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## Limerick Maine Annual Audit Report 2014

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Audited Financial Statements

Town of Limerick, Maine

December 31, 2014



*Proven Expertise and Integrity*

TOWN OF LIMERICK, MAINE

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DECEMBER 31, 2014

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*Proven Expertise and Integrity*  
INDEPENDENT AUDITORS' REPORT

Board of Selectmen  
Town of Limerick  
Limerick, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Limerick, Maine, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Limerick, Maine as of December 31, 2014, 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.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule on pages 4 through 11 and 35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

The combining and individual non-major fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards

generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

*RHR Smith & Company*

Buxton, Maine  
February 11, 2015



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2014**

**(UNAUDITED)**

The following management's discussion and analysis of the Town of Limerick, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the Town's financial statements.

**Financial Statement Overview**

The Town of Limerick's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule, and other supplementary information which includes combining and other schedules.

**Basic Financial Statements**

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position – this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities – this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above mentioned financial statements have one column for the Town's type of activity. The type of activity presented for the Town of Limerick is:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities, which include general government, public safety, public works, waste and sanitation, education and community assistance.

### **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. The Town of Limerick, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Limerick are categorized as: governmental funds.

*Governmental funds:* All of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

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

The Town of Limerick presents only two columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The Town's major governmental fund is the general fund. All other funds are shown as nonmajor and are combined in the "Nonmajor Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities.

### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund.

### **Other Supplementary Information**

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

### **Government-Wide Financial Analysis**

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activities. The Town's total net position increased by \$177,733 from \$7,959,513 to \$8,137,246.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased to a balance of \$3,552,621 at the end of this year.

**Table 1**  
**Town of Limerick, Maine**  
**Net Position**  
**December 31,**

	<b>2014</b>	<b>2013</b>
<b>Assets:</b>		
Current and Other Assets	\$ 3,584,824	\$ 3,611,841
Capital Assets	4,605,025	4,420,398
Total Assets	8,189,849	8,032,239
<b>Liabilities:</b>		
Current Liabilities	22,397	33,227
Long-term Debt Outstanding	29,397	38,916
Total Liabilities	51,794	72,143
<b>Deferred Inflows of Resources:</b>		
Prepaid Taxes	809	583
Total Deferred Inflows of Resources	809	583
<b>Net Position:</b>		
Net Investment in Capital Assets	4,566,109	4,372,100
Restricted	18,516	18,555
Unrestricted	3,552,621	3,568,858
Total Net Position	\$ 8,137,246	\$ 7,959,513

**Table 2**  
**Town of Limerick, Maine**  
**Change in Net Position**  
**For The Years Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for services	\$ 155,114	\$ 66,754
Operating grants and contributions	41,652	79,725
<i>General Revenues:</i>		
Taxes	4,407,279	4,137,850
Grants and contributions not restricted to specific programs	179,265	220,402
Miscellaneous	141,580	289,550
Total Revenue	<u>4,924,890</u>	<u>4,794,281</u>
<b>Expenses</b>		
General government	547,079	425,152
Public works	507,791	470,762
Public safety	277,282	303,444
Waste & sanitation	201,003	219,975
Community services	66,045	58,618
Education	2,825,167	2,705,830
County tax	170,953	172,425
Community assistance	6,300	6,300
Interest on long-term debt	583	676
Unclassified	144,954	153,177
Total Expenses	<u>4,747,157</u>	<u>4,516,359</u>
Change in Net Position	177,733	277,922
Net Position - January 1	<u>7,959,513</u>	<u>7,681,591</u>
Net Position - December 31	<u>\$ 8,137,246</u>	<u>\$ 7,959,513</u>

**Revenues and Expenses**

Revenues for the Town's governmental activities increased by 2.72%, while total expenses increased by 5.11%. The main increase in revenues was in taxes while the major increases in expenses were in education and general government.

## Financial Analysis of the Town's Fund Statements

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

**Table 3**  
**Town of Limerick, Maine**  
**Fund Balances - Governmental Funds**  
**December 31,**

	2014	2013
General Fund:		
Nonspendable	\$ 62,324	\$ 53,422
Committed	121,505	150,878
Unassigned	1,990,983	2,048,200
Total General Fund	\$ 2,174,812	\$ 2,252,500
Nonmajor Funds:		
Special revenue funds:		
Restricted	\$ 1,500	\$ 1,561
Committed	11,681	92,829
Assigned	10,784	5,812
Capital project funds:		
Committed	897,079	820,629
Permanent funds:		
Restricted	17,016	16,994
Total Nonmajor Funds	\$ 938,060	\$ 937,825

The general fund total fund balance decreased by \$77,688 from the prior fiscal year. The non-major fund balances increased by \$235 from the prior fiscal year.

### Budgetary Highlights

The significant differences between the original and final budget for the general fund was the use of committed and unassigned fund balances.

The general fund actual revenues exceeded budget by \$68,937. All revenue categories were receipted in excess of budget with the exception of property taxes and charges for services.

The general fund actual expenditures were under budget by \$45,347. All expenditure categories were under budget with the exception of county tax and unclassified.

## Capital Asset and Debt Administration

### Capital Assets

As of December 31, 2014, the net book value of capital assets recorded by the Town increased by \$184,627 from the prior year. This increase is due to capital additions of \$380,985 less depreciation expense of \$196,358.

**Table 4**  
**Town of Limerick, Maine**  
**Capital Assets (Net of Depreciation)**  
**December 31,**

	<u>2014</u>	<u>2013</u>
Land	\$ 267,950	\$ 267,950
Construction in progress	11,800	11,800
Buildings and improvements	506,128	468,696
Machinery and equipment	162,832	179,414
Vehicles	444,789	489,444
Infrastructure	<u>3,211,526</u>	<u>3,003,094</u>
Total	<u>\$ 4,605,025</u>	<u>\$ 4,420,398</u>

### Debt

At December 31, 2014, the Town had \$38,916 in bonds outstanding versus \$48,298 last year, a decrease of 19.43%. Refer to Note 5 of Notes to Financial Statements for more detailed information.

### Currently Known Facts, Decisions, or Conditions

#### Economic Factors and Next Year's Budgets and Rates

To further promote and ensure the financial well-being and fiscal stability of the Town, the Limerick Board of Selectmen adopted an Unassigned Fund Balance Policy in March of 2013. The Town's management established the policy as a guideline to ensure the well-being of the Town's financial administration in a manner that assists in providing for a positive cash flow, reducing short-term borrowing costs and meeting the Town's long-term capital investment objectives while ensuring that year-to-year fluctuations do not allow accumulation of an excessive unassigned fund balance. The policy also includes a provision for the suggested utilization of excess funds on future capital improvements and/or distribution to various reserve accounts. The Town's management designed the policy around maintaining a level of funding in Unassigned Fund Balance that assures the fiscal integrity of the Town into the near future. In addition, the policy will provide direction to the Town Manager during annual budget preparation. The policy requires the Town maintain an unassigned fund balance equal

to 3 months of the previous year's total budget as reported in the towns audited December 31 year-end financial report. The Town maintained balances in excess of the required minimum level for the fiscal year ended 2014.

### **Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Dept. at, 55 Washington Street, Limerick, Maine 04048.



TOWN OF LIMERICK, MAINE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2014

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 2,786,969
Investments	17,016
Accounts receivable (net of allowance for uncollectibles):	
Taxes	381,010
Liens	154,543
Other	182,962
Tax acquired property	<u>62,324</u>
Total current assets	<u>3,584,824</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	279,750
Buildings and equipment, net of accumulated depreciation	<u>4,325,275</u>
Total noncurrent assets	<u>4,605,025</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 8,189,849</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 8,110
Due to other governments	4,768
Current portion of long-term obligations	<u>9,519</u>
Total current liabilities	<u>22,397</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	<u>29,397</u>
Total noncurrent liabilities	<u>29,397</u>
<b>TOTAL LIABILITIES</b>	<u>51,794</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Prepaid taxes	<u>809</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>809</u>
<b>NET POSITION</b>	
Net investment in capital assets	4,566,109
Restricted	18,516
Unrestricted	<u>3,552,621</u>
<b>TOTAL NET POSITION</b>	<u>8,137,246</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 8,189,849</u></u>

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

TOWN OF LIMERICK, MAINE  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities
Governmental activities:					
General government	\$ 547,079	\$ 29,131	\$ -	\$ -	\$ (517,948)
Public works	507,791	-	40,852	-	(466,939)
Public safety	277,282	101,449	-	-	(175,833)
Waste & sanitation	201,003	20,733	-	-	(180,270)
Community services	66,045	3,801	-	-	(62,244)
Education	2,825,167	-	-	-	(2,825,167)
County tax	170,953	-	-	-	(170,953)
Community assistance	6,300	-	-	-	(6,300)
Interest on long-term debt	583	-	-	-	(583)
Unclassified	144,954	-	800	-	(144,154)
Total government	<u>\$ 4,747,157</u>	<u>\$ 155,114</u>	<u>\$ 41,652</u>	<u>\$ -</u>	<u>(4,550,391)</u>

STATEMENT B (CONTINUED)  
TOWN OF LIMERICK, MAINE

STATEMENT OF ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>\$ (4,550,391)</u>
General revenues:	
Taxes:	
Property taxes, levied for general purposes	3,921,124
Excise taxes	486,155
Grants and contributions not restricted to specific programs	179,265
Miscellaneous	<u>141,580</u>
Total general revenues	<u>4,728,124</u>
Change in net position	177,733
NET POSITION - JANUARY 1	<u>7,959,513</u>
NET POSITION - DECEMBER 31	<u><u>\$ 8,137,246</u></u>

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

## TOWN OF LIMERICK, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2014

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,401,348	\$ 385,621	\$ 2,786,969
Investments	-	17,016	17,016
Accounts receivable (net of allowance for uncollectibles):			
Taxes	381,010	-	381,010
Liens	154,543	-	154,543
Other	5,146	177,816	182,962
Tax acquired property	62,324	-	62,324
Due from other funds	-	357,607	357,607
<b>TOTAL ASSETS</b>	<b>\$ 3,004,371</b>	<b>\$ 938,060</b>	<b>\$ 3,942,431</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 8,110	\$ -	\$ 8,110
Due to other governments	4,768	-	4,768
Due to other funds	357,607	-	357,607
<b>TOTAL LIABILITIES</b>	<b>370,485</b>	<b>-</b>	<b>370,485</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes	809	-	809
Deferred tax revenues	458,265	-	458,265
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>459,074</b>	<b>-</b>	<b>459,074</b>
<b>FUND BALANCES</b>			
Nonspendable	62,324	-	62,324
Restricted	-	18,516	18,516
Committed	121,505	908,760	1,030,265
Assigned	-	10,784	10,784
Unassigned	1,990,983	-	1,990,983
<b>TOTAL FUND BALANCES</b>	<b>2,174,812</b>	<b>938,060</b>	<b>3,112,872</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 3,004,371</b>	<b>\$ 938,060</b>	<b>\$ 3,942,431</b>

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

## TOWN OF LIMERICK, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2014

	Total Governmental Funds
Total Fund Balances	\$ 3,112,872
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	4,605,025
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	458,265
Long-term liabilities shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(38,916)
Net position of governmental activities	\$ 8,137,246

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

## TOWN OF LIMERICK, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes:			
Property taxes	\$ 3,859,947	\$ -	\$ 3,859,947
Excise taxes	486,155	-	486,155
Intergovernmental	220,117	800	220,917
Charges for services	54,317	100,797	155,114
Miscellaneous revenues	79,003	62,577	141,580
<b>TOTAL REVENUES</b>	<b>4,699,539</b>	<b>164,174</b>	<b>4,863,713</b>
<b>EXPENDITURES</b>			
Current:			
General government	547,079	-	547,079
Public works	595,576	-	595,576
Public safety	225,689	-	225,689
Waste & Sanitation	222,603	-	222,603
Community Services	66,045	-	66,045
Education	2,825,167	-	2,825,167
County tax	170,953	-	170,953
Community Assistance	6,300	-	6,300
Unclassified	54,743	217,046	271,789
Debt service:			
Principal	9,382	-	9,382
Interest	583	-	583
<b>TOTAL EXPENDITURES</b>	<b>4,724,120</b>	<b>217,046</b>	<b>4,941,166</b>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(24,581)</b>	<b>(52,872)</b>	<b>(77,453)</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	-	58,107	58,107
Transfers (out)	(53,107)	(5,000)	(58,107)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(53,107)</b>	<b>53,107</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(77,688)</b>	<b>235</b>	<b>(77,453)</b>
<b>FUND BALANCES - JANUARY 1</b>	<b>2,252,500</b>	<b>937,825</b>	<b>3,190,325</b>
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 2,174,812</b>	<b>\$ 938,060</b>	<b>\$ 3,112,872</b>

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

## TOWN OF LIMERICK, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2014

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (77,453)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset purchases capitalized	380,985
Depreciation expense	<u>(196,358)</u>
	<u>184,627</u>
Revenues in the Statement of Activities that do not provide current financial resources as revenues in the funds:	
Taxes and liens receivable	<u>61,177</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, reduces long-term liabilities in the Statement of Net Position	
	<u>9,382</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 177,733</u></u>

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

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Reporting Entity***

The Town of Limerick was incorporated under the laws of the State of Maine. The Town operates under the selectmen-treasurer form of government and provides the following services: general government, public safety, public works, waste and sanitation, community services, education, and community assistance.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statement No. 39 and No. 61.

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

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental. The Town categorizes all activities of the Town as governmental.

In the government-wide Statement of Net Position, the governmental activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (general government, public safety, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the



TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- d. Permanent Funds are used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.

The emphasis in fund financial statements is on the major funds in governmental activities categories. Non-major funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Budget**

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the Town.
4. The Town does not adopt budgets for Special Revenue Funds.

**Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions.
- Repurchase agreements
- Money market mutual funds

The Town of Limerick has no formal investment policy but instead follows the State of Maine Statutes. They are in the process of adopting a more detailed investment policy.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Interfund Receivables and Payables**

Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". Interfund balances and transactions have been eliminated in the government-wide financial statements.

**Transactions Between Funds**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated to be \$59,272 as of December 31, 2014.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

**Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of bonds payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

**Compensated Absences**

The Town's policies regarding vacation and sick time do not permit employees to accumulate earned but unused vacation but not sick leave. Generally, the liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of December 31, 2014, the Town's liability for compensated absences is \$ 0.

**Net Position**

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified, or rescinded only through a Town meeting vote.

Assigned – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Board of Selectmen.

Unassigned – This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds,

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has only one type of item, deferred tax revenues, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes also qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Revenue Recognition - Property Taxes - Modified Accrual Basis**

The Town's property tax for the current year was levied September 1, 2014 on the assessed value listed as of April 1, 2014, for all real and personal property located in the Town. Taxes were due on October 31, 2014. Interest on unpaid taxes commenced on November 1, 2014, at 7% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$35,508 for the year ended December 31, 2014.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

**Use of Estimates**

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town follows state statutes for the investment of funds, which authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These apply to all Town funds.

**Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes.

At December 31, 2014, the Town's cash balance of \$2,786,969 was comprised of bank deposits amounting to \$2,827,315. This entire amount was insured by federal



TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

depository insurance or collateralized with a deposit bond guarantee held in the entity's name and thus not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
NOW checking accounts	2,466,778
Money market accounts	360,537
	<u>\$ 2,827,315</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments.

At December 31, 2014, the Town's investments and maturities were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>N/A</u>	<u>&lt; 1 Year</u>	<u>1 - 5 Years</u>
Certificates of Deposit	\$ 17,016	\$ -	\$ 17,016	\$ -
	<u>\$ 17,016</u>	<u>\$ -</u>	<u>\$ 17,016</u>	<u>\$ -</u>

At December 31, 2014, the Town's investments of \$17,016 of certificates of deposit were all insured by federal depository insurance and consequently were not exposed to custodial credit risk.

Credit risk – Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in savings accounts and various certificates of deposit.

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 3 – INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2014 consisted of the following individual fund receivables and payables.

	<u>Receivables (Due from)</u>	<u>Payables (Due to)</u>
General fund	\$ -	\$ 357,607
Nonmajor special revenue funds	23,965	-
Nonmajor capital project funds	333,642	-
	<u>\$ 357,607</u>	<u>\$ 357,607</u>

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at December 31, 2014:

	<u>Balance, 1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, 12/31/14</u>
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 267,950	\$ -	\$ -	\$ 267,950
Construction in progress	11,800	-	-	11,800
	<u>279,750</u>	<u>-</u>	<u>-</u>	<u>279,750</u>
Depreciated assets:				
Buildings & improvements	854,933	54,989	-	909,922
Machinery & equipment	780,875	19,321	-	800,196
Vehicles	1,078,319	-	-	1,078,319
Infrastructure	3,635,670	306,675	-	3,942,345
	<u>6,349,797</u>	<u>380,985</u>	<u>-</u>	<u>6,730,782</u>
Less: accumulated depreciation				
Buildings & improvements	(386,237)	(17,557)	-	(403,794)
Machinery & equipment	(601,461)	(35,903)	-	(637,364)
Vehicles	(588,875)	(44,655)	-	(633,530)
Infrastructure	(632,576)	(98,243)	-	(730,819)
	<u>(2,209,149)</u>	<u>(196,358)</u>	<u>-</u>	<u>(2,405,507)</u>
Subtotal	<u>4,140,648</u>	<u>184,627</u>	<u>-</u>	<u>4,325,275</u>
Net capital assets	<u>\$ 4,420,398</u>	<u>\$ 184,627</u>	<u>\$ -</u>	<u>\$ 4,605,025</u>

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Current year depreciation

Fire Department	\$ 79,789
Public Works	103,742
Library	700
Town-Wide	12,127
Total depreciation expense	<u>\$ 196,358</u>

NOTE 5 – LONG TERM DEBT

The following is a summary of changes in the long-term debt for the year ended December 31, 2014:

	<u>Balance 1/1/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/14</u>	<u>Current Year Portion</u>
Bonds payable	\$ 48,298	\$ -	\$ (9,382)	\$ 38,916	\$ 9,519
Totals	<u>\$ 48,298</u>	<u>\$ -</u>	<u>\$ (9,382)</u>	<u>\$ 38,916</u>	<u>\$ 9,519</u>

The following is a summary of outstanding bonds payable:

\$135,000, 2003 General Obligation bonds with Maine Municipal Bond Bank, due in annual installments through April 2018, interest is charged at a rate 1.0%.

\$ 38,916

The following is a summary of outstanding bond and note principal and interest requirements for the following fiscal years ending December 31:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2015	\$ 9,519	\$ 489	\$ 10,008
2016	9,657	394	10,051
2017	9,799	398	10,197
2018	9,941	200	10,141
2019	-	-	-
	<u>\$ 38,916</u>	<u>\$ 1,481</u>	<u>\$ 40,397</u>

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 6 – OPERATING LEASE

The Town has entered into an operating lease for a copier. Monthly payments are \$114 plus taxes through 2019.

The following is a summary of outstanding operating lease requirements for the fiscal years ending December 31:

<u>Year Ending December 31:</u>	
2015	\$ 1,368
2016	1,368
2017	1,368
2018	1,368
2019	<u>456</u>
Total minimum lease payments	<u><u>\$ 5,928</u></u>

NOTE 7 – NONSPENDABLE FUND BALANCES

At December 31, 2014, the Town had the following nonspendable fund balances:

General fund:	
Tax acquired property	<u><u>\$ 62,324</u></u>

NOTE 8 – RESTRICTED FUND BALANCES

At December 31, 2014, the Town had the following restricted fund balances:

Nonmajor special revenue funds (See Schedule D)	\$ 1,500
Nonmajor permanent funds (See Schedule H)	<u>17,016</u>
	<u><u>\$ 18,516</u></u>

NOTE 9 – COMMITTED FUND BALANCES

At December 31, 2014, the Town had the following committed fund balances:

General fund:	
Franchise fees	30,739
Franchise capital equipment	90,766
Nonmajor special revenue funds (See Schedule D)	11,681
Nonmajor capital project funds (See Schedule F)	<u>897,079</u>
	<u><u>\$ 1,030,265</u></u>

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 10 – ASSIGNED FUND BALANCES

At December 31, 2014, the Town had the following assigned fund balances:

Nonmajor special revenue funds (See Schedule D)	<u>\$ 10,784</u>
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NOTE 11 – OVERSPENT APPROPRIATIONS

At December 31, 2014, the Town had the following overspent appropriations:

Assessing	\$ 67
Incidentals	2,950
Bridges	1,105
Traffic signals	456
Door to door	672
County tax	360
Capital projects	4,956
Franchise fees	24,089
	<u>\$ 34,655</u>

NOTE 12 – OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At December 31, 2014, the Town's share was approximately:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
County of York	\$ 9,039,396	0.98%	\$ 88,533
RSU #57	14,222,371	13.05%	1,856,460
			<u>\$ 1,944,993</u>

NOTE 13 – RISK MANAGEMENT

The Town faces a full realm of risks typical of a thriving entity. Liabilities associated with torts and protections against damage of loss of assets are the general categories of risk for which the Town carries commercial insurance. Specific insurance related to these categories includes general, police and public officials liability coverage, workers compensation, and automobile insurance. The Town is liable for deductibles ranging up to \$50,000 for settlements exceeding the limits of coverage, which range from \$1,000 to \$4,288,163. The amount of settlements has not exceeded insurance coverage for each of the past three years.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 14 – CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 15 – RELATED PARTY TRANSACTIONS

A member of the Board of Selectmen is related to the vendor that was awarded a contract for mowing. The Town requests contract proposals for this service annually. During the year ended December 31, 2014, payments to this vendor for mowing totaled \$8,325.

### Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund
- Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund Revenues

## TOWN OF LIMERICK, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, January 1	\$ 2,252,500	\$ 2,252,500	\$ 2,252,500	\$ -
Resources (Inflows):				
Property taxes	3,919,619	3,919,619	3,859,947	(59,672)
Excise taxes	427,500	427,500	486,155	58,655
Intergovernmental:	207,883	207,883	220,117	12,234
Charges for services	63,100	63,100	54,317	(8,783)
Interest income	12,500	12,500	23,500	11,000
Miscellaneous revenues	-	-	55,503	55,503
Transfers from other funds	-	-	-	-
Amounts Available for Appropriation	<u>6,883,102</u>	<u>6,883,102</u>	<u>6,952,039</u>	<u>68,937</u>
Charges to Appropriations (Outflows):				
General government	523,228	568,228	547,079	21,149
Public works	610,654	610,654	595,576	15,078
Public safety	227,209	227,209	225,689	1,520
Waste & sanitation	231,235	231,235	222,603	8,632
Community services	67,443	67,443	66,045	1,398
Education	2,825,167	2,825,167	2,825,167	-
County tax	170,593	170,593	170,953	(360)
Community assistance	6,300	6,300	6,300	-
Unclassified	52,638	52,638	54,743	(2,105)
Debt service:				
Principal	9,382	9,382	9,382	-
Interest	618	618	583	35
Transfers to other funds	-	53,107	53,107	-
Total Charges to Appropriations	<u>4,724,467</u>	<u>4,822,574</u>	<u>4,777,227</u>	<u>45,347</u>
Budgetary Fund Balance, December 31	<u>\$ 2,158,635</u>	<u>\$ 2,060,528</u>	<u>\$ 2,174,812</u>	<u>\$ 114,284</u>
Utilization of unassigned fund balance	\$ 93,865	\$ 146,972	\$ -	\$ (146,972)
Utilization of committed fund balance	-	45,000	-	(45,000)
	<u>\$ 93,865</u>	<u>\$ 191,972</u>	<u>\$ -</u>	<u>\$ (191,972)</u>

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



## TOWN OF LIMERICK, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND REVENUES  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
General tax revenues:				
Property taxes	\$ 3,919,619	\$ 3,919,619	\$ 3,859,947	\$ (59,672)
Vehicle excise taxes	420,000	420,000	478,447	58,447
Boat/plane excise taxes	7,500	7,500	7,708	208
Intergovernmental revenues:				
State revenue sharing	101,667	101,667	103,865	2,198
Homestead exemption	52,552	52,552	48,835	(3,717)
Local road assistance	46,900	46,900	40,852	(6,048)
Veteran's exemption	-	-	2,160	2,160
Tree growth	-	-	9,677	9,677
BETE reimbursement	6,764	6,764	6,782	18
Other	-	-	7,946	7,946
Charges for services:				
Agent fees	10,300	10,300	10,213	(87)
Clerk fees	3,500	3,500	3,780	280
Code enforcement	15,000	15,000	12,913	(2,087)
Board of appeals	100	100	300	200
Transfer station	25,000	25,000	20,733	(4,267)
Fire department	1,500	1,500	130	(1,370)
Constable permits	600	600	-	(600)
Animal control	-	-	522	522
Recreation registrations	3,600	3,600	3,209	(391)
Town hall rentals	1,500	1,500	1,425	(75)
Planning board	2,000	2,000	500	(1,500)
Library	-	-	592	592
Investment income:				
Investment income	2,500	2,500	2,057	(443)
Interest/fees on taxes	10,000	10,000	21,443	11,443
Other income:				
Other income	-	-	6,000	6,000
Lien costs	-	-	4,830	4,830
Cable franchise fees	-	-	44,673	44,673
Transfers from other funds	-	-	-	-
<b>TOTAL REVENUES</b>	<u><u>\$ 4,630,602</u></u>	<u><u>\$ 4,630,602</u></u>	<u><u>\$ 4,699,539</u></u>	<u><u>\$ 68,937</u></u>

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

## Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Departmental Operations – General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Project Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Project Funds
- Combining Balance Sheet – Nonmajor Permanent Funds
- Combining Schedule of Revenue, Expenditures and Changes in Fund Balances – Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF LIMERICK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General government:					
Treasurer	\$ 35,616	\$ -	\$ 35,616	\$ 35,607	\$ 9
Town Clerk/Tax Collector	58,109	-	58,109	57,638	471
Adminstration payroll	89,481	-	89,481	85,096	4,385
Payroll expenses	26,922	-	26,922	19,455	7,467
Legal	70,980	-	70,980	67,214	3,766
Assessing	19,450	-	19,450	19,517	(67)
General assistance	15,750	-	15,750	13,502	2,248
Incidentals	22,868	-	22,868	25,818	(2,950)
Board of appeals	1,267	-	1,267	793	474
Elections	12,245	-	12,245	11,511	734
Code Enforcement Officer	48,537	-	48,537	48,525	12
Planning board	7,731	-	7,731	5,070	2,661
Comprehensive plan	772	-	772	772	-
Revaluation	45,000	45,000	90,000	90,000	-
Municipal Building	46,500	-	46,500	46,156	344
Town hall	16,600	-	16,600	16,525	75
Grange hall	4,500	-	4,500	3,226	1,274
Moore building	900	-	900	654	246
	<u>523,228</u>	<u>45,000</u>	<u>568,228</u>	<u>547,079</u>	<u>21,149</u>
Public Works:					
Repair of highways	140,814	-	140,814	139,471	1,343
Tarring	200,000	-	200,000	190,527	9,473
Bridges	30,225	-	30,225	31,330	(1,105)
Snow Removal:					
Snow removal of roads	210,182	-	210,182	205,595	4,587
Snow removal sidewalks	29,433	-	29,433	28,653	780
	<u>610,654</u>	<u>-</u>	<u>610,654</u>	<u>595,576</u>	<u>15,078</u>

TOWN OF LIMERICK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
<b>Public Safety:</b>					
Fire department	131,873	-	131,873	131,857	16
Paramedic/FF	40,405	-	40,405	40,106	299
Hydrant rental	25,524	-	25,524	25,524	-
E.M.A.	3,240	-	3,240	2,207	1,033
Constables	160	-	160	52	108
Traffic signals	13,000	-	13,000	13,456	(456)
Animal control	13,007	-	13,007	12,487	520
	<u>227,209</u>	<u>-</u>	<u>227,209</u>	<u>225,689</u>	<u>1,520</u>
<b>Waste &amp; Sanitation:</b>					
Sanitation & recycling facility	78,435	-	78,435	73,225	5,210
Door to Door	82,800	-	82,800	83,472	(672)
Household tipping fees	70,000	-	70,000	65,906	4,094
	<u>231,235</u>	<u>-</u>	<u>231,235</u>	<u>222,603</u>	<u>8,632</u>
<b>Community Services:</b>					
Library	54,984	-	54,984	54,984	-
Recreation	12,459	-	12,459	11,061	1,398
	<u>67,443</u>	<u>-</u>	<u>67,443</u>	<u>66,045</u>	<u>1,398</u>

TOWN OF LIMERICK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Education	2,825,167	-	2,825,167	2,825,167	-
County Tax	170,593	-	170,593	170,953	(360)
Community Assistance:					
Charity organizations	6,300	-	6,300	6,300	-
	6,300	-	6,300	6,300	-
Debt Service:					
Bond - principal	9,382	-	9,382	9,382	-
Bond - interest	618	-	618	583	35
	10,000	-	10,000	9,965	35
Unclassified:					
Public places	7,230	-	7,230	6,642	588
Highland Cemetery	4,200	-	4,200	3,600	600
Cemetery	2,700	-	2,700	1,487	1,213
Milfoil	3,000	-	3,000	3,000	-
Capital projects	-	-	-	4,956	(4,956)
Franchise fees	-	-	-	24,089	(24,089)
Overlay	35,508	-	35,508	10,969	24,539
	52,638	-	52,638	54,743	(2,105)
Transfers to Other Funds:					
Capital project funds	-	53,107	53,107	53,107	-
	-	53,107	53,107	53,107	-
Total departmental expenditures	\$ 4,724,467	\$ 98,107	\$ 4,822,574	\$ 4,777,227	\$ 45,347

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

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 385,621	\$ -	\$ 385,621
Investments	-	-	17,016	17,016
Accounts receivable (net of allowance for uncollectibles)	-	177,816	-	177,816
Due from other funds	23,965	333,642	-	357,607
<b>TOTAL ASSETS</b>	<u>\$ 23,965</u>	<u>\$ 897,079</u>	<u>\$ 17,016</u>	<u>\$ 938,060</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	1,500	-	17,016	18,516
Committed	11,681	897,079	-	908,760
Assigned	10,784	-	-	10,784
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>23,965</u>	<u>897,079</u>	<u>17,016</u>	<u>938,060</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 23,965</u>	<u>\$ 897,079</u>	<u>\$ 17,016</u>	<u>\$ 938,060</u>

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

## TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Intergovernmental	\$ 800	\$ -	\$ -	\$ 800
Charges for services	-	100,797	-	100,797
Interest income	-	384	22	406
Other	26,588	35,583	-	62,171
<b>TOTAL REVENUES</b>	<u>27,388</u>	<u>136,764</u>	<u>22</u>	<u>164,174</u>
<b>EXPENDITURES</b>				
Capital outlay	-	9,414	-	9,414
Other	103,625	104,007	-	207,632
<b>TOTAL EXPENDITURES</b>	<u>103,625</u>	<u>113,421</u>	<u>-</u>	<u>217,046</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(76,237)</u>	<u>23,343</u>	<u>22</u>	<u>(52,872)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	58,107	-	58,107
Transfers (out)	-	(5,000)	-	(5,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>53,107</u>	<u>-</u>	<u>53,107</u>
<b>NET CHANGE IN FUND BALANCES</b>	(76,237)	76,450	22	235
<b>FUND BALANCES - JANUARY 1</b>	<u>100,202</u>	<u>820,629</u>	<u>16,994</u>	<u>937,825</u>
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 23,965</u>	<u>\$ 897,079</u>	<u>\$ 17,016</u>	<u>\$ 938,060</u>

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

## Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

1. Business Park
2. Lakes Environmental Grant
3. Recreation Donations
4. Outreach
5. Library Book Sales
6. Fire Department Donations
7. Transfer Station Capital
8. United Way Contribution
9. Misc. Use
10. Transfer Station Grant



TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2014

	Business Park	Lakes Environmental Grant	Recreation Donations	Outreach	Library Book Sales	Fire Dept Donations
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	11,681	256	260	663	2,544	4,339
<b>TOTAL ASSETS</b>	<b>\$ 11,681</b>	<b>\$ 256</b>	<b>\$ 260</b>	<b>\$ 663</b>	<b>\$ 2,544</b>	<b>\$ 4,339</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	256	-	663	-	-
Committed	11,681	-	-	-	-	-
Assigned	-	-	260	-	2,544	4,339
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>11,681</b>	<b>256</b>	<b>260</b>	<b>663</b>	<b>2,544</b>	<b>4,339</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 11,681</b>	<b>\$ 256</b>	<b>\$ 260</b>	<b>\$ 663</b>	<b>\$ 2,544</b>	<b>\$ 4,339</b>

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2014

	Transfer Station Capital	United Way Contribution	Misc Use	Transfer Station Grant	Totals
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	3,000	400	241	581	23,965
<b>TOTAL ASSETS</b>	<b>\$ 3,000</b>	<b>\$ 400</b>	<b>\$ 241</b>	<b>\$ 581</b>	<b>\$ 23,965</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	581	1,500
Committed	-	-	-	-	11,681
Assigned	3,000	400	241	-	10,784
Unassigned	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>3,000</b>	<b>400</b>	<b>241</b>	<b>581</b>	<b>23,965</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,000</b>	<b>\$ 400</b>	<b>\$ 241</b>	<b>\$ 581</b>	<b>\$ 23,965</b>

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

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Business Park	Lakes Environmental Grant	Recreation Donations	Outreach	Library Book Sales	Fire Dept Donations
REVENUES						
Intergovernmental	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ -
Other	18,500	-	100	-	1,847	2,400
TOTAL REVENUES	<u>18,500</u>	<u>800</u>	<u>100</u>	<u>-</u>	<u>1,847</u>	<u>2,400</u>
EXPENDITURES	<u>99,648</u>	<u>861</u>	<u>-</u>	<u>-</u>	<u>3,016</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(81,148)</u>	<u>(61)</u>	<u>100</u>	<u>-</u>	<u>(1,169)</u>	<u>2,400</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(81,148)	(61)	100	-	(1,169)	2,400
FUND BALANCES - JANUARY 1	<u>92,829</u>	<u>317</u>	<u>160</u>	<u>663</u>	<u>3,713</u>	<u>1,939</u>
FUND BALANCES - DECEMBER 31	<u>\$ 11,681</u>	<u>\$ 256</u>	<u>\$ 260</u>	<u>\$ 663</u>	<u>\$ 2,544</u>	<u>\$ 4,339</u>

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Transfer Station Capital	United Way Contribution	Misc Use	Transfer Station Grant	Totals
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 800
Other	3,000	500	241	-	26,588
TOTAL REVENUES	<u>3,000</u>	<u>500</u>	<u>241</u>	<u>-</u>	<u>27,388</u>
EXPENDITURES	<u>-</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>103,625</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,000</u>	<u>400</u>	<u>241</u>	<u>-</u>	<u>(76,237)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	3,000	400	241	-	(76,237)
FUND BALANCES - JANUARY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>581</u>	<u>100,202</u>
FUND BALANCES - DECEMBER 31	<u>\$ 3,000</u>	<u>\$ 400</u>	<u>\$ 241</u>	<u>\$ 581</u>	<u>\$ 23,965</u>

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

## Capital Project Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

1. Limerick Rescue
2. Business Association
3. Town Hall Handicap Access
4. Municipal Building Reserve
5. Capital Reserve

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS  
DECEMBER 31, 2014

	Limerick Rescue	Business Association	Town Hall Handicap Access	Municipal Building Reserve	Capital Reserve	Totals
<b>ASSETS</b>						
Cash and cash equivalents	\$ 360,537	\$ -	\$ 25,084	\$ -	\$ -	\$ 385,621
Accounts receivable (net of allowance for uncollectibles)	177,816	-	-	-	-	177,816
Due from other funds	50,880	2,024	3,800	7,796	269,142	333,642
<b>TOTAL ASSETS</b>	<b><u>\$ 589,233</u></b>	<b><u>\$ 2,024</u></b>	<b><u>\$ 28,884</u></b>	<b><u>\$ 7,796</u></b>	<b><u>\$ 269,142</u></b>	<b><u>\$ 897,079</u></b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	589,233	2,024	28,884	7,796	269,142	897,079
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b><u>589,233</u></b>	<b><u>2,024</u></b>	<b><u>28,884</u></b>	<b><u>7,796</u></b>	<b><u>269,142</u></b>	<b><u>897,079</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 589,233</u></b>	<b><u>\$ 2,024</u></b>	<b><u>\$ 28,884</u></b>	<b><u>\$ 7,796</u></b>	<b><u>\$ 269,142</u></b>	<b><u>\$ 897,079</u></b>

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

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Limerick Rescue	Business Association	Town Hall Handicap Access	Municipal Building Reserve	Capital Reserve	Totals
REVENUES						
Interest income	\$ 347	\$ 2	\$ 35	\$ -	\$ -	\$ 384
Charges for services	100,797	-	-	-	-	100,797
Other	98	-	-	-	35,485	35,583
TOTAL REVENUES	<u>101,242</u>	<u>2</u>	<u>35</u>	<u>-</u>	<u>35,485</u>	<u>136,764</u>
EXPENDITURES						
Capital outlay	-	-	-	9,414	-	9,414
Other	19,295	-	32,799	-	51,913	104,007
TOTAL EXPENDITURES	<u>19,295</u>	<u>-</u>	<u>32,799</u>	<u>9,414</u>	<u>51,913</u>	<u>113,421</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>81,947</u>	<u>2</u>	<u>(32,764)</u>	<u>(9,414)</u>	<u>(16,428)</u>	<u>23,343</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	5,000	-	53,107	58,107
Transfers (out)	-	-	-	-	(5,000)	(5,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>48,107</u>	<u>53,107</u>
NET CHANGE IN FUND BALANCES	81,947	2	(27,764)	(9,414)	31,679	76,450
FUND BALANCES - JANUARY 1	<u>507,286</u>	<u>2,022</u>	<u>56,648</u>	<u>17,210</u>	<u>237,463</u>	<u>820,629</u>
FUND BALANCES - DECEMBER 31	<u>\$ 589,233</u>	<u>\$ 2,024</u>	<u>\$ 28,884</u>	<u>\$ 7,796</u>	<u>\$ 269,142</u>	<u>\$ 897,079</u>

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

## Permanent Funds

Permanent funds are used to account for assets held by the Town of Limerick, Maine that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. These funds have been established for various purposes including the provision and/or maintenance of the cemeteries.

1. Hillside Cemetery
2. Elizabeth Felch Durrell



TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET- NONMAJOR PERMANENT FUNDS  
DECEMBER 31, 2014

	<u>Hillside Cemetery</u>	<u>Elizabeth Felch Durrell</u>	<u>Totals</u>
<b>ASSETS</b>			
Investments	\$ 8,248	\$ 8,768	\$ 17,016
Due from other funds	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 8,248</u>	<u>\$ 8,768</u>	<u>\$ 17,016</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	8,248	8,768	17,016
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>8,248</u>	<u>8,768</u>	<u>17,016</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 8,248</u>	<u>\$ 8,768</u>	<u>\$ 17,016</u>

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

## TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES – NONMAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Hillside Cemetery	Elizabeth Felch Durrell	Totals
REVENUES			
Interest income	\$ 9	\$ 13	\$ 22
TOTAL REVENUES	<u>9</u>	<u>13</u>	<u>22</u>
EXPENDITURES			
Scholarships	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	<u>9</u>	<u>13</u>	<u>22</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	9	13	22
FUND BALANCES - JANUARY 1	<u>8,239</u>	<u>8,755</u>	<u>16,994</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 8,248</u></u>	<u><u>\$ 8,768</u></u>	<u><u>\$ 17,016</u></u>

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

## General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

TOWN OF LIMERICK, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Land, Non- Depreciable Infrastructure and Construction in Progress	Buildings, Land and Building Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Totals
Fire Department	\$ 22,070	\$ 92,077	\$ 1,792,567	\$ -	\$ 1,906,714
Public Works	-	41,854	35,635	3,827,197	3,904,686
Transfer Station	-	-	6,100	15,500	21,600
Library	-	7,000	-	-	7,000
Town-Wide	<u>257,680</u>	<u>768,991</u>	<u>44,213</u>	<u>99,648</u>	<u>1,170,532</u>
Total General Capital Assets	279,750	909,922	1,878,515	3,942,345	7,010,532
Less: Accumulated Depreciation	<u>-</u>	<u>(403,794)</u>	<u>(1,270,894)</u>	<u>(730,819)</u>	<u>(2,405,507)</u>
Net General Capital Assets	<u>\$ 559,500</u>	<u>\$ 506,128</u>	<u>\$ 607,621</u>	<u>\$ 3,211,526</u>	<u>\$ 4,605,025</u>

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

TOWN OF LIMERICK, MAINE

SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Capital Assets 1/1/14	Additions	Deletions	General Capital Assets 12/31/14
Fire Department	\$ 1,878,518	\$ 28,196	\$ -	\$ 1,906,714
Public Works	3,713,159	191,527	-	3,904,686
Transfer Station	-	21,600	-	21,600
Library	7,000	-	-	7,000
Town-Wide	<u>1,030,870</u>	<u>139,662</u>	<u>-</u>	<u>1,170,532</u>
Total General Capital Assets	6,629,547	380,985	-	7,010,532
Less: Accumulated Depreciation	<u>(2,209,149)</u>	<u>(196,358)</u>	<u>-</u>	<u>(2,405,507)</u>
Net General Capital Assets	<u><u>\$ 4,420,398</u></u>	<u><u>\$ 184,627</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,605,025</u></u>

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