/2025 fund balance.

In addition, four union contracts were negotiated this past year, of which, three have been settled. Those contracts exceeded the budgeted increases and also extended into the new budget year, requiring backpay.

The County has had a long-standing Strategic Planning Reserve, which has allowed projects throughout the year to be funded that were not considered in that year's general fund allocation. This fund has dwindled and there is a need to add funding capacity. I request the Commissioners consider transferring \$XXXX of the FY25 year-end fund balance to the Strategic Planning Reserve to cover the following items.

The funding would be set aside in the Reserve, allowing the following projects to receive funding:

Jail POD Shower Facilities	\$
Jail Kitchen Tile Floor Renovation	\$
Jail Camera System Phase II	\$
CCRCC Kitchen Remodel	\$
Sheriff Office DRONE	\$
CCRCC Standish Equipment Building	\$
Courthouse Fire Alarm Panel PH 1	\$
Courthouse Upgrade for DA Space	\$
Pearl & Milk Street Lease Agreements	\$
Miscellaneous CAPx Expenditures	\$
Window Blinds for Probate Office	\$
Back Pay for Union Contracts	\$
Uncompensated Absences	<u>\$</u>
	\$

Jail POD Shower Floors – the shower floors need significant attention. Instead of repainting these floors every other year, staff is looking into alternative materials for longevity and less maintenance. This is needing attention due to jail accreditation standards.

Jail Kitchen Floor – the jail kitchen floor tiles are broken and many large areas need to be replaced. This is not an easy task with the equipment the kitchen has.

Jail Camera System – the Geuterbruk camera system at the jail is at the end of its serviceable life. The system has a server and records to DVR. Most of the cameras on this system are no longer supported. We need to assure safety and security at the jail 24/7/365. This would be Phase I of a multi-phased project.

CCRCC Kitchen Remodel – the current kitchen is twenty years old and is need of some new cabinets and flooring. The 24-hour facility has seen its share of wear and tear over the years of operation. The County completely updated the dispatch room, but were not able to address flooring and kitchen cabinets outside the room.

Sheriff Office Drone – the SO needs a new drone for their public safety operations. They have the ability to receive a trade-in of their existing drone, but need additional capital to purchase a new drone.

CCRCC Standish Equipment Building – currently the County stores its new digital radio system in an old shed at the Standish Fire Station. The equipment supports antenna located on the tower on-site. This past winter the equipment was the home to a number of nests from mice in the building. There is a need to move the equipment out of this inadequate shelter and install in a more structurally sound shelter on-site.

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Cumberland County

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County Manager