

Barnstable County

MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



For the Year Ended June 30, 2023

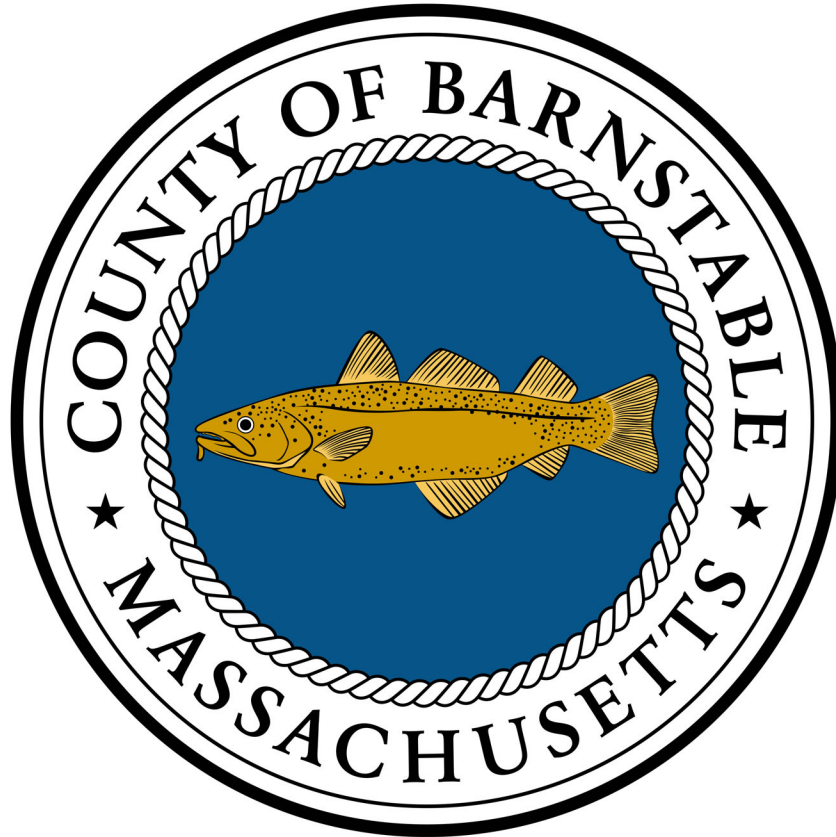
Elizabeth Albert, County Administrator
Carol Coppola, Finance Director

Prepared by the Finance Department



County Complex

Barnstable County, Massachusetts



**Annual Comprehensive
Financial Report**

**For the Year
July 1, 2022 through June 30, 2023**

Prepared by the Finance Department

BARNSTABLE COUNTY, MASSACHUSETTS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023

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Introductory Section



Barnstable County Superior Court House

Introductory Section

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BARNSTABLE COUNTY
SUPERIOR COURTHOUSE
3195 MAIN STREET
P.O. BOX 427
BARNSTABLE, MASSACHUSETTS 02630

Letter of Transmittal

December 29, 2023

To the Barnstable Board of Regional Commissioners, the Assembly of Delegates, and the Citizens of Barnstable County:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of Barnstable County, Massachusetts for the fiscal year ended June 30, 2023, together with the report of our independent certified public accountants, Powers & Sullivan, LLC. This report is published to provide the Board of Regional Commissioners, Assembly of Delegates, citizens, county staff and other readers with detailed information about the financial position and results of operations of the County, and to demonstrate the fiscal and operational accountability in the use of County resources.

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

The Report

In accordance with Massachusetts General Law, Barnstable County is required to publish at the close of each year a complete set of financial statements. Barnstable County's financial statements have been audited by Powers & Sullivan, LLC, a firm of licensed certified public accountants. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements: assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on Barnstable County's financial statements for the year ended June 30, 2023, and that they are fairly presented in accordance with GAAP.

The independent audit of the financial statements of Barnstable County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in Barnstable County’s separately issued Single Audit Report.

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

Profile of Barnstable County

Founded in 1685, one of the oldest Counties in the United States, fifteen towns comprise Barnstable County. An arm-shaped peninsula extending into the Atlantic Ocean from the southeast corner of Massachusetts, Barnstable County is coextensive with Cape Cod. Since 1914, most of Cape Cod has been separated from the mainland by the Cape Cod Canal. The canal cuts 7 miles (11 km) roughly across the base of the peninsula, though small portions of the Cape Cod towns of Bourne and Sandwich lie on the mainland side of the canal. Two highway bridges cross the Cape Cod Canal: the Sagamore Bridge and the Bourne Bridge. In addition, the Cape Cod Canal Railroad Bridge carries railway freight and provides limited passenger service onto the Cape.

Barnstable County’s historic, maritime character and abundant beaches attract millions of tourists each summer. The County encompasses 394 square miles and contains 560 miles of coastline which includes the Cape Cod National Seashore featuring pristine beaches, marshes, ponds, and uplands support diverse species. Defined by the limitations and expanses of land and water, this narrow land has a unique place in the national historical narrative.

Demographic Trends

Barnstable County, with a population of 228,996 people, is the 9th most populated county in the state of Massachusetts out of 14 counties (2020 U.S. Census). In 2020, Barnstable County had the fourth highest in-migration in the country. The 2020 population count exceeded prior projections which anticipated a decline in population. Between 2010 and 2020, the overall population of Barnstable County increased by 6.1%. In comparison, the state population grew by 7.4% during this period.

Nearly half of the total population of Barnstable County reside in the three largest towns (Barnstable, Falmouth, and Yarmouth) and population size becomes smaller in towns of the Lower Cape (Harwich, Brewster, Chatham, and Orleans) and Outer Cape (Eastham, Wellfleet, Truro, and Provincetown), many of which are considered rural. However, nearly all Cape Cod towns increased in population over the course of

the past decade. The Town of Wellfleet showed the largest percent increase, up approximately 30% since 2010. Provincetown and Truro also showed significant growth, at 25% and 23%, respectively. Sandwich was the only town to have lost residents, showing a population decline of 416.

Barnstable County has the highest percentage of residents over the age of 75 in the state. Several Cape towns have a notably higher percentage of older residents – Eastham, Orleans, and Chatham. Residents over the age of 55 make up 49% of the total population in the County and 66% of total households. The County also has a higher percentage of veterans and residents with disabilities compared to the rest of the state. The county remains predominantly White, non- Hispanic (88%) with about 25,000 residents identifying as a racial or ethnic minority (2020 U.S. Census).

Organization

The Barnstable County Home Rule Charter was adopted in 1988 and is the governance document of the county. The Charter outlines the powers and duties of the legislative branch, the Assembly of Delegates and the executive branch, the Board of Regional Commissioners. The Barnstable County Charter has the following provisions: 1) Creation of a legislative branch with authority to adopt municipal ordinances, the Assembly of Delegates (an elected delegate from each of the 15 towns); 2) Creation of an executive branch in charge of supervising and directing the activities of all Cape Cod regional government entities, the Board of Regional Commissioners (three-person board elected for a three year term); 3) Creation of municipal petition and citizen’s initiative processes. The County operates under the provisions of the County Charter and Administrative Code of Barnstable County, as well as the Massachusetts Constitution and General Laws of the Commonwealth. Commissioner action is affected by a simple majority vote of two of the three Board members. Whereas the Assembly of Delegates use a weighted voting system. A delegate’s vote is weighted by the population percentage in each town based on the most recent census information available.

The Registry of Deeds is a county office operated under the supervision of the Register of Deeds, an elected county official. The Register of Deeds is also an Assistant Recorder of the Massachusetts Land Court. All transactions recorded in the land court section of the Registry deal with registered land, the title to which is insured by the Commonwealth. The Registry handles all property records for Barnstable County, serving all 15 towns on Cape Cod.

The Cape Cod Commission is the regional land use planning, economic development, and regulatory agency created in 1990 to serve the citizens and 15 towns of Barnstable County, Massachusetts. Although it is an agency of Barnstable County regional government, it is funded separately through the Cape Cod Environmental Protection Fund and supplemented by grants.

Financial Management

The County annually prepares and updates a five-year capital improvement plan. This document is prepared by County administration in conjunction with finance and facility department directors. The five-year plan is

submitted to the Board of Regional Commissioners for review and approval and then introduced to the Assembly of Delegates for adoption.

The five-year capital improvement plan (CIP), submitted in the fall/winter of each year, provides a blueprint for planning the County's capital expenditures and is one of the most important responsibilities of governmental entities. It coordinates community planning, financial capacity and physical development. A CIP is composed of two parts – a capital program and a capital budget. The capital program identifies capital items, provides a planning schedule and offers financing options. The capital budget is the upcoming year's spending plan for capital items that is presented to the legislative body for approval.

The proposed capital plan includes projects supporting PFAS remediation, Barnstable County infrastructure building and infrastructure and necessary equipment resources totaling \$30.9 million. Funding sources include State Court leasing provisions, grant and donation funding as well as County debt.

As the foundation of the County's annual financial planning and control, the budget is prepared and adopted for the General, Cape Cod Commission, Dredge Enterprise and Capital Funds through the ordinance process. The ordinance adopting the budget establishes appropriations for expenditures within each fund which cannot legally be exceeded. The budget is voted at the individual department level. The expenditure appropriations lapse at the end of the fiscal year for all appropriations except those designated as Capital. Additional resources and corresponding expense appropriations may be added to the budget during the fiscal year through a supplemental budget process. Original and supplemental budgets may be modified during the fiscal year with strict adherence to the process set forth within the Barnstable County Financial Policies.

Major Source of Revenue

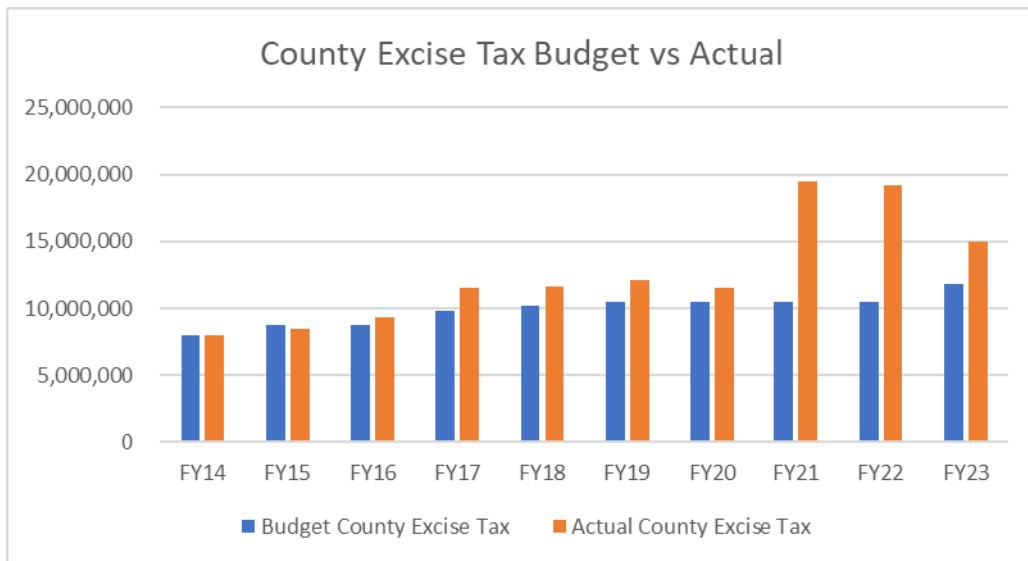
The Registry of Deeds is a county office operated under the supervision of the Register of Deed, an elected county official. The statutory mandate of the registry is to record all documents and plans that purport to affect the title to real property in the County of Barnstable. All transactions recorded in the land court section of the Registry deal with registered land, the title to which is insured by the Commonwealth. The remaining transactions are recorded in the Recorded Land section of the registry, where title is independently reviewed and insured by legal practitioners and title companies.

The registry collects a recording fee for each transaction and a Deeds Excise Tax for each deed recorded with consideration in excess of \$100. The fees are broken up into 4 components: State Recording fee, County Recording fee, Community Preservation Act (CPA) surcharge & Deeds Technology Fund (DTF) surcharge. Excise tax is split into State & County. The State rate is charged at \$1.71 per \$500 consideration. The County rate is \$1.54 per \$500 consideration. The State Recording fee, CPA & excise tax are paid monthly directly by the registry to the Commonwealth of Massachusetts Department of Revenue. The DTF surcharge is paid monthly directly by the registry to the Commonwealth of Massachusetts Treasurer and is allocated to the County Deeds Tech Fund account. The County Recording fees and excise tax are paid monthly by the Register to Barnstable County. Registry of Deeds revenue comprises over 67 % of the total revenue collected by Barnstable County.

Revenue Forecast

The County's primary source of revenue is from deeds excise tax collected by the Registry of Deeds. Increased interest rates coupled with a lack of housing inventory has slowed the housing market when compared to the 2-year period during COVID (2021 and 2022) which saw unprecedented sales and an increase in the median price of a single-family home. In August 2023 the number of sales of single-family homes in Barnstable County was down by 25% compared to August 2022. The median sale price was \$632,500, .04 % less than the previous August. The Registry reports that deeds revenue was down 19% in the first quarter of FY 24 and the volume of recordings is the lowest since 1982.

Since Barnstable County Government relies heavily on deeds excise for funding and this revenue source is exposed to the volatility of the real estate market, a conservative approach in projecting revenue is required, considering a prolonged high interest rate environment coupled with low volume of home sales.



County Services

Barnstable County focuses its attention on regional issues and resources that impact our coastal waters, environment, and public health and safety. County departments are vibrant and active across the Cape and beyond, providing information, support, and advocacy for environmental issues, technology innovation, emergency preparedness, and more.

As a general-purpose government, the objective of the County is to responsibly manage available resources to deliver professional, efficient, and effective essential regional services. The County's dedicated staff provide a wide array of services to municipalities and residents.

Environmental



- Alternative Septic System Research
- AmeriCorps Cape Cod
- Coastal Flood Plain Planning
- Coastal Resiliency
- Landfill Monitoring
- Municipal Shellfish Propagation
- River Herring Network

Education & Training



- 4-H Youth Services
- Nutrition Education
- Entomology
- Fire Training
- Food Safety
- Hazardous Waste and Recycling Education
- Horticulture
- Human Rights
- Medicare Counseling

Health & Wellness



- Beach Monitoring
- Buy Fresh/Buy Local
- Child Sexual Abuse Services
- Hoarding Task Force
- Homelessness Programs
- Public Health Nursing
- Regional Substance Addiction Council (RSAC) & Prevention Education
- Tobacco Control Program
- Water Quality Lab

Regional Services



- Broadband Access
- Emergency Planning
- Regional Shelters
- Dredging
- IT Regional Services
- Logistical Services to Town Boards of Health
- Septic Loan Program (AquiFund)

American Rescue Plan Act

In 2021 Barnstable County was awarded \$41.4 million dollars in federal American Rescue Plan Act (ARPA). Over the past year, Barnstable County appropriated these funds for several critical initiatives. A significant portion of the ARPA funds, \$11.4 million, was dedicated to homelessness and housing instability with \$3 million focused on enhancing homeless services, \$6.9 million directed towards affordable housing projects, and \$1.5 million to support workforce housing solutions.

The county allocated a substantial \$10 million to all 15 towns across the region. These funds are being used to support local projects aimed at protecting and preserving Cape Cod's water quality.

\$13.7 million of ARPA funds were invested in county projects, including new equipment to improve water quality and protect public health, emergency management upgrades, a regional housing pilot program, and significant capital investments in the Dredge program.

To support the post-COVID recovery, the County granted \$5 million to 20 community-based organizations that faced significant challenges in providing services during the COVID-19 crisis.

Remediating Polyfluoroalkyl Substances (PFAS)

Under the Massachusetts Contingency Plan (MCP) regulated by the Massachusetts Department of Environmental Protection (DEP), Barnstable County was named the responsible party for remediating polyfluoroalkyl substances (PFAS) contamination emanating from the former municipal fire training site. It should be noted that the County never purchased fire-fighting foam (AFFF) used at the site that caused the contamination. AFFF was purchased and used by other parties including municipal fire departments used the training facility. It should also be noted that the costs associated with the MCP regulated PFAS clean up at the former training site is entirely separate from the 2017 settlement agreement that the County reached with the Town of Barnstable (TOB) for groundwater treatment at the Mary Dunn Wells, where the terms of this settlement and associated costs ends in 2037.

As of January 2023, the County's Licensed Site Professional (LSP) estimated the entire cost of the clean-up emanating from PFAS contamination at the former municipal fire training site could exceed \$60 million. This amount includes costs associated with the TOB settlement, completion of MCP Immediate Response Actions (IRA), Phases II, III, and IV, and ongoing costs associated with maintaining the interim groundwater pump and treat system until MCP requirements are fulfilled and the project is closed out.

Funding for this obligation has not yet been identified but could come from a variety of sources – including 0% loans from the Massachusetts Clean Water Trust/State Revolving Fund, ARPA investment of \$4 million, potential legal settlements with the manufacturers, and other town, state, and federal support. County Administration is in the process of identifying all funding options.

Regional Challenges and Opportunities

Coastal Challenges

As a peninsula surrounded by ocean, Cape Cod faces many coastal challenges. The east- and northeast-facing shorelines are particularly prone to erosion, resulting in loss of land within the National Seashore, threats to houses and infrastructure along Cape Cod Bay, and regular changes to navigation from the ever-changing coastal landscape. Flood risk is substantial along the coastlines, with about 20% of land area in the county falling within the regulatory floodplain, where there's a 26% chance of a flood during the course of a 30-year mortgage. As sea levels rise and the area experiences more instances of intense rainfall that exceeds the capacity of existing stormwater infrastructure, those floodplains are expanding. Cape Cod has not experienced a significant storm since Hurricane Bob in 1992, and the development in the high-risk areas has substantially increased in both footprint and value. Beyond the private property, sea level rise and erosion threaten the public beaches that draw the visitors and seasonal residents that serve as a pillar of the local economy.

In addition to flooding and erosion, the area faces challenges to salt and freshwater quality. The high volume of septic systems inundates coastal and freshwater areas with excess nutrients. Sea level rise will result in saltwater infiltration into groundwater increasingly further inland, affecting ecosystems, septic functioning,

and drinking water. Several of these issues are now under investigation, and the extent of the impacts is as yet unknown.

Climate Vulnerability

All 15 municipalities within Cape Cod have completed some level of climate vulnerability outreach with their MVP planning grant. Nine of the 15 municipalities have committees dedicated to energy, climate action, or coastal resiliency (or a combination thereof) that are also charged with public education and outreach. Many of these committees focus on increasing alternative energy use, energy conservation, and energy efficiency. Each municipality varies in the level of education and outreach they have conducted so far, but most partner with nonprofits and other organizations in their educational campaigns. Some towns have expanded their work to focus more on climate impacts and vulnerabilities (especially flooding). For example, the Town of Sandwich Energy Committee is currently conducting a survey on coastal resiliency to inform flood management. The Town of Orleans promotes climate change workshops and resources on its website. See the table on page 8 for more examples of education and advocacy projects. Several towns are part of organizations or collaborations to further their energy goals. For example, Cape Light Compact represents 20 towns in Barnstable and Dukes counties to promote consumer advocacy and education on energy efficiency and renewable energy supply. There are several groups active on Cape Cod that work with municipalities and individuals to further climate education, action, and advocacy. The Cape Cod Climate Change Collaborative works with public and private stakeholders across the Cape and Islands to foster connections, educate, and advocate for decarbonization and climate adaptation actions.

Housing

Affordable and attainable housing for people with various income levels, especially for our labor force, is key to a vibrant, healthy, and resilient region. Cape Cod is facing a significant challenge in providing affordable and attainable housing for current and future Cape Cod residents. This impacts not only those seeking housing but also our economy, as employers struggle to find employees locally and working households are forced off Cape. The region's highly constrained housing market is unaffordable to many Cape Cod residents; a problem which has only become more acute over the past few years as home prices have increased significantly.

The Cape Cod Commission, with other regional partners, is finalizing a Regional Housing Strategy that will address the housing supply and availability issues facing the region by identifying appropriate areas for housing development and crafting model policies and strategies to further its goals. Successful implementation of the Regional Housing Strategy will require a commitment across multiple sectors in partnership with municipalities, businesses, and elected officials to achieve its goals.

Workforce

The high cost of housing and a highly constrained housing inventory has impacted the ability of working households to live on Cape Cod. As a result, municipal and private sector employers have had increasing difficulty in recruiting employees. According to a study completed by the Concord Group in 2022, nearly 48%

of the Barnstable County workforce live outside of the County and travel daily over the canal bridges to and from their places of employment.

Water Quality

With 560 miles of coastline and 890 freshwater lakes and ponds, water quality is critical for the Cape’s tourism and seasonal economy.

The Cape Cod aquifer provides all of the Cape’s drinking water. Approximately 85% of Cape Cod is serviced by public water supplies, with the remaining 15% relying on private or privately-owned small volume wells to provide drinking water. The public water supplies on Cape Cod include eighteen separate water districts, municipal divisions, and departments: pumping from a total of 160 gravel-pack water supply wells and one surface reservoir. Private or small volume wells serve the Outer Cape communities of Truro and Wellfleet, and portions of East Sandwich.

The majority of homes on Cape Cod use on-site septic systems for their wastewater treatment. Cape Cod’s coastal water bodies are severely impacted by nitrogen, primarily from the region’s heavy reliance on septic systems. The environmental impacts include harmful algae blooms in ponds, degradation of seagrass beds, and declining shellfish propagation.

With the adoption of the state’s new title five regulations in 2023, towns will have to apply for a watershed permit and develop a 20-year plan or move to mandatory septic upgrades to be imposed on homeowners who live in nitrogen- sensitive natural resources areas (NRAs) within 5 years.

Barnstable County plays an important role addressing water quality by investing in programs that include the Freshwater Initiative, beach sampling and monitoring, water testing, alternative and innovative septic system research, and a sewer and septic loan program for homeowners.

Economic Forecast

In the fall of 2022 Barnstable County adopted a comprehensive set of financial policies that govern how the County manages all aspects of financial transactions. The financial policies are central to the County’s strategic, long-term approach to financial management. The adoption of formal, written financial policies assist the County to:

- ❖ Institutionalize good financial management practices to promote stability and continuity.
- ❖ Clarify and crystallize strategic intent for financial management by defining a shared understanding of how the County will implement financial practices to provide the best value to the County.
- ❖ Support good bond ratings and thereby reduce the cost of borrowing.
- ❖ Manage risks to financial condition. A key component of governance accountability is not to incur excessive risk in the pursuit of public goals. Financial policies identify important risks to financial condition.

- ❖ Comply with established public management best practices from the Government Finance Officers Association (GFOA), and other organizations.

Barnstable County’s unreserved fund balance has grown substantially since fiscal year 2020 due, in large part, to residential and commercial real estate sales. At 130% of the General Fund Operating budget, the unreserved fund balance totaling \$27 million is currently under study by County Administration and Finance. Proposals supporting special reserves for Capital \$15 million, PFAS remediation and operations \$7.8 million and the establishment of \$2.8 million to support revenue contingencies will provide necessary fiscal conservancy to the County.

The County, through the Ordinance process, appropriated \$2.5 million to support Other Postemployment Benefit (OPEB) funding. While \$100,000 was appropriated during the operating budget process, \$2.4 million was added as supplemental funding. As a result, the most recent OPEB actuarial valuation reduced the overall liability from \$36 million to \$16.7 million, positioning the County in a very favorable position. The County anticipates future funding to the OPEB Trust Fund of \$500,000 on an annual basis.

We believe responsible and prudent financial actions position the County to sustain essential programs and services to respond to regional issues.

Acknowledgements

Preparation of this ACFR could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of Barnstable County. This ACFR reflects the Barnstable County Board of Regional Commissioner’s commitment to the citizens of Barnstable County, and the financial community to maintain financial statements in conformance with the highest standards of financial accountability.

Sincerely,



Elizabeth Albert, County Administrator



Carol Coppola, Finance Director

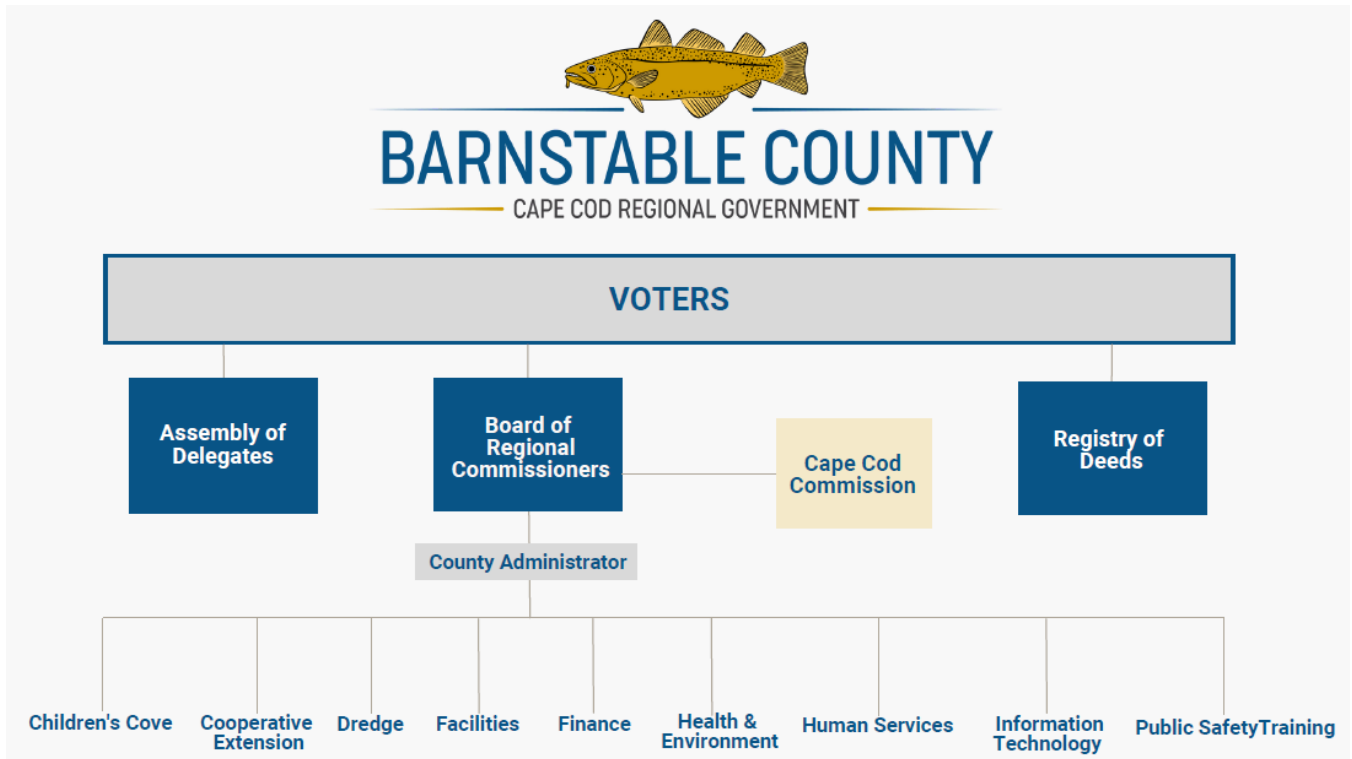
Barnstable County, Massachusetts

Principal Executive Officers as of June 30, 2023

TITLE	NAME	SELECTION	TERM EXPIRES
Board of Regional Commissioners, Chair	Mark Forest	Elected	2024
Board of Regional Commissioners, Vice-Chair	Ronald Bergstrom	Elected	2026
Board of Regional Commissioners	Sheila Lyons	Elected	2024
County Administrator	Elizabeth Albert	Appointed	Indefinite
Assistant County Administrator	Vaira Harik	Appointed	Indefinite
Director of Finance/Treasurer	Carol Coppola	Appointed	Indefinite
County Accountant	Deborah Childs	Appointed	Indefinite

Barnstable County, Massachusetts

Organizational Chart



Financial Section



Financial Section

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Independent Auditor's Report

To the Honorable Board of Regional Commissioners
Barnstable County, Massachusetts

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Barnstable County, Massachusetts, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Barnstable County, Massachusetts' basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not

express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory, additional information and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023, on our consideration of Barnstable County, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Barnstable County, Massachusetts' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Barnstable County, Massachusetts' internal control over financial reporting and compliance.



December 29, 2023

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of Barnstable County (County), we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2023. We encourage readers to consider the information presented in this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP). Users of these financial statements (such as investors and rating agencies) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

Financial Highlights

- The County's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of the most recent year by \$21.2 million (net position).
- As required by GASB Statement #68, the County recognized their total net pension liability of \$63.1 million along with deferred outflows of resources related to pension of \$14.8 million and deferred inflows of resources related to pension of \$4.1 million on the statement of net position.
- The County recognized their total net other postemployment benefits (OPEB) liability of \$16.7 million along with deferred outflows of resources related to OPEB of \$1.9 million and deferred inflows of resources related to OPEB of \$21.3 million on the statement of net position.
- The County's total net position increased by \$10.0 million.
- As of the close of the current year, the County's governmental funds reported a combined ending fund balance of \$57.7 million, an increase of \$2.2 million in comparison with the prior year.
- The County contributed an additional \$2.5 million to its other postemployment benefits (OPEB) trust fund, which had a balance of \$3.8 million at the end of the current year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. These basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements provide both long-term and short-term information about the County as a whole. The fund financial statements focus on the individual components of the County government, reporting the County's operations in more detail than the government-wide statements. Both presentations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the County's accountability. This report also contains other required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, county services, health & human services, public safety, planning & development, and interest. The business-type activities include the activities of the dredge operations.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of expendable resources*, as well as on *balances of expendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County adopts an annual appropriated budget for its general fund operations. Budgetary comparison statements have been provided for the general fund operations to demonstrate compliance with this budget.

Proprietary funds. The County maintains one type of proprietary fund.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its dredge activities.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for propriety funds.

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by \$21.2 million at the close of 2023.

Net position totaling \$4.6 million reflects its investment in capital assets (e.g., land, construction in progress, land improvements, buildings, building improvements, machinery and equipment, vehicles and software); less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position totaling \$14.6 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position reflects a deficit balance of \$40.4 million.

At the end of the current year, the County is able to report positive balances in two of the three categories of net position.

The governmental and business-type activities of the County are presented below:

Governmental Activities

The County’s liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources for governmental activities by \$19.9 million at the close of 2023.

	2023	2022 (As Restated)
Assets:		
Current assets.....	\$ 101,244,853	\$ 105,312,895
Noncurrent assets (excluding capital).....	13,384,816	14,370,766
Capital assets, non depreciable.....	947,995	977,945
Capital assets, net of accumulated depreciation....	7,582,939	7,371,637
Total assets.....	123,160,603	128,033,243
Deferred outflows of resources.....	16,190,704	12,703,919
Liabilities:		
Current liabilities (excluding debt).....	36,861,967	44,399,994
Noncurrent liabilities (excluding debt).....	79,819,394	78,552,367
Current debt.....	5,684,064	5,086,148
Noncurrent debt.....	12,334,658	13,915,004
Total liabilities.....	134,700,083	141,953,513
Deferred inflows of resources.....	24,510,547	28,616,435
Net position:		
Net investment in capital assets.....	3,841,682	4,142,110
Restricted.....	14,636,507	42,069,192
Unrestricted.....	(38,337,512)	(76,044,088)
Total net position.....	\$ (19,859,323)	\$ (29,832,786)

	2023	2022 (As Restated)
Program Revenues:		
Charges for services..... \$	5,792,507	\$ 5,162,589
Operating grants and contributions.....	19,510,946	9,831,935
Capital grants and contributions.....	3,097,938	3,358,023
General Revenues:		
County tax assessments.....	3,621,760	3,533,429
Registry of deeds excise.....	1,744,596	2,424,595
County deeds excise tax.....	16,811,084	21,006,572
Environmental protection taxes.....	3,883,032	3,788,320
Unrestricted investment income.....	2,453,194	159,113
Miscellaneous.....	68,237	1,040,654
Total revenues.....	56,983,294	50,305,230
Expenses:		
General government.....	14,351,678	5,089,331
County services.....	9,399,931	8,808,729
Health and human services.....	12,061,984	12,974,903
Public safety.....	3,889,852	1,970,635
Planning and development.....	6,186,133	5,772,097
Interest.....	393,611	365,919
Total expenses.....	46,283,189	34,981,614
Excess (Deficiency) before transfers.....	10,700,105	15,323,616
Transfers.....	(726,642)	(136,023)
Change in net position.....	9,973,463	15,187,593
Net position, beginning of year (as restated)...	(29,832,786)	(45,020,379)
Net position, end of year..... \$	(19,859,323)	(29,832,786)

The governmental expenses totaled \$46.3 million of which \$28.4 million was directly supported by program revenues consisting of charges for services and operating grants and contributions. General revenues totaled \$28.6 million, primarily coming from county tax assessments, and county deeds excise taxes.

The governmental net position increased by \$10.0 million during the current year due to offsetting factors. Net position increased due to capital grant revenue of \$3.1 million related to the septic loan special assessments and the decrease in the net OPEB liability net of the deferred outflows and inflows of resources totaling \$5.1 million.

Business-type Activities

The County's liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources for business-type activities by \$1.3 million at the close of 2023.

	2023	2022
Assets:		
Current assets.....	\$ 465,419	\$ 694,866
Capital assets, net of accumulated depreciation....	3,195,938	3,121,731
Total assets.....	3,661,357	3,816,597
Deferred outflows of resources.....	502,532	276,718
Liabilities:		
Current liabilities (excluding debt).....	80,177	75,988
Noncurrent liabilities (excluding debt).....	2,145,047	1,962,480
Current debt.....	1,228,506	1,432,000
Noncurrent debt.....	1,190,000	1,325,000
Total liabilities.....	4,643,730	4,795,468
Deferred inflows of resources.....	848,603	624,559
Net position:		
Net investment in capital assets.....	777,432	685,300
Unrestricted.....	(2,105,876)	(2,012,012)
Total net position.....	\$ (1,328,444)	\$ (1,326,712)
	2023	2022
Program Revenues:		
Charges for services.....	\$ 942,293	\$ 1,160,300
Capital grants and contributions.....	234,619	-
General Revenues:		
Unrestricted investment income.....	-	180
Gain (loss) on sale of capital assets.....	-	180,000
Total revenues.....	1,176,912	1,340,480
Expenses:		
Dredge.....	1,905,286	1,672,808
Excess (Deficiency) before transfers.....	(728,374)	(332,328)
Transfers.....	726,642	127,628
Change in net position.....	(1,732)	(204,700)
Net position, beginning of year.....	(1,326,712)	(1,122,012)
Net position, end of year.....	\$ (1,328,444)	\$ (1,326,712)

The business-type expenses totaled \$1.9 million of which \$1.2 million was directly supported by program revenues consisting of charges for services and capital grants and contributions.

The business-type net position decreased by \$1,700 during the current year.

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of *governmental funds* is to provide information on near-term inflows, outflows, and balances of *expendable* resources. Such information is useful in assessing financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current year, governmental funds reported combined ending fund balances totaling \$57.7 million, of which \$32.1 million is for the general fund, \$8.1 million is for the Cape Cod Commission fund, \$5.7 million is for the septic loan program, \$988,000 is for the ARPA grants fund, \$1.3 million is for the gifts and grants fund, and \$9.6 million is for the nonmajor governmental funds. Cumulatively there was an increase totaling \$2.2 million in fund balances from the prior year.

The general fund is the chief operating fund. At the end of the current year, total fund balance was \$32.1 million. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 136% of total general fund expenditures. The County's general fund increased by \$2.0 million, which was primarily due to better than anticipated revenue collections as well as unexpended appropriations.

The Cape Cod Commission fund increased by \$813,000 over the prior year primarily due to the timing difference between the expenditure and collection of environmental protection taxes.

The septic loan program fund decreased by \$2.2 million during 2023. This fund will fluctuate due to the timing difference between the issuance and paydown of outstanding septic loans.

The ARPA grants fund reported unearned revenue of \$31.8 million due to the receipt of the American Rescue Plan Act (ARPA) grant funds that were not fully expended as of year-end. The Town reported operating grant revenue and investment income of \$10.2 million and expenditures of \$9.2 million.

The gifts and grants fund increased \$1.0 million over the prior year relating to timing of receipts and expenses of state and federal grants.

General Fund Budgetary Highlights

The County adopts an annual budget for the general fund in conformity with the guidelines described above. The original 2023 approved budget for the general fund authorized \$21.7 million in appropriations. During 2023, the County approved supplemental appropriations totaling \$8.1 million funded through reserves.

Actual revenues were greater than budgeted by \$3.7 million due to county excise tax and investment income. The County relies heavily on excise tax which fluctuates with the real estate market, therefore a conservative approach is taken during budgeting. Actual expenditures, including carryovers, were less than budgeted by \$2.2 million, this primarily related to County Services which turned back \$1.2 million.

Capital Asset and Debt Administration

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounts to \$11.7 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles and software.

The County's major governmental capital asset activity in 2023 includes additions of \$572,000 for machinery and equipment, \$317,000 in intangible assets, and \$121,000 in vehicles.

The County's 2023 business-type capital asset activity included \$206,000 in machinery and equipment and \$113,000 for vehicles.

Outstanding governmental long-term debt, as of June 30, 2023, totaled \$13.9 million, of which \$13.3 million relates to the Massachusetts Clean Water Trust (MCWT) septic loan program. As compared to the prior year, this is a net decrease of \$1.9 million resulting from principal payments and amortization of premiums during 2023.

The enterprise funds long-term debt totaled \$1.3 million at year end. The County made \$135,000 in principal payments during the year.

Please refer to Notes 4, 6, and 7 of the notes to the financial statements for further discussion of the major capital and debt activity, respectively.

Requests for Information

This financial report is designed to provide a general overview of Barnstable County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Finance Director/Treasurer, 3195 Main Street, Superior Courthouse, Barnstable, Massachusetts 02630.

Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2023

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents.....	\$ 89,225,509	\$ 254,498	\$ 89,480,007
Investments.....	5,106,820	-	5,106,820
Receivables, net of allowance for uncollectibles:			
User charges.....	-	210,921	210,921
Departmental and other.....	2,446,003	-	2,446,003
Intergovernmental - other.....	2,668,165	-	2,668,165
Loans.....	1,798,356	-	1,798,356
Total current assets.....	<u>101,244,853</u>	<u>465,419</u>	<u>101,710,272</u>
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Loans.....	13,384,816	-	13,384,816
Capital assets, nondepreciable.....	947,995	-	947,995
Capital assets, net of accumulated depreciation.....	<u>7,582,939</u>	<u>3,195,938</u>	<u>10,778,877</u>
Total noncurrent assets.....	<u>21,915,750</u>	<u>3,195,938</u>	<u>25,111,688</u>
TOTAL ASSETS.....	<u>123,160,603</u>	<u>3,661,357</u>	<u>126,821,960</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions.....	14,337,198	434,886	14,772,084
Deferred outflows related to other postemployment benefits.....	<u>1,853,506</u>	<u>67,646</u>	<u>1,921,152</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	<u>16,190,704</u>	<u>502,532</u>	<u>16,693,236</u>
LIABILITIES			
CURRENT:			
Warrants payable.....	1,906,630	25,470	1,932,100
Accrued payroll.....	607,914	-	607,914
Other liabilities.....	1,325,779	-	1,325,779
Unearned revenue.....	31,794,577	-	31,794,577
Legal settlements.....	136,730	-	136,730
Compensated absences.....	1,090,337	54,707	1,145,044
Notes payable.....	4,103,718	1,093,506	5,197,224
Bonds payable.....	<u>1,580,346</u>	<u>135,000</u>	<u>1,715,346</u>
Total current liabilities.....	<u>42,546,031</u>	<u>1,308,683</u>	<u>43,854,714</u>
NONCURRENT:			
Legal settlements.....	2,047,387	-	2,047,387
Compensated absences.....	178,168	5,664	183,832
Net pension liability.....	61,522,536	1,552,839	63,075,375
Net other postemployment benefits liability.....	16,071,303	586,544	16,657,847
Bonds payable.....	<u>12,334,658</u>	<u>1,190,000</u>	<u>13,524,658</u>
Total noncurrent liabilities.....	<u>92,154,052</u>	<u>3,335,047</u>	<u>95,489,099</u>
TOTAL LIABILITIES.....	<u>134,700,083</u>	<u>4,643,730</u>	<u>139,343,813</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions.....	3,953,271	98,337	4,051,608
Deferred inflows related to other postemployment benefits.....	<u>20,557,276</u>	<u>750,266</u>	<u>21,307,542</u>
TOTAL DEFERRED INFLOWS OF RESOURCES.....	<u>24,510,547</u>	<u>848,603</u>	<u>25,359,150</u>
NET POSITION			
Net investment in capital assets.....	3,841,682	777,432	4,619,114
Restricted for:			
Loans.....	13,376,538	-	13,376,538
Gifts and grants.....	1,259,969	-	1,259,969
Unrestricted.....	<u>(38,337,512)</u>	<u>(2,105,876)</u>	<u>(40,443,388)</u>
TOTAL NET POSITION.....	<u>\$ (19,859,323)</u>	<u>\$ (1,328,444)</u>	<u>\$ (21,187,767)</u>

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
<i>Governmental Activities:</i>					
General government.....	\$ 14,351,678	\$ 476,998	\$ 9,093,751	\$ -	\$ (4,780,929)
County services.....	9,399,931	3,059,231	1,673,863	-	(4,666,837)
Health and human services.....	12,061,984	1,636,263	4,382,526	3,097,938	(2,945,257)
Public safety.....	3,889,852	-	188,276	-	(3,701,576)
Planning and development.....	6,186,133	620,015	4,172,530	-	(1,393,588)
Interest.....	393,611	-	-	-	(393,611)
Total Governmental Activities.....	46,283,189	5,792,507	19,510,946	3,097,938	(17,881,798)
<i>Business-Type Activities:</i>					
Dredge.....	1,905,286	942,293	-	234,619	(728,374)
Total Primary Government.....	\$ 48,188,475	\$ 6,734,800	\$ 19,510,946	\$ 3,332,557	\$ (18,610,172)

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page..... \$	(17,881,798)	(728,374)	(18,610,172)
<i>General revenues:</i>			
County tax assessments.....	3,621,760	-	3,621,760
Registry of deeds excise tax.....	1,744,596	-	1,744,596
County deeds excise tax.....	16,811,084	-	16,811,084
Environmental protection taxes.....	3,883,032	-	3,883,032
Unrestricted investment income.....	2,453,194	-	2,453,194
Miscellaneous.....	68,237	-	68,237
<i>Transfers, net</i>	(726,642)	726,642	-
Total general revenues and transfers.....	27,855,261	726,642	28,581,903
Change in net position.....	9,973,463	(1,732)	9,971,731
<i>Net position:</i>			
Beginning of year (as restated).....	(29,832,786)	(1,326,712)	(31,159,498)
End of year..... \$	(19,859,323)	(1,328,444)	(21,187,767)

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2023

	General	Cape Cod Commission	Septic Loan Program	ARPA Grants	Gifts and Grants	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents.....	\$ 26,830,428	\$ 8,139,923	\$ 5,899,486	\$ 33,053,207	\$ 1,484,512	\$ 13,817,953	\$ 89,225,509
Investments.....	5,106,820	-	-	-	-	-	5,106,820
Receivables, net of uncollectibles:							
Departmental and other.....	1,870,140	1,435	-	-	95,194	479,234	2,446,003
Intergovernmental.....	-	-	-	-	2,604,390	63,775	2,668,165
Loans.....	-	-	13,376,538	-	1,798,356	8,278	15,183,172
Due from other funds.....	28,739	-	-	-	-	-	28,739
TOTAL ASSETS.....	\$ 33,836,127	\$ 8,141,358	\$ 19,276,024	\$ 33,053,207	\$ 5,982,452	\$ 14,369,240	\$ 114,658,408
LIABILITIES							
Warrants payable.....	\$ 325,912	\$ 27,984	\$ 222,245	\$ 271,044	\$ 573,453	\$ 485,992	\$ 1,906,630
Accrued payroll.....	607,914	-	-	-	-	-	607,914
Due to other funds.....	-	-	-	-	-	28,739	28,739
Other liabilities.....	522,957	-	-	-	802,822	-	1,325,779
Unearned revenue.....	-	-	-	31,794,577	-	-	31,794,577
Notes payable.....	-	-	-	-	-	4,103,718	4,103,718
TOTAL LIABILITIES.....	1,456,783	27,984	222,245	32,065,621	1,376,275	4,618,449	39,767,357
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue.....	253,493	-	13,376,538	-	3,346,208	188,517	17,164,756
FUND BALANCES							
Restricted.....	-	8,113,374	5,677,241	987,586	1,259,969	10,517,941	26,556,111
Assigned.....	138,879	-	-	-	-	-	138,879
Unassigned.....	31,986,972	-	-	-	-	(955,667)	31,031,305
TOTAL FUND BALANCES.....	32,125,851	8,113,374	5,677,241	987,586	1,259,969	9,562,274	57,726,295
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 33,836,127	\$ 8,141,358	\$ 19,276,024	\$ 33,053,207	\$ 5,982,452	\$ 14,369,240	\$ 114,658,408

See notes to basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2023

Total governmental fund balances.....		\$ 57,726,295
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		8,530,934
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		17,164,756
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		(8,319,843)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(13,915,004)	
Net pension liability.....	(61,522,536)	
Net other postemployment benefits liability.....	(16,071,303)	
Legal settlement.....	(2,184,117)	
Compensated absences.....	(1,268,505)	
Net effect of reporting long-term liabilities.....		<u>(94,961,465)</u>
Net position of governmental activities.....		\$ <u><u>(19,859,323)</u></u>

See notes to basic financial statements.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2023

	General	Cape Cod Commission	Septic Loan Program	ARPA Grants	Gifts and Grants	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:							
County tax assessments.....	\$ 3,621,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,621,760
Registry of deeds excise tax.....	1,744,596	-	-	-	-	-	1,744,596
County excise tax.....	16,811,084	-	-	-	-	-	16,811,084
Environmental protection taxes.....	-	3,883,032	-	-	-	-	3,883,032
Court house rental.....	2,311,811	-	-	-	-	1,350	2,313,161
Intergovernmental.....	729,281	-	-	9,242,451	7,501,515	1,061,977	18,535,224
Intergovernmental - subsidy.....	-	-	326,961	-	-	-	326,961
Departmental.....	958,830	125,696	659,266	-	-	2,106,956	3,850,748
Special assessments.....	-	-	3,097,938	-	-	-	3,097,938
Contributions and donations.....	-	-	-	-	1,000	32,604	33,604
Investment income.....	1,352,749	-	-	953,916	9,908	139,740	2,456,313
TOTAL REVENUES.....	27,530,111	4,008,728	4,084,165	10,196,367	7,512,423	3,342,627	56,674,421
EXPENDITURES:							
Current:							
General government.....	4,578,122	-	-	8,919,708	-	10,317	13,508,147
County services.....	6,921,018	-	-	14,900	1,277,198	1,211,907	9,425,023
Health and human services.....	4,686,099	-	4,465,435	72,150	3,350,301	1,455,350	14,029,335
Public safety.....	2,434,025	-	-	-	202,838	86,946	2,723,809
Planning and development.....	-	4,123,520	-	205,168	881,567	1,302,735	6,512,990
Shared costs.....	4,505,714	-	-	-	-	764,564	5,270,278
Debt service:							
Principal.....	365,000	-	1,464,210	-	-	-	1,829,210
Interest.....	93,588	-	326,961	-	-	-	420,549
TOTAL EXPENDITURES.....	23,583,566	4,123,520	6,256,606	9,211,926	5,711,904	4,831,819	53,719,341
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	3,946,545	(114,792)	(2,172,441)	984,441	1,800,519	(1,489,192)	2,955,080
OTHER FINANCING SOURCES (USES):							
Transfers in.....	2,099,725	927,372	-	-	1,318	3,444,612	6,473,027
Transfers out.....	(4,094,612)	-	-	-	(767,998)	(2,337,059)	(7,199,669)
TOTAL OTHER FINANCING SOURCES (USES)....	(1,994,887)	927,372	-	-	(766,680)	1,107,553	(726,642)
NET CHANGE IN FUND BALANCES.....	1,951,658	812,580	(2,172,441)	984,441	1,033,839	(381,639)	2,228,438
FUND BALANCES AT BEGINNING OF YEAR.....	30,174,193	7,300,794	7,849,682	3,145	226,130	9,943,913	55,497,857
FUND BALANCES AT END OF YEAR.....	\$ 32,125,851	\$ 8,113,374	\$ 5,677,241	\$ 987,586	\$ 1,259,969	\$ 9,562,274	\$ 57,726,295

See notes to basic financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds.....	\$	2,228,438
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	1,004,990	
Depreciation expense.....	<u>(823,638)</u>	
Net effect of reporting capital assets.....		181,352
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		291,669
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.</p>		
Premium from issuance of bonds.....	26,938	
Debt service principal payments.....	<u>1,829,210</u>	
Net effect of reporting long-term debt.....		1,856,148
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	563,775	
Net change in deferred outflow/(inflow) of resources related to pensions.....	21,283,659	
Net change in net pension liability.....	(21,660,064)	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits...	(13,690,986)	
Net change in net other postemployment benefits liability.....	18,785,423	
Net change in legal settlement liability.....	<u>134,049</u>	
Net effect of recording long-term liabilities.....		<u>5,415,856</u>
Change in net position of governmental activities.....	\$	<u><u>9,973,463</u></u>

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2023

	Dredge Enterprise Fund
ASSETS	
CURRENT:	
Cash and cash equivalents.....	\$ 254,498
Receivables, net of allowance for uncollectibles:	
User charges.....	210,921
Total current assets.....	465,419
NONCURRENT:	
Capital assets, net of accumulated depreciation.....	3,195,938
TOTAL ASSETS.....	3,661,357
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions.....	434,886
Deferred outflows related to other postemployment benefits.....	67,646
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	502,532
LIABILITIES	
CURRENT:	
Warrants payable.....	25,470
Compensated absences.....	54,707
Notes payable.....	1,093,506
Bonds payable.....	135,000
Total current liabilities.....	1,308,683
NONCURRENT:	
Compensated absences.....	5,664
Net pension liability.....	1,552,839
Net other postemployment benefits liability.....	586,544
Bonds payable.....	1,190,000
Total noncurrent liabilities.....	3,335,047
TOTAL LIABILITIES.....	4,643,730
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions.....	98,337
Deferred inflows related to other postemployment benefits.....	750,266
TOTAL DEFERRED INFLOWS OF RESOURCES.....	848,603
NET POSITION	
Net investment in capital assets.....	777,432
Unrestricted.....	(2,105,876)
TOTAL NET POSITION.....	\$ (1,328,444)

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2023

	<u>Dredge Enterprise Fund</u>
<u>OPERATING REVENUES:</u>	
Charges for services.....	\$ 941,267
Other operating revenues.....	<u>1,026</u>
 TOTAL OPERATING REVENUES	 <u>942,293</u>
<u>OPERATING EXPENSES:</u>	
Cost of services and administration.....	701,616
Salaries and wages.....	625,499
Pension and OPEB expense.....	262,419
Depreciation.....	<u>244,812</u>
 TOTAL OPERATING EXPENSES.....	 <u>1,834,346</u>
 OPERATING INCOME (LOSS).....	 <u>(892,053)</u>
<u>NONOPERATING REVENUES (EXPENSES):</u>	
Interest expense.....	<u>(70,940)</u>
 INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS.....	 <u>(962,993)</u>
 CAPITAL CONTRIBUTIONS.....	 <u>234,619</u>
<u>TRANSFERS:</u>	
Transfers in.....	842,733
Transfers out.....	<u>(116,091)</u>
 TOTAL TRANSFERS.....	 <u>726,642</u>
 CHANGE IN NET POSITION.....	 <u>(1,732)</u>
 NET POSITION AT BEGINNING OF YEAR.....	 <u>(1,326,712)</u>
 NET POSITION AT END OF YEAR.....	 <u>\$ (1,328,444)</u>

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2023

	Dredge Enterprise Fund
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Receipts from customers and users.....	\$ 793,150
Payments to vendors.....	(1,219,035)
Payments to employees.....	(185,513)
	(611,398)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>	
Transfers in.....	842,733
Transfers out.....	(116,091)
	726,642
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>	
Proceeds from the issuance of bonds and notes.....	1,093,506
Capital contributions.....	234,619
Acquisition and construction of capital assets.....	(319,019)
Principal payments on bonds and notes.....	(1,432,000)
Interest expense.....	(70,940)
	(493,834)
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	(378,590)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	633,088
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 254,498
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH</u>	
<u>FROM OPERATING ACTIVITIES:</u>	
Operating income (loss).....	\$ (892,053)
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation.....	244,812
Deferred (outflows)/inflows related to pensions.....	(501,442)
Deferred (outflows)/inflows related to other postemployment benefits.....	499,672
Changes in assets and liabilities:	
User charges.....	(149,143)
Warrants payable.....	(17,747)
Accrued payroll.....	(23,072)
Compensated absences.....	(36,614)
Net pension liability.....	949,789
Net other postemployment benefits.....	(685,600)
Total adjustments.....	280,655
NET CASH FROM OPERATING ACTIVITIES.....	\$ (611,398)

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2023

	Other Postemployment Benefit Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents.....	\$ 48,348	\$ 3,529,469
Investments:		
Equity mutual funds.....	2,045,526	-
Fixed income mutual funds.....	1,658,414	-
TOTAL ASSETS.....	<u>3,752,288</u>	<u>3,529,469</u>
LIABILITIES		
Due to other governments.....	-	<u>3,529,469</u>
NET POSITION		
Restricted for other postemployment benefits.....	<u>\$ 3,752,288</u>	<u>\$ -</u>

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2023

	Other Postemployment Benefit Trust Fund	Custodial Funds
ADDITIONS:		
Contributions:		
Employer contributions.....	\$ 2,502,627	\$ -
Employer contributions for other postemployment benefit payments.....	1,038,583	-
Fees collected for the Commonwealth of Massachusetts.....	-	41,308,411
Total contributions.....	3,541,210	41,308,411
Net investment income:		
Investment income.....	195,865	46,275
Less: investment expense.....	(7,057)	-
Net investment income (loss).....	188,808	46,275
TOTAL ADDITIONS.....	3,730,018	41,354,686
DEDUCTIONS:		
Other postemployment benefit payments.....	1,038,583	-
Payment of fees to the Commonwealth of Massachusetts.....	-	39,476,674
Payment of fees to the County.....	-	1,878,012
TOTAL DEDUCTIONS.....	1,038,583	41,354,686
NET INCREASE (DECREASE) IN NET POSITION.....	2,691,435	-
NET POSITION AT BEGINNING OF YEAR.....	1,060,853	-
NET POSITION AT END OF YEAR.....	\$ 3,752,288	\$ -

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Barnstable County, Massachusetts (County) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant County accounting policies are described herein.

A. Reporting Entity

Barnstable County adheres to the County form of government prescribed by Massachusetts General Laws (MGL) and the County of Barnstable Home Rule Charter, enacted under Chapter 163 of the Acts of 1988, Chapter 716 of the Acts of 1989, and Chapter 2 of the Acts of 1990. The County is governed by an elected Board of Regional Commissioners (three members) and an Assembly of Delegates. The Assembly of Delegates is comprised of representatives from each municipality within Barnstable County, elected for terms of two years each by the voters in each of the municipalities of the County.

As required by GAAP, these basic financial statements present the government and its component units, entities for which the County is considered to be financially accountable.

For financial reporting purposes, the County has included all funds, organizations, agencies, boards, commissions and institutions. The County has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the basic financial statements to be misleading or incomplete. It has been determined that there are no component units that meet the requirements for inclusion in the County's financial statements.

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

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which are primarily supported by taxes, assessments and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

Major Fund Criteria

Major funds must be reported if the following criteria are met:

- If total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10 percent of the corresponding element (assets and deferred outflows of resources, liabilities and

deferred inflows or resources, etc.) for all funds of that category or type (total governmental or total enterprise funds), *and*

- If the total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding element for all governmental and enterprise funds combined.

Additionally, any other governmental or enterprise fund that management believes is particularly significant to the basic financial statements may be reported as a major fund.

Fiduciary funds are reported by fund type.

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a particular function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

For the most part, the effect of interfund activity has been removed from the government-wide financial statements. However, the effect of interfund services provided and used between functions is not eliminated as the elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

Fund Financial Statements

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

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

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *Cape Cod Commission fund* is used to account for the activities of the Cape Cod Commission. These activities include the promotion of affordable housing, sponsorship of economic development programs, preservation of historic sites, preservation of open space, planning and analysis of transportation, solid waste and hazardous waste management, and protection of water quality and water supplies.

The *septic loan program fund* is used to account for the activities associated with the issuance of loans for septic system repairs.

The *ARPA grants fund* is a special revenue fund used to account for the American Rescue Plan Act (ARPA) federal grant funds and expenditures incurred.

The *gifts and grants fund* is used to account for funds designated for specific programs. This fund consists primarily of state and federal grants, gifts and contributions.

The nonmajor governmental funds consist of other special revenue and capital projects that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

The *special revenue fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than permanent funds or capital projects.

The *capital projects fund* is 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 of the governmental funds.

Proprietary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major proprietary fund is reported:

The *dredge enterprise fund* is used to account for the activities of the County dredge operations.

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported:

The *other postemployment benefit trust fund* is used to accumulate resources to provide funding for future other postemployment benefits (OPEB) liabilities.

The *custodial fund* is used to account for assets held in a purely custodial capacity, primarily related to the Cape Light Compact.

D. Cash and Investments

Government-Wide and Fund Financial Statements

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition.

Investments are carried at fair value. The fair values were determined by the closing price for those securities traded on national stock exchanges and at the average bid-and-asked quotation for those securities traded in the over-the-counter market.

E. Fair Value Measurement

The County reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.

Level 2 – Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially

affect amounts reported in these financial statements. For more information on the fair value of the County's financial instruments, see Note 2 – Cash and Investments.

F. Accounts Receivable

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and the proprietary funds and fiduciary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting. Loans receivable in the governmental funds are reported as restricted fund balance, net of any uncollectible amounts.

Departmental and Other

Departmental and other receivables consist of various departmental revenues earned at year-end and received subsequent to year-end, net of an allowance for uncollectible accounts. Allowances for uncollectible accounts are estimated based upon historical trends and specific account analysis.

Intergovernmental

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

These receivables are considered 100% collectible and therefore do not report an allowance for uncollectibles.

Loans

Loans receivable represents septic loans issued for septic system repairs, HOME investment partnership program loans for the creation and preservation of affordable housing for low-income households, and other miscellaneous loan programs.

The septic loans are considered 100% collectible and therefore do not report an allowance for uncollectibles. Allowances for uncollectible accounts for the other loan receivables are estimated based upon historical trends and specific account analysis.

G. Inventories

Government-Wide and Fund Financial Statements

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements, and therefore are not reported.

H. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

Capital assets, which include land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, and software, are reported in the applicable governmental or business-type

activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost if actual historical cost is not available. Donated capital assets; donated works of art, historical treasures and similar assets; and capital assets received in service concession arrangements are recorded at acquisition value.

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	20
Buildings.....	20-40
Buildings and improvements.....	10-20
Machinery and equipment.....	3-20
Vehicles.....	5-10
Software.....	5-10

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

Governmental Fund Financial Statements

Capital asset costs are recorded as expenditures in the acquiring fund in the year of the purchase.

I. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represent a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has reported deferred outflows of resources related to pensions and deferred outflows of resources related to other postemployment benefits in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has reported deferred inflows of resources related to pensions and deferred inflows of resources related to other postemployment benefits in this category.

Governmental Fund Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents assets that have been recorded in the governmental fund financial statements but the revenue is not

available and so will *not* be recognized as an inflow of resources (revenue) until it becomes available. The County has reported unavailable revenue as deferred inflows of resources in the governmental funds balance sheet.

J. Interfund Receivables and Payables

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as “internal balances.”

Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are *not* eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as “Due from other funds” or “Due to other funds” on the balance sheet.

K. Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

Government-Wide Financial Statements

Transfers between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as “Transfers, net.”

Fund Financial Statements

Transfers between and within funds are *not* eliminated from the individual fund statements and are reported as transfers in and transfers out.

L. Unearned and Unavailable Revenue

Unearned revenue at the government-wide and fund financial statement level represents resources that have been received, but not yet earned.

Fund Financial Statements (Fund Balances)

Unavailable revenue at the governmental fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting, i.e. receivables that are not considered to be available to liquidate liabilities of the current period. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

M. Net Position and Fund Equity

Government-Wide Financial Statements (Net Position)

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future reimbursements from the Massachusetts Clean Water Trust’s loan subsidy program are not considered to be capital related debt.

Net position is reported as restricted when amounts are not available for appropriation or are legally restricted by outside parties for a specific future use.

Net position has been “restricted for” the following:

“Loans” represents amounts restricted relating to loans to be issued through the septic loan program.

“Gifts and grants” represents restrictions placed on assets from outside parties and consists primarily of gifts and federal and state grants.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Financial Statements (Fund Balances)

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based 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.

The governmental fund balance classifications are as follows:

“Nonspendable” fund balance includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

“Restricted” fund balance includes amounts subject to constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or that are imposed by law through constitutional provisions or enabling legislation.

“Committed” fund balance includes 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. The Assembly of Delegates is the highest level of decision-making authority for the government that can, by adoption of a supplemental appropriation prior to the end of the year, commit fund balance. Once adopted, the limitation imposed by the supplemental appropriation remains in place until a similar action is taken to remove or revise the limitation.

“Assigned” fund balance includes amounts that are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. The Assembly of Delegates may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In

other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

“Unassigned” fund balance includes 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.

Sometimes the County will fund outlays for a particular purpose from different components of fund balance. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When different components of fund balance can be used for the same purpose, it is the County’s policy to consider restricted fund balance to have been depleted first, followed by committed fund balance, and assigned fund balance. Unassigned fund balance is applied last.

N. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Barnstable County Retirement Association (BCRA) and additions to/deductions from the System’s fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. Long-term Debt

Government-Wide and Proprietary Fund Financial Statements

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Governmental Fund Financial Statements

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

P. Investment Income

Investment income from special revenue funds and capital project funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

Investment income from proprietary funds is voluntarily assigned and transferred to the general fund.

Q. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

Government-Wide and Proprietary Fund Financial Statements

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

Governmental Fund Financial Statements

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources are reported as expenditures and fund liabilities.

R. Individual Fund Deficits

The capital projects fund has a fund deficit of \$955,667 at June 30, 2023. This deficit will be funded through future long-term debt proceeds.

S. Use of Estimates*Government-Wide and Fund Financial Statements*

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the year. Actual results could vary from estimates that were used.

T. Total Column*Government-Wide Financial Statements*

The total column presented on the government-wide financial statements represents consolidated financial information.

Fund Financial Statements

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

NOTE 2 – CASH AND INVESTMENTS

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and cash equivalents." The deposits and investments of the trust funds are held separately from those of other County funds.

Statutes authorize the investment in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (the Pool). The Treasurer may also invest trust funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth.

The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth of

Massachusetts who serves as Trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled \$56,141,789 and the bank balance totaled \$56,400,688. Of the bank balance, \$1,015,305 was covered by Federal Depository Insurance, \$19,375,823 was covered by Depositors Insurance Fund, and \$36,009,560 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the County will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The County’s investments subject to custodial credit risk include \$2,610,641 in equity mutual funds and \$6,200,119 in fixed income mutual funds. These investments have custodial credit risk exposure because the related securities are uninsured, unregistered and held by the counterparty. The County does not have an investment policy for custodial credit risk.

Investments

As of June 30, 2023, the County had the following investments:

<u>Investment Type</u>	<u>Fair value</u>
<u>Other investments:</u>	
Equity mutual funds.....	\$ 2,610,641
Fixed income mutual funds.....	6,200,119
Money market mutual funds.....	1,530,724
MMDT - Cash portfolio.....	<u>35,385,311</u>
 Total investments.....	 \$ <u>45,726,795</u>

The County participates in MMDT, which maintains a cash portfolio with combined average maturities of approximately 33 days.

Interest Rate Risk

The County does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The County has not adopted a formal policy related to credit risk.

The County’s investment in equity mutual funds, fixed income mutual funds and money market mutual funds are unrated. The County’s investment in MMDT is unrated.

Concentration of Credit Risk

The County places no limit on the amount that may be invested in any one issuer.

Fair Value of Investments

The County holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the County’s mission, the County determines that the disclosures related to these investments only need to be disaggregated by major type. The County chooses a tabular format for disclosing the levels within the fair value hierarchy.

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

The County has the following recurring fair value measurements as of June 30, 2023:

Investment Type	June 30, 2023	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
<u>Other investments:</u>				
Equity mutual funds.....	\$ 2,610,641	\$ 2,610,641	\$ -	\$ -
Fixed income mutual funds.....	6,200,119	6,200,119	-	-
Money market mutual funds.....	1,530,724	1,530,724	-	-
Total investments measured at fair value.....	10,341,484	\$ 10,341,484	\$ -	\$ -
Investments measured at amortized cost:				
MMDT - Cash portfolio.....	35,385,311			
Total investments.....	\$ 45,726,795			

Equity mutual funds, fixed income mutual funds and money market mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. Investments classified in level 3 are valued using significant unobservable inputs. The County does not have any investments in Level 2 or Level 3.

MMDT Cash Portfolio investments are valued at amortized cost. Under the amortized cost method, an investment is valued initially at its cost and adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost and the amount payable at its maturity. If

amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by the Advisor.

NOTE 3 – RECEIVABLES

At June 30, 2023, receivables for the individual major governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Receivable Type	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Loans:</u>			
Septic.....	\$ 13,376,538	\$ -	\$ 13,376,538
Other.....	12,644,161	(10,837,527)	1,806,634
Total.....	26,020,699	(10,837,527)	15,183,172
<u>Other Receivables:</u>			
Departmental and other.....	2,459,375	(13,372)	2,446,003
Intergovernmental.....	2,668,165	-	2,668,165
Total.....	\$ 31,148,239	\$ (10,850,899)	\$ 20,297,340

At June 30, 2023, receivables for the dredge enterprise fund consist of the following:

Receivables:	Gross Amount	Allowance for Uncollectibles	Net Amount
User charges.....	\$ 210,921	\$ -	\$ 210,921

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current year, the various components of unavailable revenue reported in the governmental funds were as follows:

Receivables:	General Fund	Other Governmental Funds	Total
Departmental and other.....	\$ 206,467	\$ -	\$ 206,467
Intergovernmental.....	47,026	1,728,091	1,775,117
Loans.....	-	15,183,172	15,183,172
Total.....	\$ 253,493	\$ 16,911,263	\$ 17,164,756

NOTE 4 – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 947,995	\$ -	\$ -	\$ 947,995
Construction in progress.....	29,950	-	(29,950)	-
Total capital assets not being depreciated....	977,945	-	(29,950)	947,995
<u>Capital assets being depreciated:</u>				
Land improvements.....	975,586	-	-	975,586
Buildings.....	6,533,702	-	-	6,533,702
Buildings and improvements.....	6,874,898	23,286	-	6,898,184
Machinery and equipment.....	4,912,836	572,743	(232,517)	5,253,062
Vehicles.....	1,853,424	121,441	-	1,974,865
Software.....	1,193,025	317,470	-	1,510,495
Total capital assets being depreciated.....	22,343,471	1,034,940	(232,517)	23,145,894
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(445,125)	(43,429)	-	(488,554)
Buildings.....	(6,160,048)	(37,371)	-	(6,197,419)
Buildings and improvements.....	(3,250,673)	(288,205)	-	(3,538,878)
Machinery and equipment.....	(3,250,673)	(283,197)	232,517	(3,301,353)
Vehicles.....	(1,091,674)	(102,445)	-	(1,194,119)
Software.....	(773,641)	(68,991)	-	(842,632)
Total accumulated depreciation.....	(14,971,834)	(823,638)	232,517	(15,562,955)
Total capital assets being depreciated, net.....	7,371,637	211,302	-	7,582,939
Total governmental activities capital assets, net....	\$ 8,349,582	\$ 211,302	\$ (29,950)	\$ 8,530,934
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
<u>Capital assets being depreciated:</u>				
Machinery and equipment.....	\$ 5,165,060	\$ 206,150	\$ -	\$ 5,371,210
Vehicles.....	180,240	112,869	-	293,109
Total capital assets being depreciated.....	5,345,300	319,019	-	5,664,319
<u>Less accumulated depreciation for:</u>				
Machinery and equipment.....	(2,043,329)	(244,812)	-	(2,288,141)
Vehicles.....	(180,240)	-	-	(180,240)
Total accumulated depreciation.....	(2,223,569)	(244,812)	-	(2,468,381)
Total business-type activities capital assets, net....	\$ 3,121,731	\$ 74,207	\$ -	\$ 3,195,938

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

Governmental Activities:	
General government.....	\$ 92,498
County services.....	265,014
Health and human services.....	344,150
Public safety.....	117,731
Planning and development.....	<u>4,245</u>
 Total depreciation expense - governmental activities.....	 \$ <u>823,638</u>
 Business-Type Activities:	
Dredge.....	<u>\$ 244,812</u>

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At June 30, 2023, the Town had an interfund receivable/payable totaling \$28,739 of which \$165 was between the general fund and the COVID vaccine fund and \$28,574 was between the general fund and the revolving fund. The purpose of this balance is to cover short-term needs that will be funded by future grant proceeds and charges for services.

Interfund transfers for the year ended June 30, 2023, are summarized as follows:

Transfers Out:	Transfers In:						Total
	General fund	Cape Cod Commission	Gifts and grants	Nonmajor governmental funds	Dredge enterprise fund		
General fund.....	\$ -	\$ -	\$ -	\$ 3,336,279	\$ 758,333	\$ 4,094,612	(1)
Gifts and grants.....	1,003	682,595	-	-	84,400	767,998	(2)
Nonmajor governmental funds....	2,090,964	244,777	1,318	-	-	2,337,059	(3)
Dredge enterprise fund.....	<u>7,758</u>	<u>-</u>	<u>-</u>	<u>108,333</u>	<u>-</u>	<u>116,091</u>	(4)
 Total.....	 <u>\$ 2,099,725</u>	 <u>\$ 927,372</u>	 <u>\$ 1,318</u>	 <u>\$ 3,444,612</u>	 <u>\$ 842,733</u>	 <u>\$ 7,315,760</u>	

- (1) Represents budgeted transfers from the general fund to the nonmajor governmental other special revenue fund for the regional freshwater initiative program, to nonmajor governmental capital project fund for equipment and to the Dredge enterprise to supplement operations.
- (2) Represents transfer from gifts and grants to the general fund to close out old grant funds. Represents transfers from gifts and grants to the Cape Cod Commission to fund ongoing projects. Represents transfer from state grants to the dredge enterprise fund.
- (3) Represents transfers to the general fund from the nonmajor governmental COVID vaccine fund, police training academy, fire training site capping, retirement fund and workers' compensation reserve fund. Represents transfers from the nonmajor governmental license plate fund and the Department of Housing and Community Development to the Cape Cod Commission.
- (4) Represents a budgeted transfer to the general fund from the dredge enterprise fund. Also represents a transfer from the dredge enterprise to the nonmajor capital projects fund.

NOTE 6 – SHORT-TERM FINANCING

The County is authorized to borrow on a temporary basis to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

Short-term loans are general obligations of the County and carry maturity dates that are limited by statute. Interest expenditures for short-term borrowings are accounted for in the general fund.

Details related to the short-term debt activity for the year ended June 30, 2023, is as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2022	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2023
Governmental Funds:							
BAN	Municipal Purpose.....	2.00%	06/01/23	\$ 3,230,000	\$ -	\$ (3,230,000)	\$ -
BAN	Municipal Purpose.....	4.25%	05/15/24	-	3,183,553	-	3,183,553
BAN	MCWT Interim Loan.....	0.00%	06/30/24	-	920,165	-	920,165
Total Governmental Funds.....				\$ <u>3,230,000</u>	\$ <u>4,103,718</u>	\$ <u>(3,230,000)</u>	\$ <u>4,103,718</u>
Dredge Enterprise Fund:							
BAN	Municipal Purpose.....	2.00%	06/01/23	\$ 1,297,000	\$ -	\$ (1,297,000)	\$ -
BAN	Municipal Purpose.....	4.25%	05/15/24	-	1,093,506	-	1,093,506
Total Dredge Enterprise Fund.....				\$ <u>1,297,000</u>	\$ <u>1,093,506</u>	\$ <u>(1,297,000)</u>	\$ <u>1,093,506</u>

NOTE 7 – LONG-TERM DEBT

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

Details related to the County’s outstanding indebtedness at June 30, 2023, and the debt service requirements are as follows:

Bonds Payable Schedule – Governmental Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2023
General Obligation Bonds Payable:				
Municipal Purpose Loan of 2017.....	2033	\$ 4,387,000	2.00 - 5.00	\$ 535,000
Direct Borrowings Payable:				
Massachusetts Clean Water Trust Septic Loan Program....	2028	2,850,000	0.00	750,000
Massachusetts Clean Water Trust Septic Loan Program....	2030	2,550,000	0.00	939,470
Massachusetts Clean Water Trust Septic Loan Program....	2031	3,600,000	0.00	1,440,000
Massachusetts Clean Water Trust Septic Loan Program....	2031	3,000,000	0.00	1,200,000
Massachusetts Clean Water Trust Septic Loan Program....	2033	4,000,000	0.00	2,000,000
Massachusetts Clean Water Trust Septic Loan Program....	2033	3,000,000	0.00	1,500,000
Massachusetts Clean Water Trust Septic Loan Program....	2033	5,000,000	0.00	2,500,000
Massachusetts Clean Water Trust Septic Loan Program....	2035	5,000,000	0.00	3,000,000
Subtotal Governmental Direct Borrowings Payable.....				13,329,470
Total Bonds Payable.....				13,864,470
Add: Unamortized premium on bonds.....				50,534
Total Bonds Payable, net.....				\$ 13,915,004

Debt service requirements for principal and interest for governmental general obligation bonds and direct borrowings payable in future years are as follows:

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2024.....	\$ 100,000	\$ 17,363	\$ 117,363
2025.....	90,000	12,613	102,613
2026.....	80,000	8,363	88,363
2027.....	75,000	5,238	80,238
2028.....	65,000	3,463	68,463
2029.....	25,000	2,563	27,563
2030.....	25,000	2,047	27,047
2031.....	25,000	1,500	26,500
2032.....	25,000	922	25,922
2033.....	25,000	313	25,313
Total.....	\$ 535,000	\$ 54,385	\$ 589,385

Year	Direct Borrowings Payable		
	Principal	Interest	Total
2024.....	\$ 1,464,210	\$ -	\$ 1,464,210
2025.....	1,464,210	-	1,464,210
2026.....	1,464,210	-	1,464,210
2027.....	1,464,210	-	1,464,210
2028.....	1,464,210	-	1,464,210
2029.....	1,314,210	-	1,314,210
2030.....	1,314,210	-	1,314,210
2031.....	1,180,000	-	1,180,000
2032.....	850,000	-	850,000
2033.....	850,000	-	850,000
2034.....	250,000	-	250,000
2035.....	250,000	-	250,000
Total.....	\$ 13,329,470	\$ -	\$ 13,329,470

The County is a member of the Massachusetts Clean Water Trust (MCWT) which offers its members interest free loans for various purposes. The majority of the County’s debt is issued through this program. The interest imputed on the remaining life of the 0% MCWT bonds totaled \$1.6 million of which \$327,000 is related to the current year. The imputed interest has been recognized as intergovernmental revenue and interest expense.

Bonds Payable Schedule – Enterprise Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2023
General Obligation Bonds Payable:				
Municipal Purpose Bonds of 2017.....	2033	\$ 2,000,000	2.00 - 5.00	\$ 1,325,000

Debt service requirements for principal and interest for the dredge enterprise fund general obligation bonds payable in future years are as follows:

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2024.....	\$ 135,000	\$ 38,250	\$ 173,250
2025.....	135,000	31,500	166,500
2026.....	135,000	24,750	159,750
2027.....	135,000	19,350	154,350
2028.....	135,000	15,975	150,975
2029.....	130,000	13,325	143,325
2030.....	130,000	10,644	140,644
2031.....	130,000	7,800	137,800
2032.....	130,000	4,794	134,794
2033.....	130,000	1,625	131,625
Total.....	\$ 1,325,000	\$ 168,013	\$ 1,493,013

Changes in Long-term Liabilities

During the year ended June 30, 2023, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
Long-term general obligation bonds payable.....	\$ 900,000	\$ -	\$ (365,000)	\$ -	\$ -	\$ 535,000	\$ 100,000
Long-term direct borrowings payable.....	14,793,680	-	(1,464,210)	-	-	13,329,470	1,464,210
Add: unamortized premium.....	77,472	-	(26,938)	-	-	50,534	16,136
Total long-term bonds payable.....	15,771,152	-	(1,856,148)	-	-	13,915,004	1,580,346
Legal settlement.....	2,318,166	-	-	-	(134,049)	2,184,117	136,730
Compensated absences.....	1,832,280	-	-	162,975	(726,750)	1,268,505	1,090,337
Net other postemployment benefit liability.....	34,856,726	-	-	5,188,372	(23,973,795)	16,071,303	-
Net pension liability.....	39,862,472	-	-	26,969,025	(5,308,961)	61,522,536	-
Total governmental activity long-term liabilities.....	\$ 94,640,796	\$ -	\$ (1,856,148)	\$ 32,320,372	\$ (30,143,555)	\$ 94,961,465	\$ 2,807,413
Business-Type Activities:							
Long-term general obligation bonds payable.....	\$ 1,460,000	\$ -	\$ (135,000)	\$ -	\$ -	\$ 1,325,000	\$ 135,000
Compensated absences.....	96,985	-	-	14,546	(51,160)	60,371	54,707
Net other postemployment benefit liability.....	1,272,144	-	-	189,357	(874,957)	586,544	-
Net pension liability.....	603,050	-	-	1,094,283	(144,494)	1,552,839	-
Total business-type activity long-term liabilities.....	\$ 3,432,179	\$ -	\$ (135,000)	\$ 1,298,186	\$ (1,070,611)	\$ 3,524,754	\$ 189,707

The governmental activities long-term liabilities are generally liquidated by the general fund and the business-type activities long-term liabilities are generally liquidated by the enterprise fund.

NOTE 8 – LONG-TERM LEGAL SETTLEMENT

The County and Town of Barnstable entered into a Settlement Agreement and Agreement for Judgment, both dated June 28, 2017, that was entered into the Court Docket on June 29, 2017, that brought the litigation to conclusion. The agreements relate to the costs associated with the cleanup of contamination of the Town’s water supply from chemicals used in fire training activities at the Barnstable County Fire and Rescue Training Academy.

The Agreement for Judgment requires the County to pay \$2,950,000 in damages to the Town in accordance with a Net Debt Service Schedule, reimburse the Town for its actual future operations and maintenance (O&M) costs as defined in the agreement, and reimburse the Town for the cost of filters purchased in the future. The annual O&M annual reimbursement will not exceed \$125,000, beginning in FY2018, increased by 3% compounded every other year. The County will appropriate \$70,000 each year for filter replacements and carryforward any unspent appropriation. The maximum liability for the County is limited to the \$70,000 appropriation each year. Accordingly, the County has recorded a \$2,184,117 liability as of June 30, 2023. All other required reimbursements will be recorded as an expense when due.

In order to facilitate the payment of the \$2,950,000 in damages, the Town agreed to borrow \$2,950,000 from the Massachusetts Clean Water Trust (MCWT) for 20 years at a 2.0% interest rate. The Net Debt Service Schedule includes all principal (\$2,950,000), interest (\$658,246), MCWT administration fees (\$49,369 averaging \$2,500 per year) and MCWT origination fee (\$16,225 paid in FY2018). The County will reimburse the Town for all costs associated with this debt. The principal and interest future debt service reimbursement payments are presented on the following page.

Year	Principal	Interest	Total
2024.....	\$ 136,730	\$ 43,682	\$ 180,412
2025.....	139,465	40,947	180,412
2026.....	142,254	38,158	180,412
2027.....	145,099	35,313	180,412
2028.....	148,001	32,411	180,412
2029.....	150,961	29,451	180,412
2030.....	153,980	26,432	180,412
2031.....	157,060	23,352	180,412
2032.....	160,201	20,211	180,412
2033.....	163,405	17,007	180,412
2034.....	166,673	13,739	180,412
2035.....	170,006	10,406	180,412
2036.....	173,407	7,005	180,412
2037.....	176,875	3,543	180,418
Total.....	\$ 2,184,117	\$ 341,657	\$ 2,525,774

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

In addition to nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balance of the general fund that is not constrained for any particular purpose.

Massachusetts General Law Ch.40 §5B allows for the establishment of stabilization funds for one or more different purposes on an as needed basis. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body.

At June 30, 2023, the balance of the County’s stabilization funds is \$4,287,924 and is reported as unassigned fund balance within the general fund. The stabilization fund balances can be used for general and/or capital purposes upon approval of the Assembly of Delegates.

The County has classified its fund balances with the following hierarchy:

	General	Cape Cod Commission	Septic Loan Program	Gifts and Grants	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:						
Restricted for:						
Cape cod commission.....	\$ -	\$ 8,113,374	\$ -	\$ -	\$ -	\$ 8,113,374
Septic loan program.....	-	-	5,677,241	-	-	5,677,241
Gifts and grants.....	-	-	-	1,259,969	-	1,259,969
Cape cod commission.....	-	-	-	-	207,364	207,364
Children's cove.....	-	-	-	-	7,494	7,494
Cooperative extension.....	-	-	-	-	326,227	326,227
County commissioners.....	-	-	-	-	85,091	85,091
Health & environmental.....	-	-	-	-	1,379,213	1,379,213
Human services.....	-	-	-	-	81,745	81,745
License plate fund.....	-	-	-	-	537,140	537,140
Registry technology.....	-	-	-	-	1,311,972	1,311,972
Mitigation fund.....	-	-	-	-	2,403,096	2,403,096
Revenue fund.....	-	-	-	-	651,130	651,130
COVID vaccine.....	-	-	-	-	39	39
PFAS assessment.....	-	-	-	-	726,574	726,574
Unemployment reserve.....	-	-	-	-	58,533	58,533
Retirement fund.....	-	-	-	-	377,507	377,507
Revolving fund.....	-	-	-	-	10,177	10,177
Other special revenue.....	-	-	-	-	2,354,639	2,354,639
Assigned to:						
Board of regional commissioners.....	966	-	-	-	-	966
Human rights commissioners.....	69	-	-	-	-	69
Information technology services.....	12,987	-	-	-	-	12,987
Department of facilities.....	9,436	-	-	-	-	9,436
Cooperative extension services.....	5,519	-	-	-	-	5,519
Registry of deeds.....	221	-	-	-	-	221
Department of health and the environment...	26,683	-	-	-	-	26,683
Children's cove.....	774	-	-	-	-	774
Americorps match.....	1,473	-	-	-	-	1,473
Miscellaneous & contingent.....	80,751	-	-	-	-	80,751
Unassigned.....	31,986,972	-	-	-	(955,667)	31,031,305
Total Fund Balances.....	\$ 32,125,851	\$ 8,113,374	\$ 5,677,241	\$ 1,259,969	\$ 9,562,274	\$ 57,726,295

NOTE 10 – RISK FINANCING

Insurance

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. The amount of claim settlements has not exceeded insurance coverage in any of the previous three years.

Health Benefits

The County participates in a health insurance risk pool trust administered by the Cape Cod Municipal Health Group (the Group), a non-profit organization incorporated in July of 1987 to obtain health insurance for member governments at costs eligible to larger groups. The Group offers a variety of premium based plans to its members with each participating governmental unit being charged a premium for coverage based on rates established by the Group. The County is obligated to pay the Group its required premiums and, in the event the Group is terminated, its pro rata share of a deficit, should one exist.

Workers' Compensation

The County participates in a premium-based workers' compensation policy for all employees.

NOTE 11 – PENSION PLAN*Plan Descriptions*

The County is a member of the Barnstable County Contributory Retirement Association (BCRA), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 50 member units. The BCRA is administered by five board members (Board) on behalf of all current employees and retirees. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The audited financial report may be obtained by visiting <http://www.barnstablecounty.org/retirement-association/>.

Benefits Provided

The BCRA provides retirement, disability, survivor and death benefits to plan members and beneficiaries. Massachusetts Contributory Retirement System benefits are, with certain minor exceptions, uniform from system to system. The Systems provide retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the BCRA a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The County's proportionate share of the required contribution equaled its actual contribution for the year ended December 31, 2022 and totaled \$3,566,756, or 26.07% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities

At June 30, 2023, the County reported a liability of \$63,075,375 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to

calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. Accordingly, procedures were used to roll forward the total pension liability to the measurement date. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2022, the County’s proportion was 7.601% compared to the 7.360% proportion measured at December 31, 2021.

Pension Expense

For the year ended June 30, 2023, the County recognized pension expense of \$6,278,207. At June 30, 2023, the County reported deferred outflows of resources related to pensions of \$14,772,084 and deferred inflows of resources related to pensions of \$4,051,608.

The balances of deferred outflows and inflows related to pensions at June 30, 2023, consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ -	\$ (196,325)	\$ (196,325)
Difference between projected and actual earnings, net.....	6,964,027	-	6,964,027
Changes in assumptions.....	3,324,961	-	3,324,961
Changes in proportion and proportionate share of contributions...	4,483,096	(3,855,283)	627,813
Total deferred outflows/(inflows) of resources.....	\$ 14,772,084	\$ (4,051,608)	\$ 10,720,476

The County’s net deferred outflows and (inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2024.....	\$ (157,239)
2025.....	1,877,619
2026.....	2,873,479
2027.....	5,928,215
2028.....	198,402
Total.....	\$ 10,720,476

Actuarial Assumptions

The total pension liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement that was rolled to December 31, 2022:

Valuation date.....	January 1, 2022
Actuarial cost method.....	Entry Age Actuarial Cost Method.
Projected salary increases.....	3.25%
Cost of living adjustments.....	3.0% of the first \$18,000.
Investment rate of return/ Discount rate.....	6.90%

Mortality Rates:

Pre-Retirement.....	RP-2014 Blue Collar Employee Mortality Table projected generationally with Scale MP-2021.
Healthy Retiree.....	RP-2014 Blue Collar Healthy Annuitant Mortality Table projected generationally with Scale MP-2021
Disabled Retiree.....	RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year and projected generationally with Scale MP-2021.

Investment Policy

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in derivation of the long-term expected investment rate of return assumption as of January 1, 2022, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	20.50%	6.59%
International developed markets equity..	12.00%	6.87%
International emerging markets equity...	4.50%	8.30%
Core fixed income.....	15.00%	1.53%
High-yield fixed income.....	8.00%	3.54%
Real estate.....	10.00%	3.44%
Timberland.....	4.00%	4.01%
Hedge fund, GTAA, Risk parity.....	10.00%	3.06%
Private equity.....	16.00%	9.49%
Total.....	100.00%	

Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -11.28%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% at December 31, 2022, and December 31, 2021. The projection of cash flows used to determine the discount rate assumed plan member contributions

will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rate. For this purpose, only employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount (6.90%)	1% Increase (7.90%)
	<u> </u>	<u> </u>	<u> </u>
The County's proportionate share of the net pension liability..... \$	\$ 83,250,202	\$ 63,075,375	\$ 46,103,496

Changes of Assumptions and Plan Provisions

There were no changes of assumptions and plan provisions in the January 1, 2022, actuarial valuation.

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

Barnstable County administers a single-employer defined benefit plan (Plan). The plan provides lifetime healthcare and life insurance for eligible retirees and their dependents through a single-employer defined Other Postemployment Benefit (OPEB) plan. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the County and the unions representing County employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

Funding Policy

The contribution requirements of plan members and the County are established and may be renegotiated between the County and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The County contributes 75% of the cost of current-year health, dental, and life insurance premiums, respectively for eligible retired plan members and their dependents. Plan members receiving benefits contribute the remaining 25% percent of their premium costs. For 2023, the County’s age-adjusted contribution to the plan totaled \$3.5 million. For the year ended June 30, 2023, the County’s average contribution rate was 33.52% of covered employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the County to establish a postemployment benefit trust fund and to enable the County to begin pre-funding its other postemployment benefit (OPEB) liabilities.

During 2023, the County pre-funded future OPEB liabilities totaling \$2,502,627 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2023, the balance of this fund totaled \$3,752,288.

Summary of Significant Accounting Policies

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year or less, which are reported at cost.

Employees Covered by Benefit Terms

The following table represents the Plan’s membership at June 30, 2022:

Active members.....	133
Inactive members currently receiving benefits.....	<u>183</u>
Total.....	<u><u>316</u></u>

Components of OPEB Liability

The following table represents the components of the Plan’s OPEB liability as of June 30, 2023:

Total OPEB liability.....	\$ 20,410,135
Less: OPEB plan’s fiduciary net position.....	<u>(3,752,288)</u>
Net OPEB liability.....	<u><u>\$ 16,657,847</u></u>
The OPEB plan’s fiduciary net position as a percentage of the total OPEB liability.....	18.38%

Significant Actuarial Methods and Assumptions

The total OPEB liability in the June 30, 2022, actuarial valuation was determined by using the following actuarial assumptions, applied to all periods included in the measurement date that was update to June 30, 2023, as follows:

Valuation date.....	June 30, 2022
Inflation.....	3.25%
Discount rate.....	6.50% as of June 30, 2023 and 3.54% as of June 30, 2022
Investment rate of return.....	6.50%

Salary increases.....	Service-related increases for Group 1 (excluding Teachers) and Group 2 employees: 6.0% decreasing over 11 years to an ultimate level of 4.0%.
Health care trend rates:	
Cape Cod Municipal Health Group.....	Non-Medicare: 3.86% for 1 year, then 6.75% decreasing by 0.25% each year to an ultimate level of 4.50% per year. Medicare: 7.00% decreasing by 0.25% each year to an ultimate level of 4.50% per year.
Dental.....	0% for 1 year, then 3.00%
Part B Contributions.....	5.15% for 1 year, then 4.50%.
Contributions.....	Retiree contributions for medical and prescription drug coverage are expected to increase with medical trend.
Mortality rates:	
Preretirement mortality rates:	
Healthy Employees.....	RP-2014 Blue Collar Employee Mortality Table projected generationally with Scale MP-2021.
Postretirement mortality rates:	
Healthy Retirees.....	RP-2014 Blue Collar Healthy Annuitant Mortality Table projected generationally with Scale MP-2021.
Disabled Retirees.....	RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year projected generationally with Scale MP-2021.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 9.93%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investment Policy

The County’s policy in regard to the allocation of invested assets is established and may be amended by the Board of Regional Commissioners by a majority vote of its members. The OPEB plan’s assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. The long-term real rate of return on OPWB investments was determined using the County’s investment policy.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and subtracting expected investment expenses and a risk margin. The arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expense, used in the derivation of the long-term expected investment rate of return assumption are summarized in the table on the following page.

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	20.50%	6.59%
International developed markets equity..	12.00%	6.87%
International emerging markets equity...	4.50%	8.30%
Core fixed income.....	15.00%	1.53%
High-yield fixed income.....	8.00%	3.54%
Real estate.....	10.00%	3.44%
Timberland.....	4.00%	4.01%
Hedge fund, GTAA, Risk parity.....	10.00%	3.06%
Private equity.....	16.00%	9.49%
Total.....	100.00%	

Discount Rate

The County’s rate used to measure the total OPEB liability was 6.50% as of June 30, 2023, and 3.54% as of June 30, 2022. The County’s discount rate is a blend of the long-term expended rate of return on the OPEB Trust assets and a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.65% as of June 30, 2023, and 3.54% as of June 30, 2022). The blending is based on the sufficiency of projected assets to make benefit payments. Since the assets are sufficient to cover projected benefit payments, the discount rate used to measure the total OPEB liability was 6.50% as of June 30, 2023. As of June 30, 2022, assets were not sufficient to cover projected benefit payments and the discount rate used to measure the total OPEB liability was 3.54%.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan	
		Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2022.....	\$ 37,189,723	\$ 1,060,853	\$ 36,128,870
Changes for the year:			
Service cost.....	1,095,065	-	1,095,065
Interest.....	1,337,058	-	1,337,058
Differences between expected and actual experience.....	(5,784,836)	-	(5,784,836)
Changes in assumptions.....	(12,388,292)	-	(12,388,292)
Benefit payments.....	(1,038,583)	(1,038,583)	-
Contributions - employer.....	-	3,541,210	(3,541,210)
Net investment income.....	-	188,808	(188,808)
Net change.....	(16,779,588)	2,691,435	(19,471,023)
Balances at June 30, 2023.....	\$ 20,410,135	\$ 3,752,288	\$ 16,657,847

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the net other postemployment benefit liability, calculated using the discount rate of 6.50%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate.

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB liability.....	\$ 19,229,038	\$ 16,657,847	\$ 14,522,088

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following table presents the net other postemployment benefit liability, calculated using the current healthcare trend rate, as well as what the net other postemployment benefit liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ 14,236,466	\$ 16,657,847	\$ 19,626,952

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

For the year ended June 30, 2023, the County recognized a negative OPEB expense of \$1,739,155 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 303,950	\$ (4,627,868)	\$ (4,323,918)
Difference between projected and actual earnings, net.....	36,948	-	36,948
Changes in assumptions.....	1,580,254	(16,679,674)	(15,099,420)
Total deferred outflows/(inflows) of resources.....	\$ 1,921,152	\$ (21,307,542)	\$ (19,386,390)

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

Year ended June 30:

2024.....	\$ (4,416,115)
2025.....	(6,005,410)
2026.....	(5,322,537)
2027.....	(3,642,328)
Total.....	\$ (19,386,390)

Changes of Assumptions

- The discount rate was updated from 3.54% as of June 30, 2022, to 6.50% as of June 30, 2023.
- Per capital health care costs, contributions and trends for retirees were updated to reflect current experience and future expectations.
- The mortality projection scale assumption was updated to use the most recently released projection scale.

Changes in Plan Provisions – None.

NOTE 13 – CONTINGENCIES

The County participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through June 30, 2023, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2023, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2023.

NOTE 14 – RESTATEMENT OF NET POSITION PREVIOUSLY REPORTED

Beginning net position of the governmental activities has been restated to include additional capital assets that were expensed in prior years. To reflect this change, the County has restated the beginning balance as follows:

	06/30/2022 Previously Reported Balances	Recognition of Additional Capital Assets	06/30/2022 Restated Balances
<i>Government-Wide Financial Statements</i>			
Governmental activities.....	\$ (31,437,894)	\$ 1,605,108	\$ (29,832,786)

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 29, 2023, which is the date the financial statements were available to be issued.

NOTE 16 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2023, the following GASB pronouncements were implemented:

- GASB Statement #91, *Conduit Debt Obligations*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #96, *Subscription-Based Information Technology Arrangements*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #99, *Omnibus 2022*. This pronouncement did not impact the annual comprehensive financial report.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #100, *Accounting Changes and Error Corrections*, which is required to be implemented in 2024.
- The GASB issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.

Management is currently assessing the impact the implementation of these pronouncements will have on the annual comprehensive financial report.

Required Supplementary Information

General Fund Budgetary Comparison Schedule

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

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2023

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
REVENUES:							
County tax assessments.....	\$ -	\$ 3,621,760	\$ 3,621,760	\$ 3,621,760	\$ 3,621,760	\$ -	\$ -
Registry of deeds excise tax.....	-	2,450,000	2,450,000	2,450,000	1,744,596	-	(705,404)
County excise tax.....	-	11,780,102	11,780,102	11,780,102	14,933,072	-	3,152,970
Court house rental.....	-	1,800,000	1,800,000	1,800,000	1,660,775	-	(139,225)
Intergovernmental.....	-	361,880	361,880	459,337	754,136	-	294,799
Departmental.....	-	1,086,054	1,086,054	1,086,054	958,830	-	(127,224)
Investment income.....	-	100,000	100,000	100,000	1,283,970	-	1,183,970
TOTAL REVENUES.....	-	21,199,796	21,199,796	21,297,253	24,957,139	-	3,659,886
EXPENDITURES:							
Current:							
General Government:							
Board of regional commissioners.....	81,000	1,121,395	1,202,395	1,233,735	1,194,479	966	38,290
Human rights commissioners.....	-	49,779	49,779	49,779	43,067	69	6,643
Information technology services.....	1,803	1,516,345	1,518,148	1,638,017	1,596,145	12,987	28,885
Resource development office.....	1,887	390,973	392,860	459,100	446,354	-	12,746
Assembly of delegates.....	-	310,239	310,239	336,076	289,172	-	46,904
Department of finance.....	-	1,029,641	1,029,641	1,029,865	1,005,000	-	24,865
Total General Government.....	84,690	4,418,372	4,503,062	4,746,572	4,574,217	14,022	158,333
County Services:							
Department of facilities.....	57,685	2,835,440	2,893,125	2,851,989	2,296,897	9,436	545,656
Cooperative extension services.....	18,896	2,322,252	2,341,148	2,387,019	2,004,896	5,519	376,604
Registry of deeds.....	6,226	2,648,282	2,654,508	2,617,445	2,361,771	221	255,453
Total County Services.....	82,807	7,805,974	7,888,781	7,856,453	6,663,564	15,176	1,177,713
Health and Human Services:							
Department of health and the environment.....	15,611	4,012,076	4,027,687	4,003,259	3,536,616	26,683	439,960
Department of human services.....	-	878,270	878,270	850,967	689,399	-	161,568
Children's cove.....	2,556	565,113	567,669	543,798	463,989	774	79,035
Total Health and Human Services.....	18,167	5,455,459	5,473,626	5,398,024	4,690,004	27,457	680,563
Public Safety:							
Americorps match.....	25,013	436,966	461,979	461,732	419,683	1,473	40,576
Fire training academy.....	-	312,680	312,680	296,877	168,475	-	128,402
Total Public Safety.....	25,013	749,646	774,659	758,609	588,158	1,473	168,978
Shared Costs:							
Fringe benefits - retirees.....	-	1,207,128	1,207,128	1,199,367	1,402,666	-	(203,299)
Miscellaneous and contingent.....	48,259	973,175	1,021,434	1,017,448	857,875	80,751	78,822
Appropriated reserves.....	-	100,000	100,000	66,119	-	-	66,119
Total Shared Costs.....	48,259	2,280,303	2,328,562	2,282,934	2,260,541	80,751	(58,358)
Debt Service:							
Principal.....	-	565,000	565,000	565,000	471,569	-	93,431
Interest.....	-	32,800	32,800	32,800	93,588	-	(60,788)
Total Debt Service.....	-	597,800	597,800	597,800	565,157	-	32,643
TOTAL EXPENDITURES.....	258,936	21,307,554	21,566,490	21,640,392	19,341,641	138,879	2,159,872
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(258,936)	(107,758)	(366,694)	(343,139)	5,615,498	(138,879)	5,819,758
OTHER FINANCING SOURCES (USES):							
Use of reserves for prior year carryforwards.....	258,936	-	258,936	258,936	-	-	(258,936)
Budgeted use of reserves.....	-	-	-	8,073,912	-	-	(8,073,912)
Transfers in.....	-	207,758	207,758	207,758	2,099,725	-	1,891,967
Transfers out.....	-	(100,000)	(100,000)	(8,100,010)	(8,100,010)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	258,936	107,758	366,694	440,596	(6,000,285)	-	(6,440,881)
NET CHANGE IN FUND BALANCE.....	-	-	-	97,457	(384,787)	(138,879)	(621,123)
BUDGETARY FUND BALANCE, Beginning of year.....	-	28,222,714	28,222,714	28,222,714	28,222,714	-	-
BUDGETARY FUND BALANCE, End of year.....	\$ -	\$ 28,222,714	\$ 28,222,714	\$ 28,320,171	\$ 27,837,927	\$ (138,879)	\$ (621,123)

See notes to required supplementary information.

Pension Plan Schedules

The Schedule of the County's Proportionate Share of the Net Pension Liability presents multi-year trend information on the County's net pension liability and related ratios.

The Schedule of the County's Contributions presents multi-year trend information on the County's required and actual contributions to the pension plan and related ratios.

These schedules are intended to present information for ten years. Until a ten-year trend is compiled, information is presented for those years for which information is available.

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
BARNSTABLE COUNTY RETIREMENT SYSTEM**

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2022.....	7.601%	\$ 63,075,375	\$ 13,544,113	465.70%	63.77%
December 31, 2021.....	7.360%	40,465,522	12,126,526	333.69%	75.07%
December 31, 2020.....	6.724%	46,452,165	11,306,270	410.85%	66.82%
December 31, 2019.....	7.012%	52,676,399	11,602,984	453.99%	62.34%
December 31, 2018.....	7.324%	57,892,433	11,853,629	488.39%	57.63%
December 31, 2017.....	7.368%	50,129,237	11,637,484	430.76%	61.86%
December 31, 2016.....	7.597%	53,383,346	12,100,397	441.17%	57.28%
December 31, 2015.....	7.623%	47,998,984	11,263,730	426.14%	58.10%
December 31, 2014.....	7.650%	43,187,586	11,524,598	374.74%	60.43%

Note: this schedule is intended to present information for 10 years.

Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
BARNSTABLE COUNTY RETIREMENT SYSTEM

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2023.....	\$ 3,566,756	\$ (3,566,756)	-	\$ 13,679,554	26.07%
June 30, 2022.....	4,976,056	(4,976,056)	-	12,247,791	40.63%
June 30, 2021.....	4,272,031	(4,272,031)	-	11,419,333	37.41%
June 30, 2020.....	4,616,366	(4,283,865)	332,501	11,719,014	36.55%
June 30, 2019.....	4,193,054	(4,193,054)	-	11,972,165	35.02%
June 30, 2018.....	3,949,166	(3,949,166)	-	11,753,859	33.60%
June 30, 2017.....	3,871,642	(3,871,642)	-	12,127,401	31.92%
June 30, 2016.....	3,773,174	(3,773,174)	-	11,289,974	33.42%
June 30, 2015.....	3,618,501	(3,618,501)	-	11,549,709	31.33%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

Other Postemployment Benefit Plan Schedules

The Schedule of Changes in the County's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered-employee payroll.

The Schedule of the County's Contributions presents multi-year trend information on the actual contributions to the other postemployment benefit plan and related ratios.

The Schedule of Investment Returns presents multi-year trend information on the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

These schedules are intended to present information for ten years. Until a ten-year trend is compiled, information is presented for those years for which information is available.

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**SCHEDULE OF CHANGES IN THE
COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Total OPEB Liability				
Service Cost.....	\$ 1,175,474	\$ 1,120,833	\$ 1,079,053	\$ 1,144,771
Interest.....	845,699	1,052,236	1,180,645	1,317,558
Differences between expected and actual experience.....	-	1,281,995	(122,264)	-
Changes of assumptions.....	(3,126,080)	2,020,200	4,562,083	7,901,272
Benefit payments.....	(870,450)	(970,265)	(1,065,361)	(1,188,797)
Net change in total OPEB liability.....	(1,975,357)	4,504,999	5,634,156	9,174,804
Total OPEB liability - beginning.....	<u>28,930,352</u>	<u>26,954,995</u>	<u>31,459,994</u>	<u>37,094,150</u>
Total OPEB liability - ending (a).....	<u>\$ 26,954,995</u>	<u>\$ 31,459,994</u>	<u>\$ 37,094,150</u>	<u>\$ 46,268,954</u>
Plan fiduciary net position				
Employer contributions.....	\$ -	\$ -	\$ 850,000	\$ -
Employer contributions for OPEB payments.....	-	-	-	1,188,797
Net investment income (loss).....	-	-	19,974	15,692
Benefit payments.....	-	-	-	(1,188,797)
Net change in plan fiduciary net position.....	-	-	869,974	15,692
Plan fiduciary net position - beginning of year.....	-	-	-	869,974
Plan fiduciary net position - end of year (b).....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 869,974</u>	<u>\$ 885,666</u>
Net OPEB liability - ending (a)-(b).....	<u>\$ 26,954,995</u>	<u>\$ 31,459,994</u>	<u>\$ 36,224,176</u>	<u>\$ 45,383,288</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.00%	0.00%	2.35%	1.91%
Covered-employee payroll.....	\$ 9,952,889	\$ 10,052,418	\$ 10,152,942	\$ 10,254,471
Net OPEB liability as a percentage of covered-employee payroll.....	270.83%	312.96%	356.79%	442.57%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

	June 30, 2021	June 30, 2022	June 30, 2023
\$	1,798,433	\$ 1,524,632	\$ 1,095,065
	1,048,628	981,618	1,337,058
	759,877	-	(5,784,836)
	(4,058,244)	(8,576,242)	(12,388,292)
	<u>(1,243,123)</u>	<u>(1,314,810)</u>	<u>(1,038,583)</u>
	(1,694,429)	(7,384,802)	(16,779,588)
	<u>46,268,954</u>	<u>44,574,525</u>	<u>37,189,723</u>
\$	<u>44,574,525</u>	<u>\$ 37,189,723</u>	<u>\$ 20,410,135</u>
\$	-	\$ 100,000	\$ 2,502,627
	1,243,123	1,314,810	1,038,583
	177,994	(102,807)	188,808
	<u>(1,243,123)</u>	<u>(1,314,810)</u>	<u>(1,038,583)</u>
	177,994	(2,807)	2,691,435
	<u>885,666</u>	<u>1,063,660</u>	<u>1,060,853</u>
\$	<u>1,063,660</u>	<u>\$ 1,060,853</u>	<u>\$ 3,752,288</u>
\$	<u>43,510,865</u>	<u>\$ 36,128,870</u>	<u>\$ 16,657,847</u>
	2.39%	2.85%	18.38%
\$	10,357,016	\$ 10,460,586	\$ 10,565,192
	420.11%	345.38%	157.67%

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2023.....	\$ 1,641,525	\$ (3,541,210)	\$ (1,899,685)	\$ 10,565,192	33.52%
June 30, 2022.....	1,887,855	(1,414,810)	473,045	10,460,586	13.53%
June 30, 2021.....	1,827,648	(1,243,123)	584,525	10,357,016	12.00%
June 30, 2020.....	1,895,957	(1,188,797)	707,160	10,254,471	11.59%
June 30, 2019.....	1,836,278	(1,960,329)	(124,051)	10,152,942	19.31%
June 30, 2018.....	1,011,262	(1,011,262)	-	10,052,418	10.06%
June 30, 2017.....	967,715	(967,715)	-	9,952,889	9.72%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

SCHEDULE OF INVESTMENT RETURNS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Year	Annual money-weighted rate of return, net of investment expense
June 30, 2023.....	9.93%
June 30, 2022.....	-8.96%
June 30, 2021.....	20.10%
June 30, 2020.....	1.80%
June 30, 2019.....	32.14%
June 30, 2018.....	0.00%
June 30, 2017.....	0.00%

Note: this schedule is intended to present information for 10 years. Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

MGL requires the County to adopt a balanced budget that is approved by the Board of Regional Commissioners and the Assembly of Delegates. The Board of Regional Commissioners present an annual budget to the Assembly of Delegates, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Assembly of Delegates, which has full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

Increases or transfers between departments subsequent to the approval of the annual budget require majority Assembly of Delegates approval via a supplemental appropriation or an Assembly of Delegates order.

The majority of the County’s appropriations are non-continuing which lapse at the end of each year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior year be carried forward and made available for spending in the current year.

Generally, expenditures may not exceed the level of spending authorized for an appropriation account. However, the County is statutorily required to pay debt service, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by majority vote of the Board of Regional Commissioners.

The County adopts an annual budget for the general fund in conformity with the guidelines described above. The original 2023 approved budget for the general fund authorized \$21.6 million in appropriations. During 2023, the County approved supplemental appropriations totaling \$8.1 million funded through reserves.

The County Finance Director has the responsibility to ensure that budgetary control is maintained on an individual line item appropriation account basis. Budgetary control is exercised through the County’s accounting system.

B. Budgetary – GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2023, is as follows:

Net change in fund balance - budgetary basis.....	\$	(384,787)
<u>Perspective differences:</u>		
Activity of the stabilization fund recorded in the general fund for GAAP.....		<u>2,336,445</u>
Net change in fund balance - GAAP basis.....	\$	<u>1,951,658</u>

C. Appropriation Deficits

Expenditures exceeded appropriations in shared costs fringe benefits – retirees and debt service interest.

NOTE B - PENSION PLAN***Pension Plan Schedules - County***A. Schedule of the County's Proportionate Share of the Net Pension Liability

The Schedule of the County's Proportionate Share of the Net Pension Liability details the allocated percentage of the net pension liability (asset), the proportionate share of the net pension liability, and the covered employee payroll. It also demonstrates the net position as a percentage of the pension liability and the net pension liability as a percentage of covered payroll.

B. Schedule of the County's Contributions

Governmental employers are required to pay an annual appropriation as established by PERAC. The appropriation includes the amounts to pay the pension portion of each member's retirement allowance, an amount to amortize the actuarially determined unfunded liability to zero in accordance with the System's funding schedule, and additional appropriations in accordance with adopted early retirement incentive programs. The appropriations are payable on July 1 and January 1. The County may choose to pay the entire appropriation in July at a discounted rate. Accordingly, actual contributions may be less than the "total appropriation". The pension fund appropriation is allocated to the County based on covered payroll.

C. Changes of Assumptions – None.

D. Changes in Plan Provisions – None.

NOTE C - OTHER POSTEMPLOYMENT BENEFITS

The County administers a single-employer defined benefit healthcare plan (Plan). The Plan provides lifetime healthcare insurance for eligible retirees and their dependents through the County's group health insurance plan, which covers both active and retired members.

A. Schedule of Changes in the County's Net Other Postemployment Benefit Liability and Related Ratios

The Schedule of Changes in the County's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered-employee payroll.

B. Schedule of the County's Contributions

The Schedule of the County's Contributions includes the County's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered employee payroll. The County is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll.

C. Schedule of Investment Returns

The Schedule of Investment Returns includes the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

D. Changes of Assumptions

- The discount rate was updated from 3.54% as of June 30, 2022, to 6.50% as of June 30, 2023.
- Per capital health care costs, contributions and trends for retirees were updated to reflect current experience and future expectations.
- The mortality projection scale assumption was updated to use the most recently released projection scale.

E. Changes in Plan Provisions – None.

Combining Statements

The combining statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given type.

Nonmajor Governmental Funds

Special Revenue Funds:

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Cape Cod Commission Grants – accounts for grant funds received from state and federal governments which are designated for the Cape Cod Commission.

Children’s Cove – accounts for the activities of the Children’s Cove child advocacy center.

Cooperative Extension – The Smith-Lever Act of 1914 established the Cooperative Extension Service as a means for disseminating and implementing research-based information from Land Grant universities nationwide, including the University of Massachusetts. AmeriCorps was enveloped into the Cooperative Extension beginning in fiscal year 2022.

County Commissioners – accounts for miscellaneous general activities including human rights commission and fire training clean up.

Health and Environmental – accounts for activities related to the County’s health and environmental projects which include nursing services including a comprehensive vaccination program, landfill post closure groundwater and soil gas monitoring, and an alternative wastewater treatment technology test center.

Human Services – accounts for activities related to the County’s human service projects.

License Plate – accounts for proceeds related to the sale of the Cape Cod and Islands specialty plates.

Registry Technology Fund – accounts for the funds earned and spent through the State’s registry technology fund.

Mitigation Fund – accounts for the County’s mitigation activities.

Revenue Fund – accounts for revenue stabilization fund specifically for the Registry of Deeds.

COVID Vaccine – accounts for COVID vaccine grant funds.

PFAS Assessment – accounts for the County’s PFAS projects.

Unemployment Reserve – accounts for the County’s unemployment activities.

Retirement Fund – accounts for the County’s retirement reserves.

Revolving Fund – accounts for the activity of the hazardous waste and charging station revolving fund.

Other Special Revenue – accounts for the activity of other special revenue funds that are not categorized with any other fund.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Project Fund – accounts for the County's miscellaneous capital projects.

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2023

	Special Revenue Funds			
	Cape Cod Commission Grants	Children's Cove	Cooperative Extension	County Commissioners
ASSETS				
Cash and cash equivalents.....	\$ 162,623	\$ 7,494	\$ 325,858	\$ 111,577
Receivables, net of uncollectibles:				
Departmental and other.....	45,001	-	1,190	-
Intergovernmental - other.....	-	-	-	-
Loans.....	-	-	-	-
TOTAL ASSETS.....	\$ 207,624	\$ 7,494	\$ 327,048	\$ 111,577
LIABILITIES				
Warrants payable.....	\$ 260	\$ -	\$ 10	\$ 26,486
Due to other funds.....	-	-	-	-
Notes payable.....	-	-	-	-
TOTAL LIABILITIES.....	260	-	10	26,486
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue.....	-	-	811	-
FUND BALANCES				
Restricted.....	207,364	7,494	326,227	85,091
Unassigned.....	-	-	-	-
TOTAL FUND BALANCES.....	207,364	7,494	326,227	85,091
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 207,624	\$ 7,494	\$ 327,048	\$ 111,577

(Continued)

Special Revenue Funds					
<u>Health and Environmental</u>	<u>Human Services</u>	<u>License Plate</u>	<u>Registry Technology Fund</u>	<u>Mitigation Fund</u>	<u>Revenue Fund</u>
\$ 1,346,493	\$ 71,745	\$ 521,627	\$ 1,389,757	\$ 2,481,851	\$ 604,862
91,717	10,000	31,934	-	-	46,268
-	-	-	-	-	-
8,278	-	-	-	-	-
<u>\$ 1,446,488</u>	<u>\$ 81,745</u>	<u>\$ 553,561</u>	<u>\$ 1,389,757</u>	<u>\$ 2,481,851</u>	<u>\$ 651,130</u>
\$ 24,777	\$ -	\$ 16,421	\$ 77,785	\$ 78,755	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>24,777</u>	<u>-</u>	<u>16,421</u>	<u>77,785</u>	<u>78,755</u>	<u>-</u>
<u>42,498</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,379,213	81,745	537,140	1,311,972	2,403,096	651,130
-	-	-	-	-	-
<u>1,379,213</u>	<u>81,745</u>	<u>537,140</u>	<u>1,311,972</u>	<u>2,403,096</u>	<u>651,130</u>
<u>\$ 1,446,488</u>	<u>\$ 81,745</u>	<u>\$ 553,561</u>	<u>\$ 1,389,757</u>	<u>\$ 2,481,851</u>	<u>\$ 651,130</u>

(Continued)

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2023

	Special Revenue Funds			
	COVID Vaccine	PFAS Assessment	Unemployment Reserve	Retirement Fund
ASSETS				
Cash and cash equivalents.....	\$ -	\$ 737,688	\$ 59,531	\$ 377,507
Receivables, net of uncollectibles:				
Departmental and other.....	-	-	-	-
Intergovernmental - other.....	204	-	-	-
Loans.....	-	-	-	-
TOTAL ASSETS.....	\$ 204	\$ 737,688	\$ 59,531	\$ 377,507
LIABILITIES				
Warrants payable.....	\$ -	\$ 11,114	\$ 998	\$ -
Due to other funds.....	165	-	-	-
Notes payable.....	-	-	-	-
TOTAL LIABILITIES.....	165	11,114	998	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue.....	-	-	-	-
FUND BALANCES				
Restricted.....	39	726,574	58,533	377,507
Unassigned.....	-	-	-	-
TOTAL FUND BALANCES.....	39	726,574	58,533	377,507
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 204	\$ 737,688	\$ 59,531	\$ 377,507

(Continued)

<u>Special Revenue Funds</u>				
<u>Revolving Fund</u>	<u>Other Special Revenue</u>	<u>Subtotal</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 3,351,454	\$ 11,550,067	\$ 2,267,886	\$ 13,817,953
214,061	39,063	479,234	-	479,234
-	63,775	63,775	-	63,775
-	-	8,278	-	8,278
<u>\$ 214,061</u>	<u>\$ 3,454,088</u>	<u>\$ 12,101,354</u>	<u>\$ 2,267,886</u>	<u>\$ 14,369,240</u>
\$ 88,185	\$ 121,201	\$ 445,992	\$ 40,000	\$ 485,992
28,574	-	28,739	-	28,739
-	920,165	920,165	3,183,553	4,103,718
<u>116,759</u>	<u>1,041,366</u>	<u>1,394,896</u>	<u>3,223,553</u>	<u>4,618,449</u>
<u>87,125</u>	<u>58,083</u>	<u>188,517</u>	<u>-</u>	<u>188,517</u>
10,177	2,354,639	10,517,941	-	10,517,941
-	-	-	(955,667)	(955,667)
<u>10,177</u>	<u>2,354,639</u>	<u>10,517,941</u>	<u>(955,667)</u>	<u>9,562,274</u>
<u>\$ 214,061</u>	<u>\$ 3,454,088</u>	<u>\$ 12,101,354</u>	<u>\$ 2,267,886</u>	<u>\$ 14,369,240</u>

(Concluded)

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2023

	Special Revenue Funds			
	Cape Cod Commission Grants	Children's Cove	Cooperative Extension	County Commissioners
REVENUES:				
Court house rental.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	83,712	-	166,676	-
Departmental and other.....	22,110	-	51,055	-
Contributions and donations.....	-	-	6,620	-
Investment income.....	-	-	-	-
TOTAL REVENUES.....	105,822	-	224,351	-
EXPENDITURES:				
Current:				
General government.....	-	-	3,502	12
County services.....	-	-	129,165	-
Health and human services.....	-	1,636	-	-
Public safety.....	-	-	-	-
Planning and development.....	248,513	-	-	-
Shared costs.....	-	-	-	412,785
TOTAL EXPENDITURES.....	248,513	1,636	132,667	412,797
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(142,691)	(1,636)	91,684	(412,797)
OTHER FINANCING SOURCES (USES):				
Transfers in.....	-	-	-	-
Transfers out.....	(34,381)	-	(1,321)	-
TOTAL OTHER FINANCING SOURCES (USES).....	(34,381)	-	(1,321)	-
NET CHANGE IN FUND BALANCES.....	(177,072)	(1,636)	90,363	(412,797)
FUND BALANCES AT BEGINNING OF YEAR.....	384,436	9,130	235,864	497,888
FUND BALANCES AT END OF YEAR.....	\$ 207,364	\$ 7,494	\$ 326,227	\$ 85,091

(Continued)

Special Revenue Funds

	Health and Environmental	Human Services	License Plate	Registry Technology Fund	Mitigation Fund	Revenue Fund
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	545,300	102,857	-	-	33,555	-
	222,296	2,500	472,209	-	-	-
	-	-	-	-	-	-
	-	-	-	-	77,463	62,277
	<u>767,596</u>	<u>105,357</u>	<u>472,209</u>	<u>-</u>	<u>111,018</u>	<u>62,277</u>
	-	-	-	-	-	-
	-	-	-	268,167	-	-
	672,559	70,242	-	-	-	-
	-	-	-	-	-	-
	-	-	164,221	-	439,215	-
	-	-	-	-	-	-
	<u>672,559</u>	<u>70,242</u>	<u>164,221</u>	<u>268,167</u>	<u>439,215</u>	<u>-</u>
	<u>95,037</u>	<u>35,115</u>	<u>307,988</u>	<u>(268,167)</u>	<u>(328,197)</u>	<u>62,277</u>
	-	-	-	-	-	-
	(20,403)	(7)	(200,000)	-	-	-
	<u>(20,403)</u>	<u>(7)</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	74,634	35,108	107,988	(268,167)	(328,197)	62,277
	<u>1,304,579</u>	<u>46,637</u>	<u>429,152</u>	<u>1,580,139</u>	<u>2,731,293</u>	<u>588,853</u>
\$	<u><u>1,379,213</u></u>	<u><u>81,745</u></u>	<u><u>537,140</u></u>	<u><u>1,311,972</u></u>	<u><u>2,403,096</u></u>	<u><u>651,130</u></u>

(Continued)

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2023

	Special Revenue Funds			
	COVID Vaccine	PFAS Assessment	Unemployment Reserve	Retirement Fund
REVENUES:				
Court house rental.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	-	-	-	-
Departmental and other.....	68,237	-	-	196,877
Contributions and donations.....	-	-	-	-
Investment income.....	-	-	-	-
TOTAL REVENUES.....	68,237	-	-	196,877
EXPENDITURES:				
Current:				
General government.....	-	-	-	-
County services.....	41,155	-	-	-
Health and human services.....	30,518	-	-	-
Public safety.....	-	-	-	-
Planning and development.....	-	-	-	-
Shared costs.....	-	247,274	18,907	-
TOTAL EXPENDITURES.....	71,673	247,274	18,907	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(3,436)	(247,274)	(18,907)	196,877
OTHER FINANCING SOURCES (USES):				
Transfers in.....	-	-	-	-
Transfers out.....	(1,509,542)	-	-	(100,000)
TOTAL OTHER FINANCING SOURCES (USES).....	(1,509,542)	-	-	(100,000)
NET CHANGE IN FUND BALANCES.....	(1,512,978)	(247,274)	(18,907)	96,877
FUND BALANCES AT BEGINNING OF YEAR.....	1,513,017	973,848	77,440	280,630
FUND BALANCES AT END OF YEAR.....	\$ 39	\$ 726,574	\$ 58,533	\$ 377,507

(Continued)

Special Revenue Funds				
Revolving Fund	Other Special Revenue	Subtotal	Capital Projects	Total Nonmajor Governmental Funds
\$ -	\$ 1,350	\$ 1,350	\$ -	\$ 1,350
-	129,877	1,061,977	-	1,061,977
738,632	333,040	2,106,956	-	2,106,956
-	25,984	32,604	-	32,604
-	-	139,740	-	139,740
<u>738,632</u>	<u>490,251</u>	<u>3,342,627</u>	<u>-</u>	<u>3,342,627</u>
-	6,803	10,317	-	10,317
670,700	-	1,109,187	102,720	1,211,907
-	14,200	789,155	666,195	1,455,350
-	86,946	86,946	-	86,946
-	450,786	1,302,735	-	1,302,735
-	85,598	764,564	-	764,564
<u>670,700</u>	<u>644,333</u>	<u>4,062,904</u>	<u>768,915</u>	<u>4,831,819</u>
<u>67,932</u>	<u>(154,082)</u>	<u>(720,277)</u>	<u>(768,915)</u>	<u>(1,489,192)</u>
-	2,493,528	2,493,528	951,084	3,444,612
-	(471,405)	(2,337,059)	-	(2,337,059)
-	2,022,123	156,469	951,084	1,107,553
67,932	1,868,041	(563,808)	182,169	(381,639)
<u>(57,755)</u>	<u>486,598</u>	<u>11,081,749</u>	<u>(1,137,836)</u>	<u>9,943,913</u>
\$ <u>10,177</u>	\$ <u>2,354,639</u>	\$ <u>10,517,941</u>	\$ <u>(955,667)</u>	\$ <u>9,562,274</u>

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Additional Information

The following Additional Information is a requirement of the Massachusetts Department of Transportation (MDOT).

BARNSTABLE COUNTY - CAPE COD COMMISSION
SCHEDULE OF FRINGE AND INDIRECT COST RATE - SINGLE RATE

YEAR ENDED JUNE 30, 2023

	Indirect Costs Incurred	Indirect Costs Disallowed	Indirect Costs Allowed
Administrative salaries.....	\$ 492,850	\$ -	\$ 492,850
Administrative fringe benefits.....	1,251,101	-	1,251,101
Indirect personnel costs.....	466,508	-	466,508
Other indirect costs.....	371,224	-	371,224
Equipment depreciation.....	<u>2,060</u>	<u>-</u>	<u>2,060</u>
Total.....	<u>\$ 2,583,743</u>	<u>\$ -</u>	<u>\$ 2,583,743</u>
Indirect costs allowed.....			\$ 2,583,743
Total direct salaries.....			\$ 2,012,654
Total indirect costs allowed as a percentage of total direct salaries.....			<u>128.37%</u>

BARNSTABLE COUNTY - CAPE COD COMMISSION
SCHEDULE OF FRINGE AND INDIRECT COST RATE - TWO RATE

YEAR ENDED JUNE 30, 2023

	Indirect Costs Incurred	Indirect Costs Disallowed	Indirect Costs Allowed
FRINGE RATE			
Administrative fringe benefits.....	\$ 1,251,101	\$ -	\$ 1,251,101
Indirect personnel costs.....	<u>466,508</u>	<u>-</u>	<u>466,508</u>
Total fringe pool.....	<u>\$ 1,717,609</u>	<u>\$ -</u>	1,717,609
Indirect costs allowed (fringe pool).....			<u>\$ 1,717,609</u>
Total direct and indirect salaries			<u>\$ 2,505,504</u>
Total indirect costs allowed (fringe pool) as a percentage of total direct and indirect salaries.....			<u>68.55% (A)</u>
INDIRECT COST RATE			
Administrative salaries.....	\$ 492,850	\$ -	\$ 492,850
Indirect salaries allocated to indirect labor (Indirect salaries x fringe rate).....	337,866	-	337,866
Other indirect costs.....	371,224	-	371,224
Equipment depreciation.....	<u>2,060</u>	<u>-</u>	<u>2,060</u>
Total indirect costs.....	<u>\$ 1,204,000</u>	<u>\$ -</u>	1,204,000
Indirect costs allowed.....			<u>\$ 1,204,000</u>
Total direct salaries.....			<u>\$ 2,012,654</u>
Total indirect costs allowed as a percentage of total direct salaries.....			<u>59.82% (B)</u>
Total indirect cost rate (A + B).....			<u>128.37%</u>

BARNSTABLE COUNTY - CAPE COD COMMISSION
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES

YEAR ENDED JUNE 30, 2023

	MADOT Bike Racks 2286 3040	DHCD DLTA 2368 +	Sandwich MHMP 2369	DHCD DLTA 2801 1222	Town of Wellfleet MHM 2825 3046	USEPA SNEP/U ME TAN 2853 3033
REVENUES:						
Federal, state and local grants.....	\$ 38,711	\$ 321,665	\$ -	\$ -	\$ 18,000	\$ 41,857
Local assessments*.....	-	4,198	-	20,073	-	7,027
TOTAL REVENUES.....	38,711	325,863	-	20,073	18,000	48,884
EXPENDITURES:						
Direct salaries.....	-	2,397	4,935	5,684	-	10,803
Indirect costs.....	-	3,077	6,335	7,297	-	13,868
Direct costs.....	38,711	-	-	173,650	-	-
TOTAL EXPENDITURES.....	38,711	5,474	11,270	186,631	-	24,671
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	\$ -	\$ 320,389	\$ (11,270)	\$ (166,558)	\$ 18,000	\$ 24,213

*Local assessments reflect CCC funds expended on the project (actual cost less amount invoiced)

(Continued)

US EDA CC Resiliency 2865	US EDA CARES Act 2876	US EDA Partnership Planning 2889	MVP Low Lying Roads Wellfleet 2891	MADOT Trans Planning 2895	MA Dept of Early Ed/ Childcare 2897	EOEEA Land Use Plan 2899	EOEEA FY23 Planning Floodplain Tools 2904	EOEEA/MVP Low Lying Roads 2 2905
\$ 377,467	\$ 72,329	\$ 70,000	\$ 110,931	\$ 318,716	\$ (35,324)	\$ -	\$ 148,534	\$ -
115,429	(1,418)	65,074	6,908	(3,932)	-	22,147	4,805	17,823
<u>492,896</u>	<u>70,911</u>	<u>135,074</u>	<u>117,839</u>	<u>314,784</u>	<u>(35,324)</u>	<u>22,147</u>	<u>153,339</u>	<u>17,823</u>
43,764	13,700	29,574	17,919	68,633	-	15,393	3,339	5,333
56,179	17,587	37,964	23,002	88,104	-	19,760	4,286	6,846
<u>146,816</u>	<u>20,000</u>	<u>-</u>	<u>75,161</u>	<u>4,214</u>	<u>-</u>	<u>34,973</u>	<u>5,146</u>	<u>64,295</u>
<u>246,759</u>	<u>51,287</u>	<u>67,538</u>	<u>116,082</u>	<u>160,951</u>	<u>-</u>	<u>70,126</u>	<u>12,771</u>	<u>76,474</u>
\$ <u>246,137</u>	\$ <u>19,624</u>	\$ <u>67,536</u>	\$ <u>1,757</u>	\$ <u>153,833</u>	\$ <u>(35,324)</u>	\$ <u>(47,979)</u>	\$ <u>140,568</u>	\$ <u>(58,651)</u>

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BARNSTABLE COUNTY - CAPE COD COMMISSION
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES

YEAR ENDED JUNE 30, 2023

	MADOT Trans Planning 2908	BC/ARPA Regional Housing 2909	MA DCR thru MAPC Mass Trails 2911	CCC Forums 8017	Underground Utilities 8022	CCC Mitigation 8023
REVENUES:						
Federal, state and local grants.....	\$ 555,532	\$ 932,576	\$ 5,000	\$ 22,110	\$ -	\$ 111,017
Local assessments*.....	(22,035)	(8,041)	1,030	-	(51)	-
TOTAL REVENUES.....	533,497	924,535	6,030	22,110	(51)	111,017
EXPENDITURES:						
Direct salaries.....	262,659	96,413	2,112	-	614	-
Indirect costs.....	337,176	123,765	2,712	-	788	-
Direct costs.....	50,401	97,958	-	15,000	-	439,215
TOTAL EXPENDITURES.....	650,236	318,136	4,824	15,000	1,402	439,215
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	\$ (116,739)	\$ 606,399	\$ 1,206	\$ 7,110	\$ (1,453)	\$ (328,198)

*Local assessments reflect CCC funds expended on the project (actual cost less amount invoiced)

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MADOT Complete Streets 8105	CC & I Water Protection Fund 8112	DHCD Housing 8117	BC/ARPA Broadband 8120	BC Transfer In Freshwater Initiative 8121	Total
\$ 45,001	\$ 62,383	\$ 67,494	\$ 400,000	\$ 2,493,028	\$ 6,177,027
(1,251)	(1,043)	(2,363)	(127)	(11,509)	212,744
<u>43,750</u>	<u>61,340</u>	<u>65,131</u>	<u>399,873</u>	<u>2,481,519</u>	<u>6,389,771</u>
14,854	23,551	27,632	1,525	137,583	788,417
19,068	30,232	35,471	1,958	176,615	1,012,090
<u>-</u>	<u>14,955</u>	<u>-</u>	<u>9,272</u>	<u>247,065</u>	<u>1,436,832</u>
<u>33,922</u>	<u>68,738</u>	<u>63,103</u>	<u>12,755</u>	<u>561,263</u>	<u>3,237,339</u>
\$ <u>9,828</u>	\$ <u>(7,398)</u>	\$ <u>2,028</u>	\$ <u>387,118</u>	\$ <u>1,920,256</u>	\$ <u>3,152,432</u>

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Statistical Section



Statistical Section

Statistical Section

This part of the Barnstable County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

- These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

- These schedules contain information to help the reader assess the County's most significant local revenue source, the county deeds/registry of deeds excise tax and town assessment/Cape Cod environmental protection taxes.

Debt Capacity

- These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

- These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

- These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

SOURCES: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**Net Position by Component
Last Ten Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets.....	\$ 7,124,876	\$ 5,877,704	\$ 4,868,617	\$ 5,149,625	\$ 2,520,764	\$ 3,284,973	\$ 3,792,187	\$ 4,675,844	\$ 4,142,110	\$ 3,841,682
Restricted.....	14,507,228	15,590,873	18,451,453	18,496,571	17,413,304	38,774,683	38,873,003	40,207,702	42,069,192	14,636,507
Unrestricted.....	(12,777,280)	(56,315,885)	(58,464,457)	(62,280,239)	(72,104,664)	(98,402,936)	(103,127,025)	(91,509,033)	(76,044,088)	(38,337,512)
Total governmental activities net position.....	\$ 8,854,824	\$ (34,847,308)	\$ (35,144,387)	\$ (38,634,043)	\$ (52,170,596)	\$ (56,343,280)	\$ (60,461,835)	\$ (46,625,487)	\$ (29,832,786)	\$ (19,859,323)
Business-type activities										
Net investment in capital assets.....	\$ 392,912	\$ 304,893	\$ 196,756	\$ 113,017	\$ 61,745	\$ 312,369	\$ 512,290	\$ 504,987	\$ 685,300	\$ 777,432
Unrestricted.....	1,243,326	809,501	718,009	656,432	(14,909)	(489,937)	(1,405,408)	(1,626,999)	(2,012,012)	(2,105,876)
Total business-type activities net position.....	\$ 1,636,238	\$ 1,114,394	\$ 914,765	\$ 769,449	\$ 46,836	\$ (177,568)	\$ (893,118)	\$ (1,122,012)	\$ (1,326,712)	\$ (1,328,444)
Primary government										
Net investment in capital assets.....	\$ 7,517,788	\$ 6,182,597	\$ 5,065,373	\$ 5,262,642	\$ 2,582,509	\$ 3,597,342	\$ 4,304,477	\$ 5,180,831	\$ 4,827,410	\$ 4,619,114
Restricted.....	14,507,228	15,590,873	18,451,453	18,496,571	17,413,304	38,774,683	38,873,003	40,207,702	42,069,192	14,636,507
Unrestricted.....	(11,533,954)	(55,506,384)	(57,746,448)	(61,623,807)	(72,119,573)	(98,892,873)	(104,532,433)	(93,136,032)	(78,056,100)	(40,443,388)
Total primary government net position.....	\$ 10,491,062	\$ (33,732,914)	\$ (34,229,622)	\$ (37,864,594)	\$ (52,123,760)	\$ (56,520,848)	\$ (61,354,953)	\$ (47,747,499)	\$ (31,159,498)	\$ (21,187,767)

**Changes in Net Position
Last Ten Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government.....	\$ 12,969,216	\$ 13,267,642	\$ 6,182,044	\$ 5,611,378	\$ 5,013,298	\$ 6,317,560	\$ 6,593,708	\$ 5,026,865	\$ 5,089,331	\$ 14,351,678
County services.....	1,616,689	1,670,857	8,526,008	9,374,848	8,473,655	9,859,391	10,547,945	8,689,969	8,808,729	9,399,931
Health and human services.....	5,020,951	6,951,152	7,362,619	8,304,266	7,830,679	8,139,517	12,945,432	12,259,235	12,974,903	12,061,984
Public safety.....	1,499,895	1,576,900	2,692,202	4,030,875	2,966,927	3,735,768	3,287,035	2,594,177	1,970,635	3,889,852
Planning and development.....	7,541,231	6,370,919	6,296,191	7,025,429	5,683,849	8,364,123	7,806,923	6,854,193	5,772,097	6,186,133
Interest.....	884,257	894,259	524,157	500,655	638,375	510,586	433,324	384,645	365,919	393,611
Legal settlement.....	-	-	-	2,950,000	-	-	-	-	-	-
Total governmental activities expenses.....	<u>29,532,239</u>	<u>30,731,729</u>	<u>31,583,221</u>	<u>37,797,451</u>	<u>30,606,783</u>	<u>36,926,945</u>	<u>41,614,367</u>	<u>35,809,084</u>	<u>34,981,614</u>	<u>46,283,189</u>
Business-type activities:										
Dredge.....	969,466	806,075	890,788	1,015,417	924,769	1,256,292	1,656,373	1,943,239	1,681,203	1,905,286
Total primary government expenses.....	<u>\$ 30,501,705</u>	<u>\$ 31,537,804</u>	<u>\$ 32,474,009</u>	<u>\$ 38,812,868</u>	<u>\$ 31,531,552</u>	<u>\$ 38,183,237</u>	<u>\$ 43,270,740</u>	<u>\$ 37,752,323</u>	<u>\$ 36,662,817</u>	<u>\$ 48,188,475</u>
Program Revenues										
Governmental activities:										
Charges for services.....	\$ 9,899,424	\$ 10,424,615	\$ 10,286,594	\$ 10,737,360	\$ 10,451,048	\$ 10,448,425	\$ 7,264,511	\$ 8,211,951	\$ 5,162,589	\$ 5,792,507
Operating grants and contributions.....	7,775,806	7,396,885	7,105,128	8,577,661	6,252,311	5,668,644	7,557,046	8,926,586	9,831,935	19,510,946
Capital grants and contributions.....	40,000	-	50,029	10,747	-	-	4,128,135	3,972,093	3,358,023	3,097,938
Total government activities program revenues.....	<u>17,715,230</u>	<u>17,821,500</u>	<u>17,441,751</u>	<u>19,325,768</u>	<u>16,703,359</u>	<u>16,117,069</u>	<u>18,949,692</u>	<u>21,110,630</u>	<u>18,352,547</u>	<u>28,401,391</u>
Business-type activities:										
Dredge charges for services.....	984,434	842,484	687,982	867,244	825,028	1,014,716	932,042	1,700,007	1,160,300	942,293
Dredge capital grants and contributions.....	-	-	-	-	-	-	-	-	-	234,619
Total business-type activities program revenues.....	<u>984,434</u>	<u>842,484</u>	<u>687,982</u>	<u>867,244</u>	<u>825,028</u>	<u>1,014,716</u>	<u>932,042</u>	<u>1,700,007</u>	<u>1,160,300</u>	<u>1,176,912</u>
Total primary government program revenues.....	<u>\$ 18,699,664</u>	<u>\$ 18,663,984</u>	<u>\$ 18,129,733</u>	<u>\$ 20,193,012</u>	<u>\$ 17,528,387</u>	<u>\$ 17,131,785</u>	<u>\$ 19,881,734</u>	<u>\$ 22,810,637</u>	<u>\$ 19,512,847</u>	<u>\$ 29,578,303</u>
Net (Expense)/Revenue										
Governmental activities.....	\$ (11,817,009)	\$ (12,910,229)	\$ (14,141,470)	\$ (18,471,683)	\$ (13,903,424)	\$ (20,809,876)	\$ (22,664,675)	\$ (14,698,454)	\$ (16,629,067)	\$ (17,881,798)
Business-type activities.....	14,968	36,409	(202,806)	(148,173)	(99,741)	(241,576)	(724,331)	(243,232)	(520,903)	(728,374)
Total primary government net expense.....	<u>\$ (11,802,041)</u>	<u>\$ (12,873,820)</u>	<u>\$ (14,344,276)</u>	<u>\$ (18,619,856)</u>	<u>\$ (14,003,165)</u>	<u>\$ (21,051,452)</u>	<u>\$ (23,389,006)</u>	<u>\$ (14,941,686)</u>	<u>\$ (17,149,970)</u>	<u>\$ (18,610,172)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
County tax assessments.....	\$ 2,972,551	\$ 2,972,551	\$ 3,046,865	\$ 3,123,037	\$ 3,201,113	\$ 3,281,140	\$ 3,363,170	\$ 3,447,249	\$ 3,533,429	\$ 3,621,760
Registry of deeds excise tax.....	-	-	-	-	-	-	1,792,269	1,890,001	2,424,595	1,744,596
County deeds excise tax.....	7,947,890	8,487,216	9,289,274	11,566,184	11,590,371	12,116,353	13,970,389	24,187,770	21,006,572	16,811,084
Insurance settlements.....	-	-	-	-	-	-	-	82,785	-	-
Environmental protections taxes.....	-	-	-	2,857	-	-	-	-	3,788,320	3,883,032
Unrestricted investment income (loss).....	13,230	18,533	(21,795)	292,806	121,107	1,256,871	279,653	382,034	159,113	2,453,194
Gain (loss) on disposal of capital assets.....	(1,400)	(893)	-	-	-	-	-	-	-	-
Miscellaneous.....	-	-	-	-	-	-	81,462	167,445	1,040,654	68,237
Transfers.....	-	-	-	-	-	-	-	-	(136,023)	(726,642)
Total government activities.....	<u>10,932,271</u>	<u>11,477,407</u>	<u>12,314,344</u>	<u>14,984,884</u>	<u>14,912,591</u>	<u>16,654,364</u>	<u>19,486,943</u>	<u>30,157,284</u>	<u>31,816,660</u>	<u>27,855,261</u>
Business-type activities:										
Unrestricted investment income (loss).....	-	-	-	-	-	-	-	-	180	-
Gain (loss) on disposal of capital assets.....	-	-	-	-	-	-	-	-	180,000	-
Dredge transfers.....	-	-	-	-	-	-	-	-	136,023	726,642
Total business-type activities.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>316,203</u>	<u>726,642</u>
Total primary government.....	<u>\$ 10,932,271</u>	<u>\$ 11,477,407</u>	<u>\$ 12,314,344</u>	<u>\$ 14,984,884</u>	<u>\$ 14,912,591</u>	<u>\$ 16,654,364</u>	<u>\$ 19,486,943</u>	<u>\$ 30,157,284</u>	<u>\$ 32,132,863</u>	<u>\$ 28,581,903</u>
Changes in Net Position										
Governmental activities.....	\$ (884,738)	\$ (1,432,822)	\$ (1,827,126)	\$ (3,486,799)	\$ 1,009,167	\$ (4,155,512)	\$ (3,177,732)	\$ 15,458,830	\$ 15,187,593	\$ 9,973,463
Business-type activities.....	14,968	36,409	(202,806)	(148,173)	(99,741)	(241,576)	(724,331)	(243,232)	(204,700)	(1,732)
Total primary government.....	<u>\$ (869,770)</u>	<u>\$ (1,396,413)</u>	<u>\$ (2,029,932)</u>	<u>\$ (3,634,972)</u>	<u>\$ 909,426</u>	<u>\$ (4,397,088)</u>	<u>\$ (3,902,063)</u>	<u>\$ 15,215,598</u>	<u>\$ 14,982,893</u>	<u>\$ 9,971,731</u>

**Fund Balances, Governmental Funds
Last Ten Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted.....	\$ 747,468	\$ 772,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed.....	1,950,947	3,343,936	598,859	105,718	-	-	2,000,000	1,985,554	1,406,304	-
Assigned.....	914,769	636,615	531,447	687,142	594,157	400,504	649,503	412,350	258,936	138,879
Unassigned.....	2,180,097	2,159,668	6,051,527	10,050,737	12,491,633	14,772,211	8,321,610	19,257,429	28,508,953	31,986,972
Total General Fund.....	\$ 5,793,281	\$ 6,913,083	\$ 7,181,833	\$ 10,843,597	\$ 13,085,790	\$ 15,172,715	\$ 10,971,113	\$ 21,655,333	\$ 30,174,193	\$ 32,125,851
All Other Governmental Funds										
Restricted.....	\$ 39,798,642	\$ 39,860,064	\$ 39,484,305	\$ 39,833,886	\$ 39,460,437	\$ 38,774,683	\$ 22,564,036	\$ 23,433,360	\$ 25,505,376	\$ 26,556,111
Committed.....	895,095	8,021	-	-	-	-	583,728	1,911,225	3,041,073	-
Unassigned.....	(7,010,698)	(8,095,276)	(8,961,768)	(8,450,361)	(6,526,113)	(7,242,651)	(1,139,534)	(1,955,981)	(3,222,785)	(955,667)
Total Other Governmental Funds.....	\$ 33,683,039	\$ 31,772,809	\$ 30,522,537	\$ 31,383,525	\$ 32,934,324	\$ 31,532,032	\$ 22,008,230	\$ 23,388,604	\$ 25,323,664	\$ 25,600,444

**Changes in Fund Balances, Governmental Funds
Last Ten Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
County tax assessments.....	\$ 2,972,551	\$ 2,972,551	\$ 3,046,865	\$ 3,123,037	\$ 3,201,113	\$ 3,281,140	\$ 3,363,170	\$ 3,447,249	\$ 3,533,429	\$ 3,621,760
County/ Registry of deeds excise tax.....	10,361,382	10,892,620	11,821,646	14,200,639	14,063,432	14,519,615	13,970,389	24,187,770	21,645,135	18,555,680
Court house rental.....	1,392,568	1,718,968	1,534,053	1,776,563	1,665,937	1,763,345	1,791,119	1,890,001	1,744,059	2,313,161
Environmental protection taxes.....	3,109,249	-	-	-	-	-	-	-	-	3,883,032
Intergovernmental.....	7,470,428	265,935	337,837	431,079	325,664	369,070	-	-	-	18,862,185
Departmental.....	3,200,522	987,932	1,097,404	1,207,921	1,185,480	1,477,108	1,099,457	673,257	1,305,065	3,850,748
Investment income.....	94,897	26,087	23,976	45,668	70,330	346,134	185,016	95,797	51,861	2,456,313
Other revenues.....	-	-	-	-	-	-	58,133	11,475	106,175	3,131,542
Total Revenues.....	28,601,597	16,864,093	17,861,781	20,784,907	20,511,956	21,756,412	20,467,284	30,305,549	28,385,724	56,674,421
Expenditures:										
General government.....	12,633,826	10,744,053	5,134,842	4,795,861	5,291,538	5,518,868	5,704,830	6,109,674	6,393,816	13,508,147
County services.....	1,570,817	856,277	6,748,846	6,570,658	6,739,294	6,378,796	6,114,029	6,248,129	6,629,760	9,425,023
Health and human services.....	5,027,518	3,656,382	3,121,840	3,396,952	3,424,084	3,334,211	3,410,788	3,686,987	4,188,683	14,029,335
Public safety.....	1,453,245	1,432,579	1,689,440	1,749,169	1,962,396	1,966,669	1,922,073	2,252,535	628,652	2,723,809
Planning and development.....	7,172,685	-	477,026	277,382	245,279	91,695	30,000	-	-	6,512,990
Shared costs.....	-	-	-	-	-	-	-	-	-	5,270,278
Debt service:										
Principal.....	1,214,211	-	-	-	-	377,000	530,913	370,000	365,000	1,829,210
Interest.....	884,257	-	11,446	13,445	177,175	171,669	103,998	65,613	57,965	420,549
Total Expenditures.....	29,956,559	16,689,291	17,183,440	16,803,467	17,839,766	17,838,908	17,816,631	18,732,938	18,263,876	53,719,341
Excess of revenues over (under) expenditures.....	(1,354,962)	174,802	678,341	3,981,440	2,672,190	3,917,504	2,650,653	11,572,611	10,121,848	2,955,080
Other Financing Sources (Uses):										
Issuance of bonds and notes.....	2,800,000	-	-	-	-	-	-	-	-	-
Transfers in.....	1,189,319	945,000	30,000	-	-	32,994	96,376	331,895	444,564	6,473,027
Transfers out.....	(1,189,319)	-	(482,000)	(550,000)	(430,000)	(1,863,573)	(7,251,934)	(4,750,000)	(1,279,635)	(7,199,669)
Prior year carry forward (encumbrances).....	-	-	-	-	-	-	400,504	303,303	264,985	-
Total other financing sources (uses).....	2,800,000	945,000	(452,000)	(550,000)	(430,000)	(1,830,579)	(6,755,054)	(4,114,802)	(570,086)	(726,642)
Net change in fund balance.....	\$ 1,445,038	\$ 1,119,802	\$ 226,341	\$ 3,431,440	\$ 2,242,190	\$ 2,086,925	\$ (4,104,401)	\$ 7,457,809	\$ 9,551,762	\$ 2,228,438
Debt service as a percentage of noncapital expenditures.....	7.01%	0.00%	0.07%	0.08%	0.99%	3.08%	3.56%	2.33%	2.32%	4.27%

**Barnstable County, Massachusetts
Major Sources of Revenue
Last Ten Fiscal Years**

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Deeds/ Registry of Deeds Excise Tax	\$ 11,117,298	\$ 10,361,382	\$ 10,892,620	\$ 11,821,646	\$ 14,200,639	\$ 14,063,432	\$ 14,519,615	\$ 13,970,389	\$ 24,187,770	\$ 21,645,135
Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Town Assessments/Cape Cod Environmental Protection Taxes										
Barnstable	\$ 1,034,155	\$ 1,057,930	\$ 1,071,451	\$ 1,094,173	\$ 1,121,530	\$ 1,113,942	\$ 1,141,793	\$ 1,185,464	\$ 1,215,102	\$ 1,230,279
Bourne	328,888	337,257	341,567	342,773	351,341	358,085	367,037	381,928	391,477	397,743
Brewster	282,107	279,187	282,755	288,024	295,225	303,064	310,640	325,382	333,518	335,631
Chatham	478,448	480,946	487,093	503,050	515,626	536,677	550,093	585,293	599,925	606,968
Dennis	490,498	495,835	502,172	507,018	519,693	548,403	562,113	573,389	587,722	610,236
Eastham	216,897	228,561	231,482	229,309	235,041	237,220	243,150	236,100	242,003	249,543
Falmouth	842,068	875,529	886,719	937,864	961,310	969,625	993,865	980,115	1,004,619	1,012,338
Harwich	371,418	380,439	385,301	391,173	400,952	421,224	431,755	452,363	463,670	490,369
Mashpee	360,077	369,270	373,990	383,239	392,819	414,910	425,283	445,418	456,552	459,857
Orleans	294,157	300,777	304,621	312,621	320,437	325,614	333,755	337,287	345,719	346,527
Provincetown	183,582	190,592	193,028	210,266	215,523	226,396	232,055	244,037	250,138	277,876
Sandwich	293,448	299,288	303,114	309,447	317,183	331,026	339,302	341,256	349,787	382,487
Truro	163,736	170,490	172,669	172,973	177,298	178,591	183,056	182,532	187,095	190,699
Wellfleet	167,280	186,124	188,503	188,049	192,750	196,631	201,546	200,388	205,398	203,776
Yarmouth	426,705	429,575	435,066	443,541	454,629	471,734	483,527	497,994	510,444	527,419
Total Town Tax Assessments	<u>5,933,464</u>	<u>6,081,800</u>	<u>6,159,531</u>	<u>6,313,520</u>	<u>6,471,357</u>	<u>6,633,142</u>	<u>6,798,970</u>	<u>6,968,946</u>	<u>7,143,169</u>	<u>7,321,748</u>
Total Town Assessment/Registry of Deeds Revenue	<u>\$ 17,050,762</u>	<u>\$ 16,443,182</u>	<u>\$ 17,052,151</u>	<u>\$ 18,135,166</u>	<u>\$ 20,671,996</u>	<u>\$ 20,696,574</u>	<u>\$ 21,318,585</u>	<u>\$ 20,939,335</u>	<u>\$ 31,330,939</u>	<u>\$ 28,966,883</u>

* Information for the most recent and available 10 years were provided.

Barnstable County, Massachusetts
Ratios of General Bonded Debt Outstanding
Last Ten Years

Year	Governmental Activities		Business-type	Total Debt Outstanding	Percentage of Personal Income (2)	U.S. Census Population	Debt per Capita
	General	Direct	Activities				
	Obligation Bonds (1)	Borrowing	General Obligation Bonds (1)				
2014	\$ -	\$ 26,057,367	\$ -	\$ 26,057,367	0.30%	214,914	121
2015	\$ -	\$ 25,043,156	\$ -	\$ 25,043,156	0.29%	214,333	117
2016	\$ -	\$ 23,578,945	\$ -	\$ 23,578,945	0.27%	214,276	110
2017	\$ 740,000	\$ 22,114,734	\$ 2,000,000	\$ 24,854,734	0.28%	213,444	116
2018	\$ 2,743,381	\$ 20,650,523	\$ 2,000,000	\$ 25,393,904	0.29%	213,413	119
2019	\$ 2,270,626	\$ 19,186,312	\$ 1,865,000	\$ 23,321,938	0.21%	215,888	108
2020	\$ 1,817,344	\$ 17,722,101	\$ 1,730,000	\$ 21,269,445	0.20%	228,996	93
2021	\$ 1,386,370	\$ 16,257,890	\$ 1,595,000	\$ 19,239,260	0.16%	232,411	83
2022	\$ 977,472	\$ 14,793,680	\$ 1,460,000	\$ 17,231,152	0.12%	232,457	74
2023	\$ 585,534	\$ 13,329,470	\$ 1,325,000	\$ 15,240,004	0.11%	234,782	65

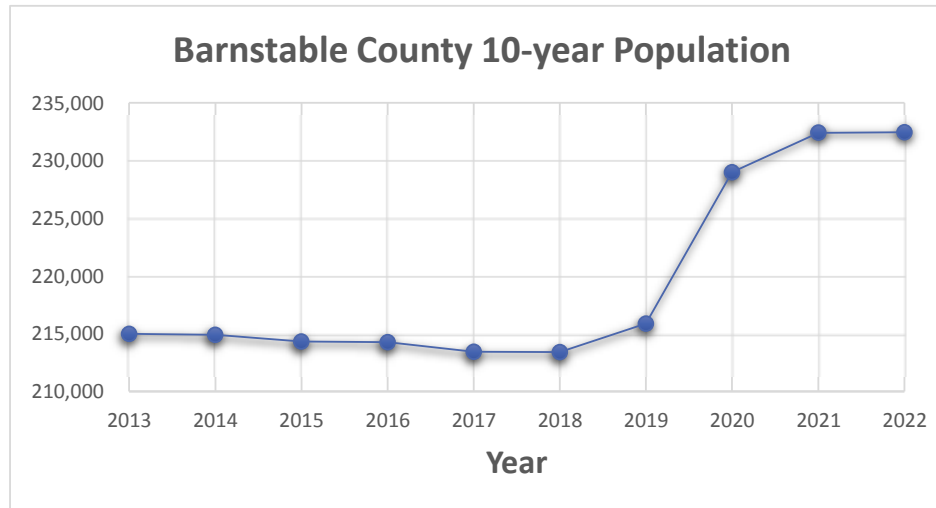
(1) Presented net of original issuance discounts and premiums.

(2) Personal income is disclosed on the Schedule of Demographic and Economic Statistics.

Source: Audited Financial Statements, U. S. Census

**Barnstable County, Massachusetts
Demographic and Economic Statistics
Ten Years ***

Year	Population	Personal Income	Per Capita Personal Income	Public School Enrollment (K-12)	Unemployment Rate (age 20-64)
2013	214,990	\$ 7,774,038,400	\$ 36,160	28,387	7.50%
2014	214,914	\$ 8,636,963,832	\$ 40,188	27,338	5.50%
2015	214,333	\$ 8,503,661,775	\$ 39,675	26,594	4.80%
2016	214,276	\$ 8,758,317,224	\$ 40,874	25,357	4.50%
2017	213,444	\$ 8,902,322,352	\$ 41,708	27,431	3.20%
2018	213,413	\$ 8,705,116,270	\$ 40,790	25,527	3.50%
2019	215,888	\$ 10,877,300,992	\$ 50,384	25,309	3.10%
2020	228,996	\$ 10,834,945,740	\$ 47,315	24,942	3.80%
2021	232,411	\$ 12,111,634,443	\$ 52,113	25,370	5.60%
2022	232,457	\$ 14,032,731,719	\$ 60,367	23,445	3.70%

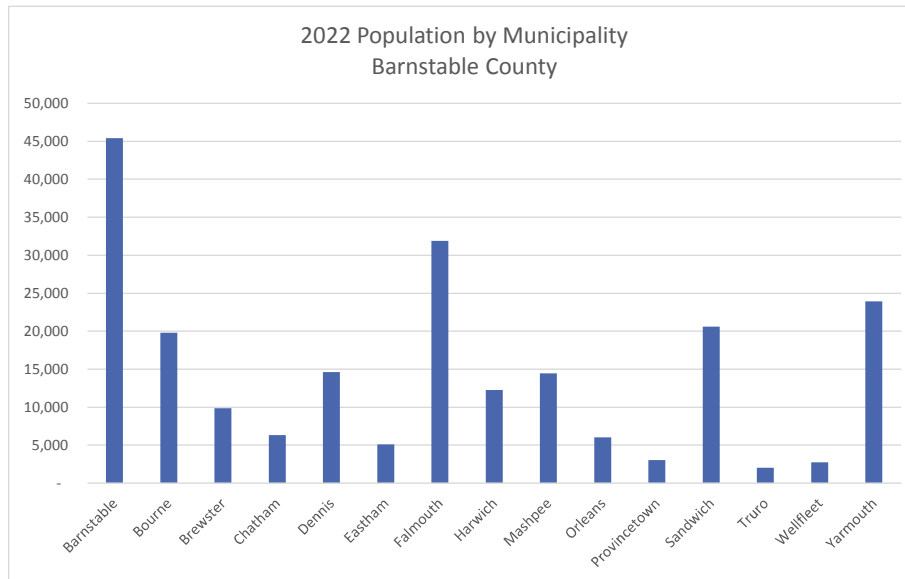


*SOURCE: United States Census/American Community Survey
* Information for the most recent and available 10 years were provided.

Barnstable County, Massachusetts

Population - Fifteen Municipalities in Barnstable County, Massachusetts

Year Municipality/Town	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Barnstable	44,605	44,527	44,391	44,369	44,381	44,496	44,715	44,955	45,188	45,418
Bourne	19,744	19,757	19,707	19,647	19,599	19,598	19,645	19,705	19,760	19,806
Brewster	9,805	9,956	9,931	9,861	9,812	9,795	9,809	9,833	9,857	9,880
Chatham	6,135	6,144	6,151	6,152	6,157	6,176	6,209	6,245	6,279	6,314
Dennis	14,059	14,038	14,024	14,064	14,114	14,193	14,302	14,415	14,525	14,636
Eastham	4,928	4,927	4,922	4,929	4,940	4,962	4,995	5,029	5,063	5,096
Falmouth	31,574	31,531	31,566	31,479	31,419	31,439	31,536	31,655	31,771	31,880
Harwich	12,193	12,203	12,196	12,156	12,125	12,125	12,155	12,193	12,230	12,264
Mashpee	13,994	14,061	14,173	14,164	14,162	14,193	14,255	14,326	14,392	14,451
Orleans	5,859	5,863	5,854	5,855	5,861	5,879	5,912	5,947	5,980	6,014
Provincetown	2,965	2,983	2,972	2,970	2,972	2,981	2,998	3,016	3,034	3,052
Sandwich	20,574	20,531	20,472	20,414	20,368	20,372	20,424	20,490	20,552	20,606
Truro	2,011	2,011	2,010	2,004	2,000	2,001	2,007	2,015	2,022	2,029
Wellfleet	2,746	2,753	2,753	2,743	2,735	2,734	2,740	2,748	2,755	2,762
Yarmouth	23,651	23,573	23,499	23,471	23,462	23,508	23,610	23,724	23,835	23,942



Source: ACS Census Data EPR/Crane Forecast

<https://ww2.capecodcommission.org/housingdata/>

* Information for the most recent and available 10 years were provided.

Barnstable County, Massachusetts
Principal Employers
Current Year and Nine Years Ago

Year	2023 Approximate		2014 Approximate	
Employer	Number of Employees	2023 Rank	Number of Employees	2014 Rank
Woods Hole Oceanographic Institution	3,000	1	1,396	3
Cape Cod Healthcare	2,548	2	2,400	1
Joint Base Cape Cod	1,833	3	1,833	2
Town of Barnstable	1,430	4	1,250	4
Town of Falmouth	956	5	921	5
Steamship Authority	750	6	501	7
Falmouth Hospital	750	7	800	6
Dennis/Yarmouth Regional Schools	629	8	-	-
Cape Cod Community College	514	9	500	8
Sea Crest Hotel and Motor Inn	350	10	300	9

Source: County documents

*Information was only available for 9 employers for 2014.

**Barnstable County, Massachusetts
Principal Employment Industries
Average Employees 2022 and 2013**

Industry	2022	2013
Service Providing	84,333	84,470
Education and Health Services	22,023	23,704
Trade, Transportation and Utilities	19,471	19,752
Leisure and Hospitality	19,205	18,564
Accommodation and Food Services	15,533	15,442
Health Care and Social Assistance	14,806	16,376
Retail Trade	14,751	15,432
Food Services and Drinking Places	12,227	11,964
Restaurants and other Eating Places	11,550	11,284
Goods - Producing	10,443	7,820

Source:

[Labor Market Information | Mass.gov](#)

* Information for the most recent and available 10 years were provided.

**Barnstable County, Massachusetts
Regional Services by Department**

Department	Mission	Programs
Cape Cod Cooperative Extension	Improves well-being of youth, families and communities; conserve and enhance natural and marine resources; strengthen agricultural food systems	<ul style="list-style-type: none"> • Nutrition Education • Plant management • Marine resource development • Flood prevention • Soil samples • AmeriCorps • Planning • Regulatory • GIS • Transportation • Economy • Assessing services • Forensic interview • Mental health • Family advocacy • Medical
Cape Cod Commission	Protect the unique values and quality of life on Cape Cod	
Children's Cove	Provide compassionate, comprehensive, and collaborative response services to child abuse victims	
Health and Environment	Promote a health Cape Cod	<ul style="list-style-type: none"> • Water quality testing • Health agent coalition • Composting • Medical reserve corps • Tobacco control • Septic loan program • Hazardous materials • Septic system test and tracking • Public health nurse
Human Services	Plan, develop, and coordinate regional solutions to health and human service issues such as opioid crisis and homelessness	<ul style="list-style-type: none"> • Substance use • Homelessness • Chronic disease
Dredge	Offer dredge services at a reduced rate in all Cape coastal areas	<ul style="list-style-type: none"> • Coastal dredging • Beach re-nourishment
Public Safety Training	Support municipal fire and police departments through specialized regional training	<ul style="list-style-type: none"> • Fire training • Police academy
Information Technology	Provide high quality advice and support in technology and communications	<ul style="list-style-type: none"> • Hardware • Software • Communication • Technology improvements • Support • Training
Registry of Deeds	Handles all property records for Barnstable County	<ul style="list-style-type: none"> • Real property title • Property transfers
Purchasing Division	Maintain a centralized purchasing system of goods and services for the county and member towns	<ul style="list-style-type: none"> • Public records • Bid opportunities • County contract pricing

**Barnstable County, Massachusetts
County FTE's by Department/Function**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Commissioner's Office/Administration	2	3	4	4	4	5	5.5	6	6.5	7.8
Center for Public Safety Training	-	-	-	-	-	-	2	2	2	0.5
Assembly of Delegates	-	-	1	1	1	1	1	1	1	1
Cape Cod Commission	42	41	43	40	39	38	36	35	36	42
Children's Cove	6	6	5	6	6	7	7	7	8	7
Cooperative Extension	18	19	18	18	18	15	18.5	16	16	17
AmeriCorps	18	19	18	18	18	15	16	17	18	19
Dredge	4	5	4	4	5	5	8	8	9	9
Facilities	22	21	22	20	20	17	18.5	18.5	18.5	18.5
Finance	7	8	7	6	5	6	9	9	10	10
Health and Environment	41	39	43	42	42	41	25.86	28.36	32.86	37.55
Human Services	5	5	7	9	10	9	8	9	9	9
Information Technology	9	11	9	8	7	7	7	7	7	8
Registry of Deeds	29	28	27	24	25	23	26	25	25	24.5
Resource Development	44	44	13	14	9	6	7	4	1	-
Cape Light Compact	18	16	15	-	-	-	-	-	-	-
Total:	<u>265</u>	<u>265</u>	<u>236</u>	<u>214</u>	<u>209</u>	<u>195</u>	<u>195.36</u>	<u>192.86</u>	<u>199.86</u>	<u>210.85</u>

Barnstable County, Massachusetts
15 Municipalities of Barnstable County, Massachusetts
Equalized Values*

Municipality		2022		2014
Barnstable	\$	18,221,137,000	\$	13,476,184,100
Bourne	\$	5,710,427,600	\$	4,220,554,100
Brewster	\$	4,941,374,200	\$	3,545,641,200
Chatham	\$	8,768,778,800	\$	6,196,588,000
Dennis	\$	8,912,902,400	\$	6,250,958,500
Eastham	\$	3,597,520,100	\$	2,823,221,800
Falmouth	\$	15,449,979,300	\$	11,548,755,700
Harwich	\$	7,143,004,400	\$	4,818,012,600
Mashpee	\$	6,829,860,600	\$	4,718,738,000
Orleans	\$	4,865,120,300	\$	3,849,037,500
Provincetown	\$	4,042,523,100	\$	2,588,786,400
Sandwich	\$	5,437,055,800	\$	3,811,136,400
Truro	\$	2,624,539,200	\$	2,128,228,900
Wellfleet	\$	2,962,150,700	\$	2,315,999,400
Yarmouth	\$	7,825,616,900	\$	5,463,786,300

* Equalized Valuation is an estimate of the full and fair cash value (FFCV) of all the property in a municipality as of a certain taxable date.

Source: MA Division of Local Services
[Equalized Values \(EQV\) \(state.ma.us\)](https://state.ma.us/equalized-values)

* Information for the 2023 was not available, therefore 2022 was provided.

**Barnstable County, Massachusetts
Capital Assets Statistics By Function
Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department/Program										
Public Safety										
Police Service Building	1	1	1	1	1	1	1	1	1	1
Storage Building	1	1	1	1	1	1	1	1	1	1
Burn Building	1	1	1	1	1	1	1	1	1	1
Administration Building	1	1	1	1	1	1	1	1	1	1
Thomas Manley Burn Building	1	1	1	1	1	1	1	1	1	1
Quonset Hut	1	1	1	1	1	1	1	1	1	1
AmeriCorps										
Residence #1 - County Road	1	1	1	1	1	1	1	1	1	1
Residence #3 - Stepping Stones	1	1	1	1	1	1	1	1	1	1
Children's Cove										
	1	1	1	1	1	1	1	1	1	1
Facilities										
Superior Courthouse	1	1	1	1	1	1	1	1	1	1
First District Court	1	1	1	1	1	1	1	1	1	1
Second District Court	1	1	1	1	1	1	1	1	1	1
Registry of Deeds	1	1	1	1	1	1	1	1	1	1
Health Laboratory	1	1	1	1	1	1	1	1	1	1
Former House of Corrections	1	1	1	1	1	1	1	1	1	1
Cooperative Extension	1	1	1	1	1	1	1	1	1	1
Farmhouse	1	1	1	1	1	1	1	1	1	1
Barn/Dairy Reporting Center	1	1	1	1	1	1	1	1	1	1
Garage, Calf Barn, Shed	1	1	1	1	1	1	1	1	1	1
Former Hospital	1	1	1	1	1	1	1	1	1	1
Doctor's Residence	1	1	1	1	1	1	1	1	1	1

Barnstable County, Massachusetts

Unique Facts About Barnstable County, Massachusetts

Cape Cod has 114 miles of bicycle paths.

Cape Cod rail trail bike path is 22 miles long.

Cape Cod has 559.6 miles of coastline.

The Cape Cod National Seashore is a 40-mile stretch of unspoiled sandy beaches in Outer Cape Cod, known for its scenic beauty.

Barnstable County monitors for water quality over 350 marine and freshwater beaches weekly, which adds up to 4,300 samples per season.

Sources:

Barnstable County website: <https://www.capecod.gov/>

Cape Cod Chamber of Commerce

