

LINCOLNVILLE SEWER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

**LINCOLNVILLE SEWER DISTRICT
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DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Lincolnville Sewer District

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements consisting of the statement of net position, statement of revenues, expenses and changes in fund net position, and statement of cash flows of the Lincolnville Sewer District as of and for the years ended December 31, 2021 and 2020, which collectively comprise the Lincolnville Sewer District's basic financial statements and the related notes to the 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 Lincolnville Sewer District as of December 31, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lincolnville Sewer District, 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 these 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 Lincolnville Sewer District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 misstatements 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 Lincolnville Sewer District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincolnville Sewer District's ability to continue as a going concern for a reasonable period of time.

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



Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincolnville Sewer District's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2023 on our consideration of the Lincolnville Sewer District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lincolnville Sewer District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lincolnville Sewer District's internal control over financial reporting and compliance.

HMV, LLC

HMV, LLC
Ellsworth, Maine
April 5, 2023



Lincolnvile Sewer District Management's Discussion and Analysis December 31, 2021 and 2020

Introduction of the Financial Statements

The Lincolnvile Sewer District's (the District) basic financial statements include the:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Fund Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

The statement of net position presents the financial position of the District by providing information about the nature and amount of resources and obligations at year-end. The statement of revenues, expenses and changes in fund net position presents the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. The statement of cash flows presents the amount of cash and cash equivalents generated and used during the fiscal year. The notes to the financial statements present required disclosures and other information that are essential to a full understanding of the material provided in the statements.

Budgetary Highlights

The District is not legally required to adopt budgetary accounting and reporting.

Comparison of Financial Statements for Current and Prior Years

Statements of Net Position

	2021	2020
Current Assets	134,085	600,092
Capital Assets, Net	4,563,109	2,530,397
Other Assets	167,595	-0-
Total Assets	<u>4,864,789</u>	<u>3,130,489</u>
Current Liabilities	71,628	2,647,152
Non-Current Liabilities	2,050,000	32,968
Total Liabilities	<u>2,121,628</u>	<u>2,680,120</u>
Total Net Position	<u>2,743,161</u>	<u>450,369</u>
Total Liabilities and Net Position	<u>4,864,789</u>	<u>3,130,489</u>

Comparison of Financial Statements for Current and Prior Years (Continued)

Statements of Revenues, Expenses and Changes in Fund Net Position

	2021	2020
Operating Revenues	65,080	-0-
Non-Operating Revenues	4	-0-
Total Revenues	<u>65,084</u>	<u>-0-</u>
Operating Expenses	115,966	-0-
Non-Operating Expenses	51,764	-0-
Total Expenses	<u>167,730</u>	<u>-0-</u>
Change in Net Position Before Special Items	(102,646)	-0-
Other Revenues	<u>2,395,438</u>	<u>303,148</u>
Change in Net Position Before Special Items	2,292,792	303,148
Net Position – Beginning of Year	<u>450,369</u>	<u>147,221</u>
Net Position – End of Year	<u>2,743,161</u>	<u>450,369</u>

Overall Financial Position and Results of Operations

Due to the District not being operational for a full year in 2021 due to its \$5 million infrastructure project being completed in the late summer of 2021, analyzing the District's overall financial position and results of operations in the past year is not deemed necessary.

Capital Assets and Long-Term Debt

In 2020, the only capital asset additions related to the \$5 million project and were recorded as Construction Work-In Progress. In 2021, the District had the following capital asset additions: land totaling \$142,055, plant and pump stations totaling \$2,315,327, collection system totaling \$1,809,018 and equipment totaling \$385,020.

Long-term debt outstanding at December 31, 2021 and 2020 was \$2,082,968 and \$32,968, respectively. There was no retired debt in 2021 or 2020. Two USDA bonds totaling \$2,050,000 were issued in 2021. No new long-term debt was issued in 2020.

There are no debt limitations that may affect future financing and there were no changes in credit ratings in 2021 for the District.

At December 31, 2021, the District had committed to and signed construction contracts which remained incomplete with a remaining balance of \$65,303.

Significant Transactions and Changes

In 2021, the District completed the majority of its \$5 million infrastructure project and its wastewater treatment facility and sewage collection system became operational. Funding for this project was two 40-year loans with the United States Development of Agriculture totaling \$2 million and \$3 million of grant funding from various sources.

Next Year's Operations

In 2022, the District will spend its remaining project grant funds and will continue hooking up customers to its system.

Request For Information

Questions about the District's finances and activities may be directed to the Board of Trustees, Lincolnville Sewer District, P.O. Box 302, Lincolnville, Maine 04849.

**LINCOLNVILLE SEWER DISTRICT
STATEMENTS OF NET POSITION
AT DECEMBER 31,**

Assets	2021	2020
Current Assets:		
Cash	53,262	26
Cash - Restricted for Construction	39,148	337,866
Accounts Receivable	4,895	-
Grants Receivable	20,000	262,200
Current Portion of Notes Receivable	16,780	-
Total Current Assets	<u>134,085</u>	<u>600,092</u>
Non-Current Assets:		
Property, Plant and Equipment:		
Utility Plant	4,651,420	-
Less: Accumulated Depreciation	88,311	-
Net Utility Plan	4,563,109	-
Construction Work-In Progress	-	2,530,397
Total Property, Plant and Equipment	4,563,109	2,530,397
Cash - Restricted by Debt Covenants	6,810	-
Notes Receivable	160,785	-
Total Non-Current Assets	<u>4,730,704</u>	<u>2,530,397</u>
Total Assets	<u><u>4,864,789</u></u>	<u><u>3,130,489</u></u>
Liabilities and Net Position		
Current Liabilities:		
Accounts Payable - Construction	33,675	791,732
Accrued Interest	4,985	-
Short-Term Financing	-	1,855,420
Current Portion of Long-Term Debt	32,968	-
Total Current Liabilities	<u>71,628</u>	<u>2,647,152</u>
Non-Current Liabilities:		
Long-Term Debt	2,050,000	32,968
Total Non-Current Liabilities	<u>2,050,000</u>	<u>32,968</u>
Total Liabilities	<u>2,121,628</u>	<u>2,680,120</u>
Net Position	<u>2,743,161</u>	<u>450,369</u>
Total Liabilities and Net Position	<u><u>4,864,789</u></u>	<u><u>3,130,489</u></u>

See independent auditors' report and accompanying notes to the financial statements.



**LINCOLNVILLE SEWER DISTRICT
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 YEARS ENDED DECEMBER 31,**

	2021	2020
Operating Revenues	<u>65,080</u>	<u>-</u>
Operating Expenses:		
Utilities	1,760	-
Operations	14,650	-
Repairs and Maintenance	5,720	-
Administration	5,525	-
Depreciation	<u>88,311</u>	<u>-</u>
Total Operating Expenses	<u>115,966</u>	<u>-</u>
Net Operating Income (Loss)	<u>(50,886)</u>	<u>-</u>
Non-Operating Revenues (Expenses):		
Interest Income	4	-
Interest Expense	<u>(51,764)</u>	<u>-</u>
Total Non-Operating Revenues (Expenses)	<u>(51,760)</u>	<u>-</u>
Change in Net Position Before Special Items	(102,646)	-
Notes Receivable Income	177,565	-
Grant Revenues	<u>2,217,873</u>	<u>303,148</u>
Change in Net Position After Special Items	2,292,792	303,148
Net Position - Beginning of Year	<u>450,369</u>	<u>147,221</u>
Net Position - End of Year	<u><u>2,743,161</u></u>	<u><u>450,369</u></u>

See independent auditors' report and accompanying notes to the financial statements.



**LINCOLNVILLE SEWER DISTRICT
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,**

	2021	2020
Cash Flows from Operating Activities:		
Receipts from Customers and Users	60,185	-
Payments to Suppliers and Others	<u>(27,655)</u>	<u>-</u>
Net Cash Flows from Operating Activities	<u>32,530</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities:		
Other Revenues (Expenses)	<u>-</u>	<u>-</u>
Net Cash Flows from Noncapital Financing Activities	<u>-</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:		
Purchase of Capital Assets	(2,879,080)	(1,162,506)
Interest Payments on Long-Term Debt	(46,779)	-
Proceeds Received from Short-Term Financing	194,580	1,456,846
Proceeds Received from Grants	<u>2,460,073</u>	<u>40,948</u>
Net Cash Flows from Capital and Related Financing Activities	<u>(271,206)</u>	<u>335,288</u>
Cash Flows from Investing Activities:		
Investment Income	<u>4</u>	<u>-</u>
Net Cash Flows from Investing Activities	<u>4</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(238,672)	335,288
Cash and Cash Equivalents at Beginning of Year	<u>337,892</u>	<u>2,604</u>
Cash and Cash Equivalents at End of Year	<u>99,220</u>	<u>337,892</u>
Components of Cash:		
Cash	53,262	26
Cash - Restricted for Construction	39,148	337,866
Cash - Restricted by Debt Covenants	<u>6,810</u>	<u>-</u>
	<u>99,220</u>	<u>337,892</u>

See independent auditors' report and accompanying notes to the financial statements.



**LINCOLNVILLE SEWER DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31,**

	2021	2020
Reconciliation of Operating Income to Net Cash Flows from Operating Activities:		
Net Operating Income (Loss)	(50,886)	-
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:		
Depreciation	88,311	-
Change in Operating Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(4,895)	-
Net Cash Flows from Operating Activities	<u>32,530</u>	<u>-</u>
 <u>Supplemental Disclosures of Cash Flow Information</u>		
Noncash Investing and Financing Activities:		
Note Receivable Received From Town of Lincolnville	177,565	-

See independent auditors' report and accompanying notes to the financial statements.



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 1: Summary of Significant Accounting Policies

The Lincolnville Sewer District's (the District) financial statements include the operations for which the Board of Trustees exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

Nature of Organization

The District provides sewerage collection and treatment services to the Town of Lincolnville. The District's accounting policies conform to generally accepted accounting principles as applicable to quasi-municipal units, which utilize the accrual basis of accounting. The major sources of revenue will be sewer assessments once the District is operational. Revenue is recognized in the period when earned.

Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. Based on the applicable criteria, there are no other entities within the District that should be included as part of these financial statements. There are no fiduciary funds included in the District.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Taxes

As a quasi-municipal entity, the District is not subject to federal and state income taxes, accordingly it is not necessary to consider the effects of any uncertain tax positions.

Budget

The District is not legally required to present budgetary comparison information as required supplementary information.

Restricted Resources

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 1: Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Custodial Credit Risk

For purposes of these statements, the District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. All cash is considered available for current use at December 31, 2021 and 2020, except for cash restricted for a construction project and for a debt service reserve. Custodial credit risk is the risk that, in the event of the bank's failure, the District will not be able to recover the value of its deposits and investments that are in the possession of an outside party. The District does not have policies addressing custodial credit risk.

The District's deposits are categorized as follows to give an indication of the level of risk assumed by the District at year end: Category 1 includes deposits covered by federal depository insurance or by collateral held by the District or by the District's agent in the District's name; Category 2 includes uninsured deposits covered by collateral held by the pledging financial institution's trust department or agent in the District's name; and Category 3 includes uninsured and uncollateralized deposits.

At December 31, 2021, cash on deposit consisted of the following:

	Carrying Amount	Bank Balance	Category 1	Category 2	Category 3
Cash	53,262	53,262	53,262	-0-	-0-
Restricted Cash:					
Construction	39,148	53,816	53,816	-0-	-0-
Debt Service	6,810	6,810	6,810	-0-	-0-

At December 31, 2020, cash on deposit consisted of the following:

	Carrying Amount	Bank Balance	Category 1	Category 2	Category 3
Cash	26	26	26	-0-	-0-
Restricted Cash:					
Construction	337,866	337,866	250,000	-0-	87,866

Cash totaling \$39,148 and \$337,866 at December 31, 2021 and 2020, respectively, is restricted for construction of the District's infrastructure system. Cash totaling \$6,810 at December 31, 2021, has been restricted as a debt service reserve fund as required by loan agreements with the United States Department of Agriculture (USDA) Rural Development program.



Note 1: Summary of Significant Accounting Policies (Continued)

Deposits and Investments

Maine Statutes authorize investments in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, corporate stocks and bonds within statutory limits, obligations of financial institutions and mutual funds. The District has not formally adopted deposit and investment policies that limit the District's allowable deposits or investments and address the specific types of risk to which the District is exposed beyond Maine Statutes.

Accounts Receivable

Accounts receivable are stated at net realizable value. No allowance for doubtful accounts has been recorded in the financial statements; uncollectible accounts are written off in the year in which they are deemed uncollectible. Generally accepted accounting principles require that the allowance method be used to recognize bad debts. The effect of using the direct write-off method has not been materially different from the results that would have been obtained under the allowance method.

Grant Receivable

At December 31, 2021 and 2020, the District was owed grant funds from the Department of Housing and Urban Development *Community Development Block Grant* program and the Northern Border Regional Commission *State Economic and Infrastructure Development* program for its infrastructure system project.

Capitalization Policy

Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. The amounts charged to utility plant accounts represent all reasonable and necessary costs, including labor, materials, overhead, equipment charges and interest costs incurred. Routine maintenance and repairs are expended as incurred. The District does not have a policy setting a minimum capitalization threshold for amount or lives for reporting capital assets.

Property, Plant and Equipment

As of December 31, 2020, the District had started, but not completed, a \$5,000,000 project to develop the infrastructure necessary for the District to provide sewerage collection and treatment services to the Town of Lincolnville. All project costs incurred as of December 31, 2020 were reported as Construction Work-In Progress in the financial statements. The project was completed in 2021 and all costs will be distributed across specific fixed asset accounts.



**LINCOLNVILLE SEWER DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2021 AND 2020**

Note 1: Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

Property, plant and equipment are stated at cost. Donated property is recorded at its estimated fair value at the date of donation. Depreciation has been provided on a basis considered adequate to amortize the cost of depreciable assets over their estimated useful lives on the straight-line method at rates from 1.25% to 10.0%. Annual rates in use are as follows:

Structures and Plant	2.00%
Pump Stations	2.00%
Collection System	1.25%
Equipment	5.00% - 10.00%

Land costs are not being depreciated because they have indefinite useful lives.

Accounts Payable

Accounts payable represents amounts owed for goods and services that have been received prior to fiscal year end, but will be paid in the next fiscal year.

Short-Term Financing

Part of the funding for the District's \$5,000,000 infrastructure project are two, 40-year loans from the United States Department of Agriculture Rural Development program totaling \$2,050,000. Short-term financing was needed for these loans funds from the Maine Municipal Bond Bank. The short-term financing was paid off in 2021, once the long-term loans were issued. Activity for the short-term financing was as follows:

2019			2020			2021
Balance	Increases	Decreases	Balance	Increases	Decreases	Balance
398,574	1,456,846	-0-	1,855,420	194,580	2,050,000	-0-

Grant Revenues

In 2021 and 2020, the District received grants from the Department of Housing and Urban Development *Community Development Block Grant* program, the Northern Border Regional Commission *State Economic and Infrastructure Development* program, the Maine Department of Environmental Protection Agency *Wastewater Infrastructure State Grant* program, and the Environmental Protection Agency *Clean Water State Revolving Funds* program for its infrastructure system project.



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 1: Summary of Significant Accounting Policies (Continued)

Operating Revenues

Operating revenues consist of usage, connection and inspection fees charged to customers.

Measurement Focus, Basis of Accounting and Basis of Presentation

The District follows Governmental Accounting Standards Board GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement provides specific guidance as to which FASB and AICPA pronouncement provisions should be applied to state and local governments. The District prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which are similar to those for private business enterprises. Proprietary funds are accounted for on the flow of economic resource measurement. Accordingly, revenues are recorded when earned and expenses are recorded when incurred. Proprietary funds distinguish operating revenues and expenses from non-operating activity. Operating revenues arise from providing goods or services to outside parties for a fee. Revenues and expenses that are not derived directly from operations are reported as non-operating revenues and expenses.

Note 2: Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases commercial insurance for the risks of losses to which it is exposed. There have been no significant reductions in the commercial coverage from the prior year. The District is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2021 and 2020. Settlements have not exceeded insurance coverage for each of the past three years.

Note 3: Contingencies

There are no pending legal proceedings to which the District is a party that are material or are expected to have a material effect on the District's financial position, results of operations or cash flows.

The COVID-19 pandemic in the United States has caused disruption in all industries. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration. The financial impact related to this matter cannot be estimated at this time. Management has considered the consequences of COVID-19 and has determined that it does not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 4: Long-Term Debt

Long-term debt and related terms consist of the following at December 31, 2021:

	Beginning Balance	Increases	Decreases	Ending Balance
Bond payable to Maine Municipal Bond Bank, maturing in 2022. Interest rate of 0%.	14,968			14,968
Bond payable to Maine Municipal Bond Bank, maturing in 2022. Interest rate of 0%.	18,000			18,000
Bond payable to USDA Rural Development, maturing in 2061. Interest rate of 1.25%.	-0-	450,000		450,000
Bond payable to USDA Rural Development, maturing in 2061. Interest rate of 1.25%.	-0-	1,600,000		1,600,000
Total Outstanding Debt	32,968	2,050,000		2,082,968
Less: Current Portion	-0-			32,968
Total Long-Term Debt	<u>32,968</u>			<u>2,050,000</u>

Long-term debt and related terms consist of the following at December 31, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance
Bond payable to Maine Municipal Bond Bank, maturing in 2022. Interest rate of 0%.	14,968			14,968
Bond payable to Maine Municipal Bond Bank, maturing in 2022. Interest rate of 0%.	18,000			18,000
Total Outstanding Debt	32,968			32,968
Less: Current Portion	-0-			-0-
Total Long-Term Debt	<u>32,968</u>			<u>32,968</u>



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 4: Long-Term Debt (Continued)

The Maine Municipal Bond Bank loans were for District formation costs. It was hoped that loans would be completely forgiven because a larger infrastructure project was later undertaken by the District; however, the loans were not eligible for forgiveness and are due in 2022.

Principal payments on the USDA Rural Development loans are deferred until 2024.

Future maturities of long-term debt are scheduled as follows:

	Principal	Interest	Total
2022	32,968	25,695	58,663
2023	-0-	25,695	25,695
2024	42,406	25,695	68,101
2025	43,006	25,095	68,101
2026	43,543	24,558	68,101
2027 – 2031	225,953	114,552	340,505
2032 – 2036	240,387	100,118	340,505
2037 – 2041	255,859	84,646	340,505
2042 – 2046	272,262	68,243	340,505
2047 – 2051	289,716	50,789	340,505
2052 – 2056	308,277	32,228	340,505
2057 – 2062	328,591	12,447	341,038
	<u>2,082,968</u>	<u>589,761</u>	<u>2,672,729</u>

Note 5: Interest Expense

No interest costs were capitalized during the period. The amount of interest costs incurred and charged to expense for the years ending December 31, 2021 and 2020 was \$51,764 and \$0, respectively.

Note 6: Commitments

The District has an operations agreement with Harris Environmental Services through 2028. The District is currently paying Harris Environmental Services \$1,500 per month for operating and maintaining the District's wastewater treatment facility and sewage collection system.

At December 31, 2021, the District had committed to and signed construction contracts which remained incomplete with a remaining balance of \$65,303.



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 7: Net Position

Net assets comprise the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net assets are classified in the following three components: net investment in capital assets, restricted and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and adding back unspent bond proceeds. The District's net investment in capital assets was calculated as follows at December 31:

	2021	2020
Grants Receivable	20,000	262,200
Total Property, Plant and Equipment	4,563,109	2,530,397
Accounts Payable - Construction	(33,675)	(791,732)
Short-Term Financing	-0-	(1,855,420)
Long-Term Debit, Including Current Portion	<u>(2,082,968)</u>	<u>(32,968)</u>
Net Investment in Capital Assets	<u>2,466,466</u>	<u>112,477</u>

Restricted consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributions, laws, regulations and enabling legislation, including self-imposed legal mandates, less any related liabilities. The District has restricted net position in the amount of \$6,810 and \$0 for a sinking fund reserve required by United States Department of Agriculture Rural Development bond agreements as of December 31, 2021 and 2020, respectively. Unrestricted consists of all other net position not included in the above categories.

Note 8: Utility Plant

Capital asset costs, additions and disposals are as follows for the year ended December 31, 2021:

	Beginning			Ending
	Balance	Additions	Disposals	Balance
Land	-0-	142,055	-0-	142,055
Plant and Pump Stations	-0-	2,315,327	-0-	2,315,327
Collection System	-0-	1,809,018	-0-	1,809,018
Equipment	-0-	385,020	-0-	385,020
Gross Utility Plant	<u>-0-</u>	<u>4,651,420</u>	<u>-0-</u>	<u>4,651,420</u>
Less: Accumulated Depreciation	<u>-0-</u>	<u>88,311</u>	<u>-0-</u>	<u>88,311</u>
Net Utility Plant	<u>-0-</u>	<u>4,563,109</u>	<u>-0-</u>	<u>4,563,109</u>



**LINCOLNVILLE SEWER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Note 9: Notes Receivable

The District entered into an agreement with the Town of Lincolnville (the Town) in 2018, where the Town agrees to pay the District \$19,000 per year for 10 years once the United States Department of Agriculture (USDA) loans are issued. In 2021 the USDA loans were issued and the District will start receiving the \$19,000 payments in 2022 with the last payment being received in 2031. The note receivable is discounted to present value using the District's 2021 incremental borrowing rate of 1.25%. The notes receivable balance at December 31, 2021 totaled \$177,565.

Note 10: Subsequent Events

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through April 5, 2023, the date the financial statements were available to be issued.



**LINCOLNVILLE SEWER DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2021**

Federal Grantor / Program Title	Federal CFDA Number	Pass-Through Grantors' Number	Total Federal Expenditures	Expenditures to Sub Recipients
<u>U.S. Department of Agriculture, Rural Development</u>				
Water and Waste Disposal Systems For Rural Communities Grant Program	10.760	Direct Program	902,170	
<u>Department of Housing and Urban Development</u>				
Community Development Block Grants / State's Program Grant Program	14.228	015 19A 0587 012 6331	278,876	-
<u>Northern Border Regional Commission</u>				
State Economic and Infrastructure Development Program Grant Program	90.601	NBRC15GME03	48,000	-
Total Federal Awards			<u>1,229,046</u>	-

See accompanying notes to schedule of expenditures of federal awards.



**LINCOLNVILLE SEWER DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2021**

Note 1: General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule), includes the federal award programs of Lincolnville Sewer District for the year ended December 31, 2021.

Note 2: Basis of Presentation

All federal awards received directly from federal agencies as well as federal awards passed through other governmental agencies are included on the Schedule. The information in the Schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Lincolnville Sewer District, it is not intended to, and does not, present the financial position, changes in net position or cash flows of Lincolnville Sewer District.

Note 3: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable, or are limited to reimbursement. The Lincolnville Sewer District has not elected to use the 10% de minimis indirect cost rate. Amounts included in the Schedule include only federal portions of the award; nonfederal portions are not included in the Schedule.

Note 4: Contingency

Federal award amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would be a liability to Lincolnville Sewer District. In the opinion of management, all federal expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

Note 5: Loan Program

The Water and Waste Disposal Systems for Rural Communities Program, CFDA #10.760, includes two loans from the U.S. Department of Agriculture Rural Development Program with outstanding balances totaling \$2,050,000 at December 31, 2021



**LINCOLNVILLE SEWER DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2021**

Note 6: Reconciliation of the Schedule to the Financial Statements

Expenditures per the Schedule	1,229,046
Plus: Non-Federal Grants	1,183,407
Less: Federal Loan Program Expenditures	<u>(194,580)</u>
Grant Expenditures per the Schedule	<u>2,217,873</u>
Statement of Revenues, Expenses and Changes in	
Fund Net Position:	
Grant Revenues	<u>2,217,873</u>





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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Lincolnville Sewer District

We have audited, in accordance with the 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, the financial statements consisting of the statement of net position, statement of revenues, expenses and changes in fund net position and statement of cash flows of the Lincolnville Sewer District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Lincolnville Sewer District's basic financial statements and have issued our report thereon dated April 5, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Lincolnville Sewer District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lincolnville Sewer District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lincolnville Sewer District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lincolnville Sewer District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HMV, LLC

HMV, LLC
Ellsworth, Maine
April 5, 2023





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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Lincolnville Sewer District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lincolnville Sewer District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Lincolnville Sewer District's major federal programs for the year ended December 31, 2021. Lincolnville Sewer District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lincolnville Sewer District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lincolnville Sewer District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lincolnville Sewer District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lincolnville Sewer District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lincolnville Sewer District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lincolnville Sewer District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Lincolnville Sewer District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lincolnville Sewer District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lincolnville Sewer District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002. Our opinion on each major federal program is not modified with respect to these matters.



Government Auditing Standards requires the auditor to perform limited procedures on Lincolnville Sewer District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Lincolnville Sewer District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

HMV, LLC

HMV, LLC
Ellsworth, Maine
April 5, 2023



**LINCOLNVILLE SEWER DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2021**

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of the Lincolnville Sewer District.
2. No deficiencies relating to the audit of the financial statements are reported in the accompanying Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Lincolnville Sewer District were disclosed during the audit.
4. No deficiencies relating to the audit of the major federal award programs are reported in the accompanying Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the *Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for the Lincolnville Sewer District expresses an unmodified opinion.
6. Two audit findings relative to the major federal award programs for the Lincolnville Sewer District that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this schedule.
7. The program tested as major was:

CFDA #10.760 Water and Waste Disposal Systems for Rural Communities
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Lincolnville Sewer District was not determined to be a low-risk auditee.

B. FINDINGS - GENERAL PURPOSE FINANCIAL STATEMENT AUDIT

Prior Year

2020-001 Form 1099-NEC

Criteria: The Internal Revenue Service requires all entities to submit Form 1099-NEC annually for all non-incorporated contractors paid more than \$600 in a tax year.

Condition: Lincolnville Sewer District (the District) did not file any Forms 1099-NEC in 2020.

Cause: The District was unaware that it needed to file any Forms 1099-NEC in 2020.

Effect: The District was not in compliance with all Internal Revenue Service rules in 2020.



**LINCOLNVILLE SEWER DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2021**

B. FINDINGS - GENERAL PURPOSE FINANCIAL STATEMENT AUDIT (CONTINUED)

Prior Year (Continued)

2020-001 Form 1099-NEC (Continued)

Recommendation: We recommend the District review its existing policies and procedures and implement changes to ensure that Forms 1099-NEC are filed each year if required.

Management's Response: Management agrees with this finding and will evaluate its existing policies and procedures.

Current Year Status: Management completed and filed all required Forms 1099-NEC for 2021; management has corrected this finding.

Current Year

No reportable matters.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Prior Year

2021-001 Written Policies Relative to Federal Awards

Criteria: 2 CFR 200, Subparts D and E of the Uniform Guidance require recipients of federal awards to have written policies relative to federal awards.

Condition: Lincolnville Sewer District (the District) does not have specific written policies relative to federal awards.

Cause: The District was unaware of the specific written policy requirements relative to federal awards stated in the Uniform Guidance.

Effect: The District was not in compliance with Uniform Guidance requirements to establish specific policies relative to federal awards.

Recommendation: We recommend written policies be created relative to federal awards that comply with all requirements of 2 CFR 200, Subparts D and E of the Uniform Guidance.

Management's Response: Management agrees with this recommendation and will work on creating written policies relative to federal awards.

Current Year Status: Written policies have not been created relative to federal awards that comply with all requirements of 2 CFR 200, Subparts D and E of the Uniform Guidance; our recommendation from prior year still stands.



**LINCOLNVILLE SEWER DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2021**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT
(CONTINUED)**

Prior Year (Continued)

2021-002 Single Audit Submission Deadlines

Criteria: The 2020 financial statement audit and Single Audit documents were required to be filed with the Federal Audit Clearinghouse by March 31, 2022.

Condition: Lincolnville Sewer District (the District) did not file the required documents by March 31, 2022.

Cause: The District's 2020 financial statement audit and Single Audit were not completed until after March 31, 2022.

Effect: The District was not in compliance with the Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) Section 512.

Recommendation: We recommend the District review its existing policies and procedures and implement changes to ensure the necessary reporting package is filed with the Federal Audit Clearinghouse by the required deadline.

Management's Response: Management agrees with this finding and will evaluate its existing policies and procedures.

Current Year Status: The District's 2021 financial statement audit and Single Audit documents were required to be filed with the Federal Audit Clearinghouse by September 30, 2022 but the documents were not completed until after this date; our recommendation from prior year still stands.

Current Year

No additional reportable matters.



**LINCOLNVILLE SEWER DISTRICT
CORRECTIVE ACTION PLAN
DECEMBER 31, 2021**

B. FINANCIAL STATEMENT FINDINGS

There are no financial statement findings.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2021-001 Written Policies Relative to Federal Awards

Major Program: Water and Waste Disposal Systems For Rural Communities

CFDA: #10.760

Federal Agency: U.S. Department of Agriculture

Name of Contact Person: Chris Nickerson, Treasurer

Corrective Action: The District will work on creating written policies relative to federal awards.

Proposed Completion Date: December 31, 2023.

2021-002 Single Audit Submission Deadlines

Major Program: Water and Waste Disposal Systems For Rural Communities

CFDA: #10.760

Federal Agency: U.S. Department of Agriculture

Name of Contact Person: Chris Nickerson, Treasurer

Corrective Action: The District will evaluate its existing policies and procedures and implement changes to ensure the necessary reporting package is filed with the Federal Audit Clearinghouse by the required deadline.

Proposed Completion Date: December 31, 2023.

