

TOWN OF LINCOLNVILLE
TABLE OF CONTENTS
JUNE 30, 2016

Independent Auditors' Report

Management's Discussion and Analysis

General Purpose Financial Statements

Exhibits

Government-Wide Financial Statements

Statements of Net Position A

Statements of Activities B

Fund Financial Statements

Reconciliation of Total Governmental Fund Balance to Net Position of
Governmental Activities C

Reconciliation of the Statements of Revenues, Expenditures, and Changes in
Fund Balance of Governmental Funds to the Statements of Activities D

Balance Sheets - Governmental Funds E

Statements of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds F

Statements of Proprietary Net Position - Proprietary Fund - School Lunch Program G

Statements of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund - School Lunch Program H

Statements of Cash Flows - Proprietary Fund - School Lunch Program I

Statements of Fiduciary Net Position - Nonexpendable Trust Funds J

Statements of Changes in Fiduciary Net Position - Nonexpendable Trust Funds
Cemetery Trust Funds K

Statements of Cash Flows - Fiduciary Fund Type - Nonexpendable Trust Funds L

Notes to Financial Statements

Supplemental Information

Schedules

Budgetary Comparison Schedule - General Fund A-1

Statement of Cash Receipts and Disbursements A-2

Statement of Changes in Unappropriated Surplus A-3

Statement of Departmental Operations A-4

Valuation, Assessment, and Collections A-5

Supplemental Information (Cont'd)

Schedules

Reconciliation of Treasurer's Cash Balance	A-6
Statement of Taxes Receivable	A-7
Taxes Receivable	A-8
Prior Year Taxes Receivable	A-9
Tax Liens	A-10
Abatements and Supplementals	A-11
Combining Balance Sheet - Capital Reserves	A-12
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance Capital Reserves	A-13
Schedule of Expenditures of Federal Awards	B-1

WILLIAM H. BREWER

Certified Public Accountant

858 Washington Street

P.O. Box 306

Bath, Maine 04530

(207) 443-9759

(207) 563-5495

INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Lincolnville
493 Hope Road
Lincolnville, Maine 04849

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Town of Lincolnville, as of and for the years ended June 30, 2016 and 2015, 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.

Auditor's 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 from 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, business-type activities, and each major fund of the Town of Lincolnville as of June 30, 2016 and 2015, 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.

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 information 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 Lincolnville's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

January 27, 2017

Bath, Maine

Management's Discussion and Analysis

As management of the Town of Lincolnville, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2016. Please read it together with the Town's financial statements.

Using this Annual Report

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

REPORTING THE TOWN AS A WHOLE

The Statement of Net Position and the Statement of Activities

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

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

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

- Governmental activities - Most of the Town’s basic services are reported here, including the police, fire, general administration and public works. Property taxes, excise taxes and state funds finance most of these activities.
- Business-type activities - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The school lunch program is reported here.

For the year ended June 30, 2016 net position changed as follows:

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
Beginning net position	\$ 12,609.95	\$ 12,013,659.10
Increase (decrease)	6,210.80	444,528.16
Ending net position	<u>\$ 18,820.75</u>	<u>\$ 12,458,187.26</u>

Overall the net assets of the community have increased by \$450,738.96 or 3.75% thus placing the community in a moderately stronger financial footing than at the last fiscal year end.

Governmental Activities

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

General government	Building permits, town clerk and agent fees, land use fees, harbor fees, and plumbing/electric permits
Public works	State highway aid grants
Education	State subsidies and grants

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

Business-Type Activities

The school lunch program is the only “business-type” activity. The revenue for this program is nearly split between the charges for services and the operating grants and contributions. This has been traditionally the case for a number of years. Overall revenues exceeded expenses by \$6,210.80.

THE TOWN AS TRUSTEE

Reporting the Town’s Fiduciary Responsibilities

The Town’s School Department is the trustee, or fiduciary, for various student activity related funds. All of the Town’s fiduciary activities are reported in a separate Statement of Net Assets - Agency Funds on Exhibit J. We exclude these activities from the Town’s other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE TOWN’S FUNDS

Reporting the Town’s Most Significant Funds - Fund Financial Statements

Our analysis of the Town’s major funds begins with the fund financial statements on Exhibit E and provides detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State law. However, the Town establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town’s two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds - Most of the Town’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town’s programs. We describe the relationship, or differences, between governmental activities reported in the Statement of Net Position and the Statement of Activities and governmental funds in reconciliation at the bottom of the fund financial statements.

- Proprietary Funds - When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Town's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.
- Reserve Funds - Reserve funds are similar to an individual's savings account and are created with a designated future purpose in mind. The Town has set up several reserve funds in an attempt to cushion the impact of large future purchases on the taxpayers. As an example, the Town has set aside funds for the eventual replacement of a fire truck.

The following schedule presents a summary of general fund revenues for the fiscal years ended June 30, 2016 and 2015 totals along with increases and decreases in relation to the prior year.

<u>Revenue</u>	FY 2016 Amount	FY 2015 Amount	Increase (Decrease) From FY 2015
Property taxes	\$ 6,085,056	\$ 5,893,006	\$ 192,050
Excise taxes	458,929	431,721	27,208
Intergovernmental	139,428	129,073	10,355
Miscellaneous	28,508	21,072	7,436
Total	<u><u>\$ 6,711,921</u></u>	<u><u>\$ 6,474,872</u></u>	<u><u>\$ 237,049</u></u>

By far property taxes continue to be the Town's major source of revenue.

The following schedule presents a summary of general fund expenditures for the fiscal years ended June 30, 2016 and 2015 totals along with increases and decreases in relation to the prior year.

<u>Expenditures</u>	FY 2016 Amount	FY 2015 Amount	Increase (Decrease) From FY 2015
General government	\$ 516,712	\$ 620,192	\$ (103,480)
Public safety	116,984	152,874	(35,890)
Municipal support	22,604	30,061	(7,457)
Education	5,278,502	5,188,565	89,937
Public works	937,960	781,214	156,746
Unclassified	903,279	729,204	174,075
Debt service - principal	56,667	56,667	
Debt service - interest	18,931	22,681	(3,750)
Total	<u><u>\$ 7,851,639</u></u>	<u><u>\$ 7,581,458</u></u>	<u><u>\$ 270,181</u></u>

Education spending continues to be the largest expenditure category. The General Government and Public Safety categories saw a significant change from the previous year. The increase in General Government was primarily due to the Town Office renovation and expansion project. The reduction in Public Safety was due to the elimination of the Police Department.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The following schedule presents a summary of capital assets:

	Governmental Activities	
	<u>2016</u>	<u>2015</u>
Land	\$ 585,628	\$ 585,628
Buildings and improvements	11,047,886	11,047,886
Vehicles	634,540	634,540
Furniture and equipment	777,091	777,091
Infrastructure	3,719,948	3,487,123
	<u>\$ 16,765,093</u>	<u>\$ 16,532,268</u>

At the fiscal year end (June 30, 2016), the Town had approximately \$16.8 million invested in capital assets. This represents a net increase of \$232,825 or 1.41% over last year.

Long-Term Liabilities

The following schedule presents a summary of long-term debt:

	Governmental Activities	
	<u>2016</u>	<u>2015</u>
Bonds payable	\$ 3,770,422	\$ 4,158,797

Included in the total outstanding bonds are the debts for the Lincolnville Central School and the gravel roads improvements. The debt service for the school continues through November 2026 while the road improvement debt service continues through November 2023.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

We see signs of a slowly improving economy. Revenue from vehicle excise taxes are increasing primarily due to new or newer vehicle sales. State Aid to Education and State Revenue sharing continue to be challenges. With the decline of state aid it was challenging to maintain the same services without a tax rate increase.

State Law enacted in 1972 requires that 5 percent of state income and sales tax revenue be distributed to towns and cities. As the principal problem of financing municipal services is the burden on the property tax, the purpose of the State-Municipal Revenue Sharing is to stabilize the property tax burden and to aid in financing all municipal services.

For the fiscal year covered by this audit, statewide more than \$85 million was transferred from revenue sharing to the State's General Fund. The Town of Lincolnville's reduction was approximately \$137,591. This reduction was more than we actually received and resulted in an increase of more than a quarter mil on the tax rate (an approximate \$71 increase for a \$200,000 home). For the time being it appears that the "raid" into revenue has leveled off. Funding isn't proposed to go back to the levels set forth in the original law but hasn't been eliminated either.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Office at (207) 763-3555 and ask for either the Finance Director or the Town Administrator. Citizens are welcome to visit with the appropriate staff on any financial matters.

TOWN OF LINCOLNVILLE
STATEMENTS OF NET POSITION
JUNE 30, 2016 AND 2015

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2016 TOTAL	2015 TOTAL
ASSETS AND DEFERRED OUTFLOWS				
CURRENT ASSETS:				
Cash (Note B)	\$ 1,535,392.09	\$ -	\$ 1,535,392.09	\$ 1,205,654.27
Investments (Note N)	2,247,760.58		2,247,760.58	2,153,345.54
Accounts Receivable	216,906.14	2,135.72	219,041.86	286,293.73
Prepaid Expenses				130,018.85
Taxes Receivable	261,426.00		261,426.00	282,417.64
Tax Liens	74,911.64		74,911.64	54,356.25
Tax Acquired Property	28,441.96		28,441.96	28,441.96
Inventory		1,584.77	1,584.77	1,061.70
Due From Other Funds	364,915.10	17,274.30	382,189.40	11,908.81
Total Current Assets	<u>\$ 4,729,753.51</u>	<u>\$ 20,994.79</u>	<u>\$ 4,750,748.30</u>	<u>\$ 4,153,498.75</u>
PROPERTY, PLANT, AND EQUIPMENT (NOTE F):				
Land	\$ 585,628.00	\$ -	\$ 585,628.00	\$ 585,628.00
Buildings	11,047,886.00		11,047,886.00	11,047,886.00
Infrastructure	3,068,494.00		3,068,494.00	2,932,597.00
Vehicles	634,540.00		634,540.00	634,540.00
Equipment	777,091.00		777,091.00	777,091.00
Pier	651,454.00		651,454.00	554,526.00
Total Property, Plant, and Equipment	<u>\$ 16,765,093.00</u>	<u>\$ -</u>	<u>\$ 16,765,093.00</u>	<u>\$ 16,532,268.00</u>
Less: Accumulated Depreciation	(4,310,107.00)		(4,310,107.00)	(3,881,391.00)
Net Property, Plant, and Equipment	<u>\$ 12,454,986.00</u>	<u>\$ -</u>	<u>\$ 12,454,986.00</u>	<u>\$ 12,650,877.00</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Related to Pension	\$ 96,166.64	\$ -	\$ 96,166.64	\$ 82,856.38
Total Assets and Deferred Outflows	<u>\$ 17,280,906.15</u>	<u>\$ 20,994.79</u>	<u>\$ 17,301,900.94</u>	<u>\$ 16,887,232.13</u>
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
CURRENT LIABILITIES:				
Bonds Payable (Note G)	\$ 388,375.00	\$ -	\$ 388,375.00	\$ 388,375.00
Accounts Payable	158,479.61	2,174.04	160,653.65	362,727.41
Accrued Wages (Note I)	245,482.37		245,482.37	76,966.75
Accrued Expenses	44,976.93		44,976.93	49,562.45
Prepaid Taxes	17,366.24		17,366.24	12,899.58
Due To Other Funds	411,905.55		411,905.55	41,624.96
Deferred Revenue (Note P)	90,649.19		90,649.19	93,491.93
Total Current Liabilities	<u>\$ 1,357,234.89</u>	<u>\$ 2,174.04</u>	<u>\$ 1,359,408.93</u>	<u>\$ 1,025,648.08</u>
LONG-TERM LIABILITIES:				
Pension Liability	\$ 65,872.00	\$ -	\$ 65,872.00	\$ 45,287.00
Bonds Payable - Net of Current Portion (Note G)	3,382,047.00		3,382,047.00	3,770,422.00
Total Long-Term Liabilities	<u>\$ 3,447,919.00</u>	<u>\$ -</u>	<u>\$ 3,447,919.00</u>	<u>\$ 3,815,709.00</u>
Total Liabilities	<u>\$ 4,805,153.89</u>	<u>\$ 2,174.04</u>	<u>\$ 4,807,327.93</u>	<u>\$ 4,841,357.08</u>
DEFERRED INFLOWS OF RESOURCES:				
Related to Pension	\$ 17,565.00	\$ -	\$ 17,565.00	\$ 19,606.00
NET POSITION:				
Net Invested in Capital Assets	\$ 8,684,564.00	\$ -	\$ 8,684,564.00	\$ 8,492,080.00
Restricted for:				
Capital Reserves	1,109,275.98		1,109,275.98	1,125,590.09
Other Purposes	167,136.49		167,136.49	321,719.89
Unrestricted	2,497,210.79	18,820.75	2,516,031.54	2,086,879.07
Total Net Position	<u>\$ 12,458,187.26</u>	<u>\$ 18,820.75</u>	<u>\$ 12,477,008.01</u>	<u>\$ 12,026,269.05</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 17,280,906.15</u>	<u>\$ 20,994.79</u>	<u>\$ 17,301,900.94</u>	<u>\$ 16,887,232.13</u>

TOWN OF LINCOLNVILLE
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2016 TOTAL	2015 TOTAL
Primary Government:							
Governmental Activities:							
General Government	\$ 547,868.40	\$ 145,139.61	\$ 19,980.41	\$ (382,748.38)	\$ -	\$ (382,748.38)	\$ (371,698.78)
Public Safety	176,141.36			(176,141.36)		(176,141.36)	(210,891.49)
Health, Welfare, and Recreation	71,575.00		12,286.33	(59,288.67)		(59,288.67)	(53,707.38)
Education	5,161,406.54	383.15	889,929.48	(4,271,093.91)		(4,271,093.91)	(3,955,850.90)
Investment Fees	11,290.41			(11,290.41)		(11,290.41)	(6,802.82)
Public Works	768,713.12	14,999.95	152,940.00	(600,773.17)		(600,773.17)	(362,353.48)
Unclassified	695,045.22			(695,045.22)		(695,045.22)	(729,201.91)
Debt Service	71,012.00			(71,012.00)		(71,012.00)	(91,257.67)
On Behalf Payment	156,797.09		156,797.09				
Total Governmental Activities	\$ 7,659,849.14	\$ 160,522.71	\$ 1,231,933.31	\$ (6,267,393.12)	\$ -	\$ (6,267,393.12)	\$ (5,781,764.43)
Business-Type Activities:							
School Lunch Program	87,222.00	30,445.34	5,442.90		(51,333.76)	(51,333.76)	(53,597.37)
Total Primary Government	\$ 7,747,071.14	\$ 190,968.05	\$ 1,237,376.21	\$ (6,267,393.12)	\$ (51,333.76)	\$ (6,318,726.88)	\$ (5,835,361.80)
General Revenues:							
Taxes:							
Property Taxes				\$ 6,085,056.66	\$ -	\$ 6,085,056.66	\$ 5,893,006.03
Excise Taxes				458,928.74		458,928.74	431,721.48
Intergovernmental				139,428.00	57,544.56	196,972.56	183,459.01
Interest and Dividends				30,613.84		30,613.84	25,391.45
Unrealized Gain (Loss)				(2,105.96)		(2,105.96)	(4,319.94)
Total General Revenues				\$ 6,711,921.28	\$ 57,544.56	\$ 6,769,465.84	\$ 6,529,258.03
Other Income:							
Transfer - In				\$ -	\$ -	\$ -	\$ 10,830.42
Changes in Net Position				\$ 444,528.16	\$ 6,210.80	\$ 450,738.96	\$ 704,726.65
Net Position, July 1				12,013,659.10	12,609.95	12,026,269.05	11,321,542.40
Net Position, June 30				\$ 12,458,187.26	\$ 18,820.75	\$ 12,477,008.01	\$ 12,026,269.05

TOWN OF LINCOLNVILLE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	2016	2015
GOVERNMENTAL FUND BALANCES:		
Restricted for:		
Capital Reserves (Schedule A-12)	\$ 1,109,275.98	\$ 1,125,590.09
Other Purposes (Schedule A-4)	167,136.49	321,719.89
Unrestricted (Schedule A-3)	2,377,835.93	1,927,817.49
 Total Governmental Fund Balances (Exhibit E)	\$ 3,654,248.40	\$ 3,375,127.47
 Amounts reported for governmental activities in the Statements of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	12,454,986.00	12,650,877.00
Deferred outflows are deferred as expense in the fund financial statements and in the government-wide financial statements as expense in the year following the year paid.	96,166.64	82,856.38
Notes and leases payable are not due and payable in the current period and therefore are not reported in the funds.	(3,770,422.00)	(4,158,797.00)
Compensated absences are accrued when earned, not when paid and are reported in the funds.	(77,012.59)	(76,966.75)
Accrued interest expense for notes payable are not reported in the funds.	(44,976.93)	(49,562.45)
Property taxes not collected within 60 days after year end are deferred as revenue in the fund financial statements. In the government-wide financial statements the revenue is income in the year it is assessed.	228,634.74	255,017.45
Pension liability is not due and payable in the current period and therefore is not reported in the funds.	(65,872.00)	(45,287.00)
Deferred inflows are deferred revenues related to pension expenses that are amortized in the government-wide financial statements.	(17,565.00)	(19,606.00)
 Net Position of Governmental Activities (Exhibit A)	\$ 12,458,187.26	\$ 12,013,659.10

TOWN OF LINCOLNVILLE
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Net Change in Fund Balances - Total Governmental Funds (Exhibit F)	\$ 279,120.93	\$ 296,762.94
Amounts reported for governmental activities in the Statements of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statements of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays (capital outlays exceeds depreciation).		
	(195,891.00)	(11,140.00)
Repayment of loan and lease principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statements of Net Position.		
	388,375.00	388,375.00
The change in accrual for compensated absences is not recorded in the governmental fund statements.		
	(45.84)	(7,034.28)
The change in accrual for interest is not recorded in the governmental fund statements.		
	4,585.52	(11,909.70)
Property taxes are deferred in the fund financial statements, but in the government-wide financial statements they are recorded as income in the year they are assessed.		
	(26,382.71)	20,439.20
Pension expense is adjusted for changes in earnings contributions and contribution subsequent to the measurement date.		
	(5,233.74)	28,444.85
Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 444,528.16</u>	<u>\$ 703,938.01</u>

TOWN OF LINCOLNVILLE
BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30, 2016 AND 2015

	GOVERNMENTAL FUND TYPES		2016 TOTAL	2015 TOTAL
	GENERAL	CAPITAL RESERVES		
ASSETS:				
Cash (Note B)	\$ 1,518,909.86	\$ 16,482.23	\$ 1,535,392.09	\$ 1,205,654.27
Investments	1,056,736.91	1,191,023.67	2,247,760.58	2,153,345.54
Accounts Receivable	216,756.14	150.00	216,906.14	280,329.35
Prepaid Expenses				130,018.85
Taxes Receivable	261,426.00		261,426.00	282,417.64
Tax Liens	74,911.64		74,911.64	54,356.25
Tax Acquired Property	28,441.96		28,441.96	28,441.96
Due From Other Funds	232,623.78	132,291.32	364,915.10	5,843.44
Total Assets	\$ 3,389,806.29	\$ 1,339,947.22	\$ 4,729,753.51	\$ 4,140,407.30
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 156,174.53	\$ -	\$ 156,174.53	\$ 362,245.91
Accrued Expenses	2,305.08		2,305.08	
Accrued Wages	168,469.78		168,469.78	
Prepaid Taxes	17,366.24		17,366.24	12,899.58
Due To Other Funds	181,234.31	230,671.24	411,905.55	41,624.96
Total Liabilities	\$ 525,549.94	\$ 230,671.24	\$ 756,221.18	\$ 416,770.45
Deferred Inflows of Resources:				
Deferred Revenue (Note P)	\$ 90,649.19	\$ -	\$ 90,649.19	\$ 93,491.93
Deferred Tax Revenue (Note D)	228,634.74		228,634.74	255,017.45
Total Deferred Inflows of Resources	\$ 319,283.93	\$ -	\$ 319,283.93	\$ 348,509.38
Fund Balance:				
Committed for Capital Projects	\$ -	\$ 1,109,275.98	\$ 1,109,275.98	\$ 1,125,590.09
Assigned for Subsequent Years Expenditures	167,136.49		167,136.49	321,719.89
Unassigned	2,377,835.93		2,377,835.93	1,927,817.49
Total Fund Balance	\$ 2,544,972.42	\$ 1,109,275.98	\$ 3,654,248.40	\$ 3,375,127.47
Total Liabilities, Deferred Inflows, Fund Balance	\$ 3,389,806.29	\$ 1,339,947.22	\$ 4,729,753.51	\$ 4,140,407.30

TOWN OF LINCOLNVILLE
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - GOVERNMENTAL FUNDS
 FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	GOVERNMENTAL FUND TYPES		2016 TOTAL	2015 TOTAL
	GENERAL	CAPITAL RESERVES		
REVENUES:				
State Revenue Sharing	\$ 92,719.00	\$ -	\$ 92,719.00	\$ 84,898.00
Homestead Reimbursement	44,872.00		44,872.00	44,175.00
Property Taxes	6,111,379.37		6,111,379.37	5,872,566.83
Excise Tax (Auto and Boat)	458,928.74		458,928.74	431,721.48
General Government	165,180.02		165,180.02	286,638.56
Education	890,312.63		890,312.63	1,101,715.56
Public Works	167,939.95		167,939.95	45,088.00
Public Safety				1,140.00
Municipal Support	12,286.33		12,286.33	
Interest and Dividends		30,613.84	30,613.84	25,391.45
Unrealized Gain		(2,105.96)	(2,105.96)	(4,319.94)
BETE	1,837.00		1,837.00	
On Behalf Payment (Note I)	156,797.09		156,797.09	206,013.00
Total Revenues	\$ 8,102,252.13	\$ 28,507.88	\$ 8,130,760.01	\$ 8,095,027.94
EXPENDITURES:				
Education	\$ 5,278,501.80	\$ -	\$ 5,278,501.80	\$ 5,188,565.31
General Government	516,711.56		516,711.56	620,192.06
Public Works	937,960.12		937,960.12	781,214.48
Public Safety	116,984.36		116,984.36	152,874.49
Municipal Support	22,604.02	40,146.98	62,751.00	44,883.38
Special Assessments - County Tax	691,943.06		691,943.06	728,729.41
Special Assessments - Other	3,102.16		3,102.16	472.50
Debt Service	75,597.52		75,597.52	79,347.97
Investment Fees		11,290.41	11,290.41	6,802.82
On Behalf Payment (Note I)	156,797.09		156,797.09	206,013.00
Total Expenditures	\$ 7,800,201.69	\$ 51,437.39	\$ 7,851,639.08	\$ 7,809,095.42
Excess of Revenues Over (Under) Expenditures	\$ 302,050.44	\$ (22,929.51)	\$ 279,120.93	\$ 285,932.52
OTHER FINANCING SOURCES (USES):				
Operating Transfers - In	\$ 225,163.77	\$ 231,779.17	\$ 456,942.94	\$ 191,924.13
Operating Transfers - Out	(231,779.17)	(225,163.77)	(456,942.94)	(181,093.71)
Total Other Financing Sources (Uses)	\$ (6,615.40)	\$ 6,615.40	\$ -	\$ 10,830.42
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 295,435.04	\$ (16,314.11)	\$ 279,120.93	\$ 296,762.94
Fund Balance, July 1	2,249,537.38	1,125,590.09	3,375,127.47	3,078,364.53
Fund Balance, June 30	\$ 2,544,972.42	\$ 1,109,275.98	\$ 3,654,248.40	\$ 3,375,127.47

TOWN OF LINCOLNVILLE
 STATEMENTS OF PROPRIETARY NET POSITION - PROPRIETARY FUND
 SCHOOL LUNCH PROGRAM
 JUNE 30, 2016 AND 2015

	2016	2015
ASSETS		
ASSETS:		
Accounts Receivable	\$ 2,135.72	\$ 5,964.38
Inventory	1,584.77	1,061.70
Due From Other Funds	17,274.30	6,065.37
Total Assets	\$ 20,994.79	\$ 13,091.45
LIABILITIES AND NET POSITION		
LIABILITIES:		
Accounts Payable	\$ 2,174.04	\$ 481.50
NET POSITION:		
Restricted	18,820.75	12,609.95
Total Liabilities and Net Position	\$ 20,994.79	\$ 13,091.45

TOWN OF LINCOLNVILLE
 STATEMENTS OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 PROPRIETARY FUND - SCHOOL LUNCH PROGRAM
 FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	2016	2015
REVENUES:		
Sales	\$ 30,445.34	\$ 29,116.75
Subsidy	31,937.80	30,040.49
Donated Commodities	5,442.90	4,732.25
Town Share	25,606.76	24,345.52
Total Revenues	\$ 93,432.80	\$ 88,235.01
EXPENSES:		
Food	\$ 29,469.85	\$ 28,945.10
Labor	42,371.39	40,802.83
Supplies	1,682.08	1,722.77
Health Insurance	12,786.00	12,461.69
Repairs/Maintenance	912.68	3,513.98
Total Expenses	\$ 87,222.00	\$ 87,446.37
Net Income	\$ 6,210.80	\$ 788.64
Net Position, July 1	12,609.95	11,821.31
Net Position, June 30	\$ 18,820.75	\$ 12,609.95

STATEMENTS OF CASH FLOWS - PROPRIETARY FUND
 SCHOOL LUNCH PROGRAM
 FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Received from Customers	\$ 30,445.34	\$ 29,116.75
Received from the State	29,802.08	24,076.11
Payments to Suppliers for Goods and Services	(55,578.11)	(57,415.21)
Net Amount Transferred to (from) Town	(4,669.31)	173.61
	\$ -	\$ (4,048.74)
Cash Used in Operating Activities		
Cash Balance, July 1	\$ -	4,048.74
Cash Balance, June 30	\$ -	\$ -

TOWN OF LINCOLNVILLE
 STATEMENTS OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 JUNE 30, 2016 AND 2015

	CEMETERY FUNDS	ALTON FRENCH	LARRABEE MEMORIAL	2016 TOTAL	2015 TOTAL
ASSETS:					
Cash	\$ 9,181.40	\$ -	\$ -	\$ 9,181.40	\$ 8,651.16
Investments (Note O)	28,861.66	25,343.90	18,339.50	72,545.06	53,445.23
Due From Other Funds	500.00			500.00	500.00
Total Assets	<u>\$ 38,543.06</u>	<u>\$ 25,343.90</u>	<u>\$ 18,339.50</u>	<u>\$ 82,226.46</u>	<u>\$ 62,596.39</u>
LIABILITIES:					
Due To Other Funds	\$ -	\$ 2,183.77	\$ -	\$ 2,183.77	\$ 2,183.77
NET POSITION:					
Restricted	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ 500.00
Unrestricted	38,043.06	23,160.13	18,339.50	79,542.69	59,912.62
Total Net Position	<u>\$ 38,543.06</u>	<u>\$ 23,160.13</u>	<u>\$ 18,339.50</u>	<u>\$ 80,042.69</u>	<u>\$ 60,412.62</u>
Total Liabilities and Net Position	<u>\$ 38,543.06</u>	<u>\$ 25,343.90</u>	<u>\$ 18,339.50</u>	<u>\$ 82,226.46</u>	<u>\$ 62,596.39</u>

TOWN OF LINCOLNVILLE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	CEMETERY FUNDS	ALTON FRENCH	LARRABEE MEMORIAL	2016 TOTAL	2015 TOTAL
REVENUES:					
Interest and Dividends	\$ 623.98	\$ 547.20	\$ 162.57	\$ 1,333.75	\$ 1,091.72
Unrealized Gain (Loss)	(73.27)	(64.33)	563.58	425.98	(1,578.90)
Contributions	5,000.00		17,653.00	22,653.00	5,700.00
Capital Gains	9.11	8.00	1.20	18.31	1,377.50
Total Revenues	<u>\$ 5,559.82</u>	<u>\$ 490.87</u>	<u>\$ 18,380.35</u>	<u>\$ 24,431.04</u>	<u>\$ 6,590.32</u>
EXPENDITURES:					
Investment Fees	\$ 154.15	\$ 135.37	\$ 40.85	\$ 330.37	\$ 291.96
Program Expense	4,470.60			4,470.60	4,855.92
Total Expenditures	<u>\$ 4,624.75</u>	<u>\$ 135.37</u>	<u>\$ 40.85</u>	<u>\$ 4,800.97</u>	<u>\$ 5,147.88</u>
Change in Net Position	<u>\$ 935.07</u>	<u>\$ 355.50</u>	<u>\$ 18,339.50</u>	<u>\$ 19,630.07</u>	<u>\$ 1,442.44</u>
Net Position, July 1	<u>37,607.99</u>	<u>22,804.63</u>		<u>60,412.62</u>	<u>58,970.18</u>
Net Position, June 30	<u><u>\$ 38,543.06</u></u>	<u><u>\$ 23,160.13</u></u>	<u><u>\$ 18,339.50</u></u>	<u><u>\$ 80,042.69</u></u>	<u><u>\$ 60,412.62</u></u>

STATEMENTS OF CASH FLOWS
FIDUCIARY FUND TYPE
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers and Users	\$ 5,000.84	\$ 5,700.97
Payments to Suppliers	(4,470.60)	(4,855.92)
Net Cash Provided by Operating Activities	<u>\$ 530.24</u>	<u>\$ 845.05</u>
Cash Balance, July 1	8,651.16	7,806.11
Cash Balance, June 30	<u><u>\$ 9,181.40</u></u>	<u><u>\$ 8,651.16</u></u>

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Lincolnville conform to generally accepted accounting principles as applicable to governmental units.

1. Financial Reporting Entity

The Town of Lincolnville was incorporated in 1802. The Town operates under a town meeting form of government. Major services provided by the Town are public safety, public works, administrative services, and code enforcement.

In evaluating the Town of Lincolnville as a reporting entity, management has addressed all potential component units. The primary criteria for including a component reporting entity are the exercise of financial accountability by the Town of Lincolnville's municipal officials.

The Town's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing Generally Accepted Accounting Principles (GAAP) for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

2. Basic Financial Statements - Government-Wide 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's public safety, recreation, public works, and general administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental column is presented on a consolidated basis by column, and is reported on a full accrual, economic resource 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 invested in capital assets; restricted; and unrestricted. 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 and business-type activities (public safety, public works, administrative, etc.). The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits, and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, and operating and capital grants. Program revenues must be directly associated with the function (public safety, public works, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, intergovernmental revenues, interest income, etc.).

This 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.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

3. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Town are reported in 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, reserves, fund equity, 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:

a. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in 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:

1. General Fund:

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.

2. Capital Reserves:

Capital Reserve Funds are used to account for financial resources to be used for specific projects as determined by the Town's administrator.

3. Fiduciary Funds:

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

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

The Town's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

4. Proprietary Fund:

The Proprietary Fund is the fund used to account for all financial resources relating to the school nutrition program. The generally accepted accounting principles applicable are those similar to business in the private sector.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

4. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied:

a. 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.

b. Modified Accrual:

The governmental funds 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 within 60 days after year end. 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.

5. Financial Statement Amounts

a. Cash and Cash Equivalents:

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Statutes authorize the Treasurer of the Town, as directed by the municipal officers, to invest all municipal funds, including reserve and trust funds, to the extent that the terms of the instrument, order, or article creating the fund do not prohibit the investment in financial institutions as described in Section 5706 MRSA and securities as described in Sections 5711 through 5717 MRSA.

b. Capital Assets:

Capital assets purchased or acquired with an original cost of \$10,000.00 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. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Equipment	5-10 Years
Improvements	20 Years
Vehicles	5-15 Years

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

c. Revenues:

Substantially, all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

d. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

e. Fund Balance:

In accordance with GASB Statement No. 54, the Town employs terminology and classifications for fund balance items as follows:

Nonexpendable fund balances include amounts that are not expected to be converted to cash, or that are legally required to be maintained intact. The fund balance of the Town's Cemetery Perpetual Care Fund is classified as nonexpendable.

Assigned fund balances are amounts that can be used only for specific purposes because of legislation or restrictions imposed by donors. The school budget carryforward amount and the fund balances of the Special Revenue Funds are classified as assigned.

Committed fund balances are amounts that can be used only for specific purposes because of a formal action taken by town government. Budget carryforward amounts (other than the school budget) and the fund balances in the Capital Projects Fund and the Cemetery Maintenance Fund are in this category.

Unassigned fund balance is all amounts in the General Fund that are not assigned to another category. Only the General Fund can have an unassigned fund balance.

f. Compensated Absences:

The Town accrues accumulated unpaid vacation and sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

g. Deferred Inflows and Outflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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) until that time. The deferred outflows relate to the net pension liability, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, 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 deferred inflows relate to the net pension liability, which include the differences between expected and actual experience and changes in proportion and differences between Town contributions and proportionate share of contributions, which is deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

h. Use of Estimates:

The presentation 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - CASH:

Cash

The Town's cash is categorized to give an indication of the level of risk assumed by the Town at year end. These categories are defined as follows:

Category #1 - Insured or collateralized with securities held by the Town or by its agent in the Town's name.

Category #2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.

Category #3 - Uncollateralized (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Town's name).

TOWN OF LINCOLNVILLE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016

NOTE B - CASH (CONT'D):

ACCOUNT TYPE	CARRYING AMOUNT	BANK BALANCE	CATEGORY		
			#1	#2	#3
Checking and Savings Accounts	\$ 1,563,267.66	\$ 1,762,796.56	\$ 264,362.90	\$ 1,498,433.66	\$

NOTE C - GENERAL FUND BUDGET:

The Town operates on a gross budget as compared with a net budget. All revenues are estimated and credited to the particular operating account. Certain revenues are dedicated for particular purposes by vote of the townspeople at the annual town meeting or at special town meetings.

At the annual town meeting, held in June of each year, the townspeople vote on various articles, on which amounts for appropriations have been recommended by the Board of Selectmen, Town Manager, or Budget Committee.

NOTE D - REVENUE RECOGNITION - PROPERTY TAXES:

The Town's property tax for the current year was levied August 10, 2015 on the assessed value listed as of April 1, 2015 for all real and personal property located in the Town. Taxes were due October 6, 2015 with the balance due April 6, 2016. Interest of 7.0% was charged on delinquent taxes on the unpaid portion not paid on or before October 7, 2015 and April 7, 2016.

The National Council on Governmental Accounting (N.C.G.A.) Interpretation No. 3 requires that property tax revenue be recognized only to the extent it will be collected within 60 days following the year end. The deferred tax revenue shown on the balance sheet represents property taxes not expected to be collected within 60 days after the year end.

Property taxes are recognized when they become available. Available includes those taxes expected to be collected within 60 days after the year end as stated above. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

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 \$115,008.65 for the year ended June 30, 2016.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

NOTE E - DEFINED BENEFIT PENSION PLAN - TOWN EMPLOYEES:

The Town of Lincolnville offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until their termination, retirement, death, or unforeseeable emergency.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE F - PROPERTY, PLANT, AND EQUIPMENT:

The following is a summary of changes in fixed assets at June 30, 2016:

	BALANCE JULY 1, 2015	ADDITIONS	DISPOSALS	BALANCE JUNE 30, 2016
General Government:				
Land	\$ 585,628.00	\$	\$	\$ 585,628.00
Buildings	11,047,886.00			11,047,886.00
Infrastructure	2,932,597.00	135,897.00		3,068,494.00
Vehicles	634,540.00			634,540.00
Equipment	777,091.00			777,091.00
Pier	554,526.00	96,928.00		651,454.00
Total Property, Plant, and Equipment	<u>\$ 16,532,268.00</u>	<u>\$ 232,825.00</u>	<u>\$</u>	<u>\$ 16,765,093.00</u>
Accumulated Depreciation	(3,881,391.00)	(428,716.00)		(4,310,107.00)
Net Property, Plant, and Equipment	<u>\$ 12,650,877.00</u>	<u>\$ (195,891.00)</u>	<u>\$</u>	<u>\$ 12,454,986.00</u>

Depreciation expense for the period totaled \$428,716.00. Of that amount, \$31,111.00 was administration, \$120,245.00 was public works, \$59,157.00 was public safety, \$8,824.00 was health, welfare, and recreation, and \$209,379.00 was education.

NOTE G - LONG-TERM DEBT:

The following is a summary of debt transactions for the year:

	BALANCE JULY 1, 2015	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2016
Maine Municipal Bond Bank School Renovation	\$ 3,648,794.00	\$	\$ 331,708.00	\$ 3,317,086.00
Maine Municipal Bond Bank Road Repair/Improvement	510,003.00		56,667.00	453,336.00
	<u>\$ 4,158,797.00</u>	<u>\$</u>	<u>\$ 388,375.00</u>	<u>\$ 3,770,422.00</u>

Long-Term Debt as of June 30, 2016 is as follows:

Maine Municipal Bond Bank - 200JC

The note dated May 26, 2005 is for twenty years with annual principal payments of \$321,708.00 plus interest. Interest is variable and was 4.000% for 2015. The note matures November 1, 2025.

Maine Municipal Bond Bank - 2008C

The note dated May 15, 2008 is for fifteen years with annual principal payments of \$56,666.00 plus interest. Interest is variable and was 2.5% for 2015. The note matures November 1, 2023.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE G - LONG-TERM DEBT (CONT'D):

The annual requirements to amortize the note and loans are as follows:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2017	\$ 388,375.00	\$ 142,984.38	\$ 531,359.38
2018	388,375.00	129,299.39	517,674.39
2019	388,375.00	113,764.39	502,139.39
2020	388,375.00	97,393.55	485,768.55
2021	388,375.00	81,036.86	469,411.86
Thereafter	1,828,547.00	174,212.89	2,002,759.89
	<u>\$ 3,770,422.00</u>	<u>\$ 738,691.46</u>	<u>\$ 4,509,113.46</u>

NOTE H - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM:

Summary of Significant Accounting Policies

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows for resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System State Employee and Teacher Plan (SETP Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Maine Public Employees Retirement System

General Information about the Pension Plan

Plan Description - Teaching-certified employees of the Town of Lincolnville are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SETP Plan), cost-sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at www.maineipers.org.

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

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

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE H - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

SETP Plan - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town of Lincolnville's contractually required contribution rate for the year ended June 30, 2016, was 13.38% of annual payroll of which 3.36% of payroll was required from the Town and 10.02% was required from the State. Contributions to the pension plan from the Town was \$54,786.64 for the year ended June 30, 2016.

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

The net pension liabilities were measured as of June 30, 2015 and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The Town's proportion of the net pension liabilities were based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating School Administrative Units and the State (SETP Plan), actuarially determined.

SETP Plan - At June 30, 2015, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town of Lincolnville's Proportionate Share of the Net Pension Liability	\$ 65,782.00
State's Proportionate Share of the Net Pension Liability Associated with the Town of Lincolnville	<u>1,730,992.00</u>
Total	<u><u>\$ 1,796,774.00</u></u>

At June 30, 2015, the Town of Lincolnville's proportion of the SETP Plan was .004879%.

For the year ended June 30, 2016, the Town recognized pension cost of \$5,235.74 and revenue of \$156,797.09 for support provided by the State for the SETP Plan. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$	\$ 458.00
Changes in Assumptions	1,815.00	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	13,939.00	16,917.00
Changes in Proportion and Differences between Town Contributions and Proportionate Share of Contributions	25,626.00	191.00
Town Contributions Subsequent to the Measurement Date	<u>54,784.64</u>	
Total	<u><u>\$ 96,164.64</u></u>	<u><u>\$ 17,566.00</u></u>

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE H - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)

\$54,784.64 is reported as deferred outflows and resources related to pensions resulting from Town of Lincolnville's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 21,521.00
2018	\$ 962.00
2019	\$ (2,154.00)
2020	\$ 3,485.00

Actuarial assumptions - The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>SETP Plan</u>
Inflation	3.5%
Salary Increases, per year	3.5% - 13.5%
Investment return, per annum, compounded annually	7.125%
Cost of living benefit increases, per annum	2.55%

Mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2016 using Scale AA.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2005 to June 30, 2010.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equities	20%	5.2%
Non-US Equities	20%	5.5%
Private Equity	10%	7.6%
Real Estate	10%	3.7%
Infrastructure	10%	4.0%
Hard Assets	5%	4.8%
Fixed Income	25%	.7%
Total	100%	

TOWN OF LINCOLNVILLE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016

NOTE H - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)

Discount Rate - The discount rate used to measure the total pension liability was 7.125% for the SETP Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of the Town of Lincolnville's proportionate share of the net pension liabilities to changes in the discount rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.125% for the SETP Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using the discount rate that is 1 percentage-point lower 6.125% for SETP Plan or 1 percentage-point higher 8.125% for SETP Plan than the current rate:

SETP Plan	1% Decrease (6.125%)	Current Discount Rate (7.125%)	1% Increase (8.125%)
Town of Lincolnville's Proportionate Share of the Net Pension Liability	\$ 115,327.00	\$ 65,872.00	\$ 24,682.00

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS financial report.

Payables to the Pension Plan - none as of June 30, 2016.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE H - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
STATE EMPLOYEE AND TEACHER PLAN (SETP)
LAST 10 FISCAL YEARS*

	2016**	2015**
Town's proportion of the net pension liability	.004879%	.004192%
Town's proportionate share of the net pension liability	\$ 65,872.00	\$ 45,287.00
Town's proportionate share of the net pension liability associated with the School	1,730,902.00	1,359,866.00
 Total	 \$ 1,796,774.00	 \$ 1,405,153.00
 Town's covered-employee payroll	 \$ 1,630,494.87	 \$ 1,584,278.38
Town's proportion share of the net pension liability as a percentage of its covered-employee payroll	4.04%	2.86%
Plan fiduciary net position as a percentage of the pension liability	19.32%	39.67%

*Only two years of information available

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

SCHEDULE OF SCHOOL CONTRIBUTIONS
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
STATE EMPLOYEE AND TEACHER PLAN (SETP)
LAST 10 FISCAL YEARS*

	2016	2015
SETP Plan		
Contractually required contribution	\$ 54,786.64	\$ 41,983.38
Contributions in relation to the contractually required contribution	(54,786.64)	(41,983.38)
 Contribution deficiency (excess)	 \$	 \$
 School's covered-employee payroll	 \$ 1,630,494.87	 \$ 1,584,278.38
Contributions as a percentage of covered-employee payroll	3.36%	2.65%

*Only two years of information available

Changes of Benefit Terms - None

Changes of Assumptions - None

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE I - COMPENSATED ABSENCES:

As of June 30, 2016, the accrued town salaries due for hours worked in the 2016 fiscal year was \$13,752.75; accrued sick time was \$60,967.58; and accrued comp time was \$2,292.26. Employees earn three (3) personal days each year beginning after one year of employment. Half of all unused personal days are paid to employees upon termination of employment.

As of June 30, 2016 accrued summer wages for teachers amounted to \$168,469.78.

NOTE J - RISK MANAGEMENT:

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. All significant losses are covered by commercial insurance. There has been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE K - OVERLAPPING DEBT:

The Town of Lincolnville is situated in Waldo County and is therefore subject to annual assessment of its proportional share of county expenses. There was no long-term debt outstanding in Waldo County for which the Town of Lincolnville would be proportionally responsible in the event the County defaulted at June 30, 2016.

The Town of Lincolnville participates in the Mid-Coast Solid Waste Corporation and is therefore subject to annual assessment of its proportional share of the Corporation's expenses. There was no long-term debt outstanding at June 30, 2016 for which the Town of Lincolnville would be responsible for in the event the Mid-Coast Solid Waste Corporation defaulted.

The Town of Lincolnville participates in the Five Town CSD and is therefore subject to annual assessment of its proportional share of school expenses. Long-term debt outstanding in Five Town CSD for which the Town of Lincolnville would be proportionally responsible in the event the school defaulted amounted to \$5,766,647.00 at June 30, 2016. The Town of Lincolnville's share would be 15.75% of the debt, or approximately \$908,247.00.

NOTE L - INTEREST COSTS INCURRED:

During the current year the Town incurred interest costs totaling \$151,578.43 which was charged as an expense to education for \$132,647.91 and public works for \$18,930.52.

NOTE M - RETIREMENT PLAN:

The Town maintains a 457(b) retirement plan for the benefit of eligible town employees. Total value of the Plan at June 30, 2016 was \$156,638.07. Total contributions to the Plan for the year ended June 30, 2016 was \$14,317.89.

TOWN OF LINCOLNVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE N - INVESTMENTS:

Investments at June 30, 2016 consisted of the following:

	COST	UNREALIZED APPRECIATION (DEPRECIATION)	FAIR MARKET VALUE
Money Market	\$ 220,852.99	\$	\$ 220,852.99
Mutual Funds	510,583.22	72,607.05	583,190.27
Bonds	1,521,266.12	(5,003.70)	1,516,262.42
	<u>\$ 2,252,702.33</u>	<u>\$ 67,603.35</u>	<u>\$ 2,320,305.68</u>

NOTE O - OXTON FUND:

The Town is a beneficiary of the Oxtton Trust Fund. They receive 2% of the trust's income each year.

NOTE P - DEFERRED REVENUE:

The Deferred Revenue Account shown on the balance sheet is the difference between the actual 2016 state revenue sharing and the estimated amount used to reduce the 2016 tax commitment. This amount must be added to the 2017 estimated state revenue sharing and used to reduce the 2017 tax commitment.

NOTE Q - SUBSEQUENT EVENT:

As of January 27, 2017 management has reviewed events after June 30, 2016 and there are no material subsequent events requiring disclosure.

TOWN OF LINCOLNVILLE
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	ORIGINAL AND FINAL BUDGET	ACTUAL
REVENUES:		
Homestead Reimbursement	\$ 44,872.00	\$ 44,872.00
Property Taxes	6,071,933.72	6,111,379.37
Excise Tax	365,000.00	458,928.74
General Government		165,180.02
Education	551,736.89	890,312.63
Public Works	49,088.00	167,939.95
On Behalf Payment		156,797.09
BETE	1,823.32	1,837.00
Public Safety	2,200.00	
Intergovernmental	92,719.00	92,719.00
Municipal Support		12,286.33
Total Revenues	\$ 7,179,372.93	\$ 8,102,252.13
EXPENDITURES:		
General Government	\$ 509,500.00	\$ 516,711.56
Municipal Support	33,780.00	22,604.02
Public Works	930,169.00	937,960.12
Education	4,861,153.22	5,278,501.80
Special Assessments - County Tax	691,943.06	691,943.06
Special Assessments - Miscellaneous	6,000.00	3,102.16
Public Safety	155,191.00	116,984.36
Debt Service	76,628.00	75,597.52
On Behalf Payment		156,797.09
Total Expenditures	\$ 7,264,364.28	\$ 7,800,201.69
Excess of Revenues Over (Under) Expenditures	\$ (84,991.35)	\$ 302,050.44
OTHER FINANCING SOURCES (USES):		
Operating Transfers - In	\$ -	\$ 225,163.77
Operating Transfers - Out	(100,000.00)	(231,779.17)
Total Other Financing Sources (Uses)	\$ (100,000.00)	\$ (6,615.40)
Excess of Revenues and Other Sources Over (Under)		
Expenditures and Other Uses	\$ (184,991.35)	\$ 295,435.04
Fund Balance, July 1, 2015	2,249,537.38	2,249,537.38
Fund Balance, June 30, 2016	\$ 2,064,546.03	\$ 2,544,972.42

TOWN OF LINCOLNVILLE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Cash Balance, July 1, 2015		\$ 1,188,645.45
ADD: CASH RECEIPTS:		
Tax Collections:		
Current Year	\$ 5,815,153.51	
Prior Years	257,439.82	
Prepaid Taxes	<u>17,366.24</u>	
Total Tax Collections	\$ 6,089,959.57	
Departmental (Schedule A-4)	1,034,750.00	
Excise Tax	458,928.74	
State Revenue Sharing	89,876.26	
Homestead Reimbursement	33,131.00	
State Fees Collected	130,419.68	
BETE	1,837.00	
Accounts Receivable	280,329.35	
School Lunch Receipts	58,122.24	
Veterans Reimbursement	142.00	
Capital Reserves	<u>38,013.26</u>	
Total Cash Receipts		<u>8,215,509.10</u>
Total Cash Available		\$ 9,404,154.55
LESS: CASH DISBURSEMENTS:		
Departmental (Schedule A-4)	\$ 7,210,934.57	
State Fees Remitted	127,304.60	
Accounts Payable	362,245.91	
Transfers to Capital Reserves	100,000.00	
Investment	14,839.24	
Accounts Receivable	12,680.63	
School Lunch Expense	<u>57,239.74</u>	
Total Cash Disbursements		<u>7,885,244.69</u>
Cash Balance, June 30, 2016		<u><u>\$ 1,518,909.86</u></u>

TOWN OF LINCOLNVILLE
STATEMENT OF CHANGES IN UNAPPROPRIATED SURPLUS
FOR THE YEAR ENDED JUNE 30, 2016

Unappropriated Surplus, July 1, 2015		\$ 1,927,817.49
INCREASE:		
Operating Account Balances Lapsed (Schedule A-4)	\$ 723,635.73	
Decrease in Deferred Property Taxes	<u>26,382.71</u>	
		750,018.44
DECREASE:		
Appropriated at Town Meeting		(300,000.00)
Unappropriated Surplus, June 30, 2016		<u><u>\$ 2,377,835.93</u></u>

TOWN OF LINCOLNVILLE
STATEMENT OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2016

	BALANCE FORWARD JULY 1, 2015	APPROPRIATIONS	CASH RECEIPTS	OTHER CREDITS	TOTAL	CASH DISBURSED	OTHER CHARGES	TOTAL	UNEXPENDED (OVERDRAFT)	BALANCE FORWARD JUNE 30, 2016
GENERAL GOVERNMENT:										
Administration	\$ -	\$ 320,197.00	\$ -	\$ -	\$ 320,197.00	\$ 306,373.41	\$ -	\$ 306,373.41	\$ 13,076.59	\$ 747.00
CEO and Assessors	5,292.44	82,434.00			87,726.44	80,485.32		80,485.32	1,448.68	5,792.44
Finance Department		66,478.00			66,478.00	66,119.51		66,119.51	358.49	
Conservation Commission	4,277.23				4,277.23				142.00	4,135.23
Miscellaneous	9,323.05				9,323.05				9,323.05	
Municipal Buildings		28,010.00			28,010.00	19,788.63		19,788.63	8,221.37	
Municipal Renovation	40,311.40				40,311.40	2,759.33		2,759.33	37,552.07	
Boards and Committees		12,381.00			12,381.00	9,294.51		9,294.51	3,086.49	
	<u>\$ 59,204.12</u>	<u>\$ 509,500.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 568,704.12</u>	<u>\$ 484,820.71</u>	<u>\$ -</u>	<u>\$ 484,820.71</u>	<u>\$ 73,208.74</u>	<u>\$ 10,674.67</u>
GOVERNMENTAL REVENUES:										
BETE	\$ -	\$ -	\$ -	\$ 1,837.00	\$ 1,837.00	\$ -	\$ 1,823.32	\$ 1,823.32	\$ 13.68	\$ -
Excise Taxes				458,928.74	458,928.74	3.00	365,511.55	365,514.55	93,414.19	
Miscellaneous Revenue/Expense			26,152.88	1,627.23	27,780.11	13,942.90	10,840.00	24,782.90	2,997.21	
Kuli-Fernalds Neck	17,268.07				17,268.07	17,268.07		17,268.07		
Tax Collections				14,522.03	14,522.03		1,459.09	1,459.09	13,062.94	
State Reimbursement			449.27		449.27				449.27	
Municipal Agent Fees			13,459.98		13,459.98				13,459.98	
Post Office Land Lease			1,440.00		1,440.00				1,440.00	
Donations			3,190.00		3,190.00		2,690.00	2,690.00	500.00	
Interest			21,215.89		21,215.89				21,215.89	
Interest/Liens on Taxes				33,442.01	33,442.01				33,442.01	
Veterans Reimbursement			142.00	2,004.00	2,146.00				2,146.00	
Tree Growth Reimbursement			10,277.04		10,277.04				10,277.04	
Licenses and Permits			44,671.62		44,671.62	676.88		676.88	43,994.74	
Parks and Recreation			7,108.10		7,108.10				7,108.10	
Homestead Reimbursement				44,872.00	44,872.00		44,872.00	44,872.00		
	<u>\$ 17,268.07</u>	<u>\$ -</u>	<u>\$ 128,106.78</u>	<u>\$ 557,233.01</u>	<u>\$ 702,607.86</u>	<u>\$ 31,890.85</u>	<u>\$ 427,195.96</u>	<u>\$ 459,086.81</u>	<u>\$ 243,521.05</u>	<u>\$ -</u>
MUNICIPAL SUPPORT:										
General Assistance	\$ -	\$ 12,380.00	\$ -	\$ -	\$ 12,380.00	\$ 641.81	\$ -	\$ 641.81	\$ 11,738.19	\$ -
Welfare Director		130.00			130.00	30.00		30.00	100.00	
Moderator		225.00			225.00	150.00		150.00	75.00	
Ballot Clerks		500.00			500.00	108.75		108.75	391.25	
Registrar of Voters		350.00			350.00	138.66		138.66	211.34	
Megunticook Watershed		3,200.00			3,200.00	3,200.00		3,200.00		
Cemeteries	2,465.40	5,500.00			7,965.40	5,000.00		5,000.00		2,965.40
LIA Building		2,400.00			2,400.00	2,252.00		2,252.00	148.00	
Memorial Day		1,160.00			1,160.00	285.00		285.00	875.00	
Historical Society		500.00			500.00	500.00		500.00		
Provider Agencies		7,435.00			7,435.00	7,435.00		7,435.00		
Special - Alton French			12,286.33		12,286.33	2,862.80		2,862.80		9,423.53
	<u>\$ 2,465.40</u>	<u>\$ 33,780.00</u>	<u>\$ 12,286.33</u>	<u>\$ -</u>	<u>\$ 48,531.73</u>	<u>\$ 22,604.02</u>	<u>\$ -</u>	<u>\$ 22,604.02</u>	<u>\$ 13,538.78</u>	<u>\$ 12,388.93</u>

TOWN OF LINCOLNVILLE
STATEMENT OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2016

	BALANCE FORWARD JULY 1, 2015	APPROPRIATIONS	CASH RECEIPTS	OTHER CREDITS	TOTAL	CASH DISBURSED	OTHER CHARGES	TOTAL	UNEXPENDED (OVERDRAFT)	BALANCE FORWARD JUNE 30, 2016
PUBLIC WORKS:										
Highways and Bridges	\$ -	\$ 200,417.00	\$ 46,940.00	\$ -	\$ 247,357.00	\$ 116,940.15	\$ 45,088.00	\$ 162,028.15	\$ 85,328.85	\$ -
Paving and Construction		237,500.00			237,500.00	161,231.47		161,231.47	76,268.53	
Public Works Department	31,518.83	15,850.00			47,368.83	17,161.08		17,161.08	29,887.98	319.77
Harbor/Pier	(11,262.57)	39,183.00	14,999.95		42,920.38	34,890.46	4,000.00	38,890.46	4,029.92	
Wave Screen			106,000.00	225,163.77	331,163.77	95,954.92	235,208.85	331,163.77		
Winter Operations		356,422.00			356,422.00	301,776.19		301,776.19	54,645.81	
Transfer Station		80,797.00			80,797.00	80,797.00		80,797.00		
	<u>\$ 20,256.26</u>	<u>\$ 930,169.00</u>	<u>\$ 167,939.95</u>	<u>\$ 225,163.77</u>	<u>\$ 1,343,528.98</u>	<u>\$ 808,751.27</u>	<u>\$ 284,296.85</u>	<u>\$ 1,093,048.12</u>	<u>\$ 250,161.09</u>	<u>\$ 319.77</u>
SPECIAL ASSESSMENTS AND ORGANIZATIONS:										
Common School	\$ 217,741.35	\$ 3,152,990.22	\$ 495,380.15	\$ 16,164.63	\$ 3,882,276.35	\$ 2,898,391.37	\$ 853,328.09	\$ 3,751,719.46	\$ -	\$ 130,556.89
Community School District		1,708,163.00			1,708,163.00	1,708,162.92		1,708,162.92	0.08	
Special Revenues	4,784.69		116,299.47	16,485.11	137,569.27	124,373.04		124,373.04		13,196.23
Central Office Administration			114,737.32	131,245.95	245,983.27	244,313.29	1,669.98	245,983.27		
County Tax Assessment Overlay		691,943.06			691,943.06	691,943.06		691,943.06		
Contingency		115,358.03			115,358.03		349.38	349.38	115,008.65	
		6,000.00			6,000.00	3,102.16		3,102.16	2,897.84	
	<u>\$ 222,526.04</u>	<u>\$ 5,674,454.31</u>	<u>\$ 726,416.94</u>	<u>\$ 163,895.69</u>	<u>\$ 6,787,292.98</u>	<u>\$ 5,670,285.84</u>	<u>\$ 855,347.45</u>	<u>\$ 6,525,633.29</u>	<u>\$ 117,906.57</u>	<u>\$ 143,753.12</u>
PUBLIC SAFETY:										
Animal Control	\$ -	\$ 8,378.00	\$ -	\$ -	\$ 8,378.00	\$ 7,691.92	\$ -	\$ 7,691.92	\$ 686.08	\$ -
Ambulance		8,763.00			8,763.00	8,764.00		8,764.00	(1.00)	
Dispatch Services		8,340.00			8,340.00	8,340.00		8,340.00		
Fire Department		58,867.00			58,867.00	47,128.38	11,737.62	58,866.00	1.00	
Insurance		33,700.00			33,700.00	27,037.50		27,037.50	6,662.50	
Emergency Management		3,643.00			3,643.00	1,927.62		1,927.62	1,715.38	
Street Lights		3,500.00			3,500.00	2,728.85		2,728.85	771.15	
Legal		30,000.00			30,000.00	13,366.09		13,366.09	16,633.91	
Police Reserve							2,200.00	2,200.00	(2,200.00)	
	<u>\$ -</u>	<u>\$ 155,191.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,191.00</u>	<u>\$ 116,984.36</u>	<u>\$ 13,937.62</u>	<u>\$ 130,921.98</u>	<u>\$ 24,269.02</u>	<u>\$ -</u>
DEBT SERVICE	\$ -	\$ 76,628.00	\$ -	\$ -	\$ 76,628.00	\$ 75,597.52	\$ -	\$ 75,597.52	\$ 1,030.48	\$ -
CAPITAL BUDGET:										
Capital Reserves	\$ -	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00	\$ -	\$ -
	<u>\$ 321,719.89</u>	<u>\$ 7,479,722.31</u>	<u>\$ 1,034,750.00</u>	<u>\$ 946,292.47</u>	<u>\$ 9,782,484.67</u>	<u>\$ 7,210,934.57</u>	<u>\$ 1,680,777.88</u>	<u>\$ 8,891,712.45</u>	<u>\$ 723,635.73</u>	<u>\$ 167,136.49</u>

TOWN OF LINCOLNVILLE
VALUATION, ASSESSMENT, AND COLLECTIONS
FOR THE YEAR ENDED JUNE 30, 2016

VALUATION:		
Real Estate	\$ 381,704,200.00	
Personal Property	2,599,200.00	
Total	<u>\$ 384,303,400.00</u>	
ASSESSMENT:		
Valuation x Rate (\$384,303,400.00 x .0158)		\$ 6,071,993.72
Supplementals		<u>14,522.03</u>
		\$ 6,086,515.75
COLLECTIONS AND CREDITS:		
Cash Collections (94.98% of Assessment)	\$ 5,815,153.51	
Abatements	1,459.09	
Prepaid Taxes	<u>12,899.58</u>	
Total Collections and Credits		<u>5,829,512.18</u>
2015-16 Taxes Receivable, June 30, 2016		<u>\$ 257,003.57</u>

COMPUTATION OF ASSESSMENT

Tax Commitment	\$ 6,071,933.72	
Motor Vehicle Excise Tax	360,000.00	
Boat Excise Tax	5,000.00	
Highway Block Grant	45,088.00	
State Revenue Sharing	92,719.00	
Homestead Reimbursement	44,872.00	
BETE	1,823.32	
School State Reimbursement	67,000.00	
School MSRA	482,336.89	
Common Schools Miscellaneous Revenue	2,400.00	
Police Department Capital Reserve	2,200.00	
Norton Pond	4,000.00	
Surplus	<u>300,000.00</u>	
		\$ 7,479,372.93
REQUIREMENTS:		
Appropriations	\$ 6,672,421.22	
County Tax	<u>691,943.06</u>	
		<u>7,364,364.28</u>
OVERLAY		<u>\$ 115,008.65</u>

TOWN OF LINCOLNVILLE
RECONCILIATION OF TREASURER'S CASH BALANCE
FOR THE YEAR ENDED JUNE 30, 2016

Cash on Hand		\$ 700.00
 GENERAL FUND CHECKING ACCOUNT:		
The First		
Balance Per Bank Statement	\$ 1,638,655.65	
Add: Deposits in Transit	58,157.61	
Deduct: Outstanding Checks	<u>(180,756.52)</u>	
Balance Per Books		1,516,056.74
 The First		
Community Septic Grant		2,151.12
 The First		
		1.00
 The First		
		1.00
Cash Balance, June 30, 2016		<u><u>\$ 1,518,909.86</u></u>

STATEMENT OF TAXES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2015

	2016	2015
2015-2016	\$ 257,003.57	\$ -
2014-2015	2,108.33	279,201.98
2013-2014	674.56	1,576.12
2012-2013	587.88	587.88
2010-2011	545.28	545.28
2009-2010	506.38	506.38
	<u><u>\$ 261,426.00</u></u>	<u><u>\$ 282,417.64</u></u>

TOWN OF LINCOLNVILLE
TAXES RECEIVABLE
JUNE 30, 2016

Real Estate2015-2016

Akers, Nancy B.	\$ 15.80
Akers, Nancy B.	11.06
Albano, Kerry J. & Michael J. (JT)	2,380.82
Anderson, Peter C.	829.50
Anderews, Craig B.	1,959.20
Ballou, Richard D., Jr. & Karen E. (JT)	4,063.23
Barter, Charles R.	857.94
Brown, Glenn	1,262.42
Carpentier, Whitney E. & Christopher M.	2,061.90
Carver, Carol	2,063.48
Cassidy, Cheryl - TTEE	7.99
Chase, Lisa D.	350.76
Ciraldo, Virginia L.	4,077.98
Clayton, Mark	1,600.54
Crowley Investments LLC	85.32
Crowley Investments LLC	3,471.26
Crowley Investments LLC	22.12
Crowley, Paul C.	546.68
Deer Meadows Property LLC	913.65
Dodge, Arthur R., Jr. & Sherry A. (JT)	965.38
Dodge, Arthur R., Jr. & Sherry A. (JT)	1,295.60
Doherty, Francis HRS & Alfreda	1,733.26
Durkee, Adam J.	1,873.88
Dyer, Daniel E.	739.75
Eaton, Charles E., Sr. & Cathy	442.40
Feener, Michael A. & Robin D. (JT)	3,692.46
Feener, Mildred T., Heirs of	2,136.16
Goldblatt, Heather A.	472.42
Graffam, Janice	2,948.28
Graffam, Janice	3,763.56
Grant-Johnson, Susan	2,444.26
Green, Peter C.	2,497.98
Green, Peter C.	717.32
Greyhound Investments LLC	483.48
Greyhound Investments LLC	3,510.76
Grotton, Phyllis J.	1,006.46
Hall, Margaret	968.54
Harriman, Arlene D.	1,881.78
Heald, Donald R., IV	2,509.04
Hedstrom, Donald, TTEE (1/2 INT)	117.89
Hedstrom, Donald, TTEE (1/2 INT)	1,718.87
Hedstrom, Mark D.	3,720.90
Herzig, Beth & D'Andrea, Laura	26.73
Herzig, Beth & D'Andrea, Laura	2.61
Hickey, Shawn	576.70

TOWN OF LINCOLNVILLE
TAXES RECEIVABLE
JUNE 30, 2016

Real Estate (Cont'd)2015-216 (Cont'd)

Holmes, Crystal	\$ 714.16
Hoops, Benjamin	2,364.37
Jacobs, Edwin C.	699.94
Jordan, Jane & Josenhans, Maureen (JT)	1,387.24
JP Morgan Chase Bank, N.A.	2,379.48
Koski, R. Alan	5,218.74
Laite, Justin C.	903.76
Lanning, Wayne	316.00
Lanning, Wayne B.	2,766.58
Lanning, Wayne B.	320.74
Lanning, Wayne B.	344.44
Lanning, Wayne B.	366.56
Lanning, Wayne B.	289.14
Lanning, Wayne B.	287.56
Lanning, Wayne B.	292.30
Lanning, Wayne B.	308.10
Lanning, Wayne B.	289.14
Lanning, Wayne B.	290.72
Lanning, Wayne B. & Victoria (JT)	1,118.64
Larmor, Vivienne E.	4,004.29
Leadbetter, Robert R. & Jared K. (JT)	671.50
Leadbetter, Robert Ryan & Leilani Mauna (JT)	3,485.48
Lobster Pound Restaurant, Inc.	14,346.42
Loper, Margaret I., PR for	2,101.40
Low, Stefan R.	2,813.98
Lydon, Shane P. & Judith (JT)	255.36
Marriner, Ann B. & Clifton P.	1,659.74
Mastromarino, Victoria	1,842.28
Mathiau, Joe & Jamie	80.58
McClellan, Chevy J.	558.53
McLaren, Dorothy	728.38
Milliken, Todd	872.16
Moran, Edward J. & Doris T (JT)	328.64
Moran, Heather D.	860.31
Moran, Peter E. & Mary H. (JT)	5.58
Moran, Ronald J. & Kim A. (JT)	733.12
Moran, Ronald J., et al	1,344.58
Munroe, James A., Jr.	771.04
Munroe, James A., Jr.	1,295.60
Munroe, James A., Jr.	1,052.28
Munroe, James A., Jr.	1,262.42
Munroe, James A., Jr.	1,532.60
Nakjaroen, Ravin	1,669.27
Nawrot, Alan E.	1,602.57
Neilson, Timothy John, P.R.	537.20

TOWN OF LINCOLNVILLE
TAXES RECEIVABLE
JUNE 30, 2016

Real Estate (Cont'd)2015-2016 (Cont'd)

Neilson, Timothy John, P.R.	\$ 1,723.78
Nelson, Ralph E., Jr.	1,865.98
Nickerson, William A. & Betty A. (JT)	1,519.96
Ocean Falls Estates LLC	2,644.92
Ocean Falls Estates LLC	2,509.04
Ocean Falls Estates LLC	2,618.06
Osgood, Christopher W. & Thomas H.	6,108.86
Packard, Paul G. & Doris	309.67
Parker, Kent R. & Susan M. (JT)	1,764.86
Parra, Thomas & Stacey	3,951.58
Pearse, Shanan L.	2,109.30
Pendleton, Clifford J.	2,207.26
Pendleton, Wayne	1,211.86
Pinkham, Roger A.	2,528.00
Rankin, Robert R. & Margaret D.	2,469.13
Raymer, Peter	2,163.02
Reilly, Thomas	674.66
Reisner, Gary	983.55
Reuter, Craig	1,316.32
Robinson, Bonnie E. & Stanley	1,446.50
Rodgers, Jesse J.	1.60
Rosenberg, Richard	1,966.37
Russo, John L.	2,362.10
S&G Enterprises LLC	3,046.24
Santoro, Ovid & Trakos, Lori (JT)	20.54
Scipione, Delia M., Trustee	2,951.44
Simmons, Donald E. & Tina L. (JT)	957.48
Simons, Gayle	4,028.21
Smith, Jeffrey S.	2,825.04
Smith, Leon A., Sr. & Juanita L. (JT)	725.22
Stancioff, Ivan A.	3.71
Stevens, Christine O.	1,725.36
Svedberg, Lisa A.	3,588.18
Tanglewood Timber Company LLC	698.36
Thomas St. Associates LLC	2,475.86
Thomas, Stephen & Suzanne	922.72
Thomas, Suzanne	496.12
Thomas, Suzanne	2,464.80
Thompson, Guy	4,239.14
Thurlow, Mark A.	1,850.18
Tooley, Mary Beth & Edward F.	584.60
Tremblay, Michael, Jr. & Mercedes (JT)	742.35
Trisdale, Catherine A.	793.59
Trisdale, Fritz J. & Catherine A. (JT)	2,315.01
Vinal, William J.	535.55

TOWN OF LINCOLNVILLE
TAXES RECEIVABLE
JUNE 30, 2016

Real Estate (Cont'd)2015-2016 (Cont'd)

Watson, Raymond, III	\$	2,038.20	
Welliver, Mary M.		2,984.62	
Winslow, Robert G.		7,979.00	
Winslow, Robert G.		808.96	
Woods, Gordon T.		102.70	
Young, Andrew I.		3,452.30	
Young, Terrance J.		384.73	
Young, Terrance J. & Beth		1,008.83	
Young, Terrance J. & Beth Ann		1,066.06	
Zander-Pretz, Dorreen		439.24	
ZR Management, LLC		12,276.60	
ZR Management, LLC		737.86	
		737.86	
	\$		253,626.22

Personal Property2015-2016

Bald Rock Builders, Inc. & Umbach, M.	\$	17.38	
Dyer, Daniel E.		15.80	
Flik International Corp.		12.64	
GBS Corporation		1.14	
Green Tree Coffee & Tea of Maine		1.11	
Lincolnvillle Damily Dentistry		576.70	
Lobster Pound & Trap Restaurant		883.22	
Lydon, Shane P. & Judith		90.06	
Marlin Leasing		214.38	
Michelson, Bruce & Anita		15.80	
Muzak LLC		4.74	
Rutland, James		673.08	
S&G Enterprises LLC		571.96	
Safety-Kleen Systems, Inc.		0.72	
Trendsetter Salon		15.80	
ZR Management, LLC		282.82	
		282.82	
			3,377.35
	\$		257,003.57

TOWN OF LINCOLNVILLE
PRIOR YEAR TAXES RECEIVABLE
JUNE 30, 2016

Personal Property2014-2015

Bald Rock Builders Inc. & Umbach, M.	\$	17.05	
Flik International Corp		(6.85)	
GE Capital Info Tech Solutions		6.20	
Lobster Pond & Trap Restaurant		463.83	
Lydon, Shane P. & Judith		88.35	
Michelson, Bruce & Anita		2.42	
Muzak LLC		(0.27)	
Rutland, James		660.30	
S & G Enterprises LLC		561.10	
Trendsetter Salon		15.50	
ZR Management LLC		300.70	
		<hr/>	
	\$		2,108.33

2013-2014

Bald Rock Builders, Inc. & Umbach, M.	\$	14.96	
Lydon, Shane P. & Judith		77.52	
Rutland, James		579.36	
Smucker Foodservice, Inc.		2.72	
		<hr/>	
			674.56

2012-2013

Rutland, James			587.88
----------------	--	--	--------

2010-2011

Rutland, James			545.28
----------------	--	--	--------

2009-2010

Rutland, James			506.38
			<hr/>
	\$		<u>4,422.43</u>

TOWN OF LINCOLNVILLE
TAX LIENS
JUNE 30, 2016

2014

Akers, Nancy B.	\$ 15.50
Akers, Nancy B.	10.72
Andrews, Craig B.	194.69
Barter, Charles R.	841.65
Brown, Glenn	56.74
Carpentier, Whitney E. & Christopher M.	2,022.75
Carver, Carol	2,024.30
Ciraldo, Virginia L.	3,451.28
Crowley Investments LLC	3,405.35
Dodge, Arthur R., Jr. & Sherry A. (JT)	947.05
Dodge, Arthur R., Jr. & Sherry A. (JT)	1,271.00
Doherty, Francis HRS & Alfreda	852.62
Durkee, Adam J.	1,807.30
Eaton, Charles E., Sr. & Cathy	434.00
Feener, Michael A. & Robin D. (JT)	3,454.95
Feener, Mildred T., Heirs of	2,095.60
Goldblatt, Heather A.	463.45
Grant-Johnson, Susan	2,150.34
Green, Peter C.	2,450.55
Green, Peter C.	703.70
Grotton, Phyllis J.	557.46
Heald, Donald R., IV	2,461.40
Hedstrom, Mark D.	3,650.25
Hickey, Shawn	565.75
Jacobs, Edwin C.	686.65
Lanning, Wayne	310.00
Lanning, Wayne B.	2,714.05
Lanning, Wayne B.	314.65
Lanning, Wayne B.	337.90
Lanning, Wayne B.	359.60
Lanning, Wayne B.	283.65
Lanning, Wayne B.	282.10
Lanning, Wayne B.	286.75
Lanning, Wayne B.	302.25
Lanning, Wayne B.	283.65
Lanning, Wayne B.	285.20
Leadbetter, Robert R. & Jared K. (JT)	658.75
Leadbetter, Robert Ryan & Leilani Mauna	1,088.15
Milliken, Todd	855.60
Moran, Edward J. & Doris T. (JT)	322.40
Moran, Ronald J. & Kim A. (JT)	338.78
Nelson, Ralph E., Jr.	915.27
Nickerson, William A. & Betty A. (JT)	1,646.10
Ocean Falls Estates LLC	2,594.70
Ocean Falls Estates LLC	2,461.40
Ocean Falls Estates LLC	2,568.35

TOWN OF LINCOLNVILLE
TAX LIENS
JUNE 30, 2016

2014 (Cont'd)

Parker, Kent R. & Susan M. (JT)	\$ 1,731.35	
Pearse, Shanan L.	470.72	
Raymer, Peter	2,121.95	
S&G Enterprises LLC	2,988.40	
Santoro, Ovid & Traikos, Lori (JT)	20.15	
Simmons, Donald E. & Tina L. (JT)	939.30	
Stevens Family Trust	2,079.32	
Thomas, Stephen & Suzanne	905.20	
Thomas, Suzanne	486.70	
Thomas, Suzanne	2,418.00	
Tooley, Mary Beth & Edward F.	573.50	
Young, Andrew I.	3,668.85	
ZR Management, LLC	<u>723.85</u>	
		<u><u>\$ 74,911.64</u></u>

Schedule A-11

ABATEMENTS AND SUPPLEMENTALS
JUNE 30, 2016

ABATEMENTS

2015

John & Kathleen Williams	\$ 364.14	
Andrew Young	287.56	
Philip & Marsha Shibles	101.12	
Janet & Roger Fradenburgh	47.40	
Poverty	<u>658.87</u>	
		<u><u>\$ 1,459.09</u></u>

SUPPLEMENTALS

Two Brooks LLC	\$ 2,502.03	
Steven & Margaret Case	<u>12,020.00</u>	
		<u><u>\$ 14,522.03</u></u>

TOWN OF LINCOLNVILLE
 COMBINING BALANCE SHEET - CAPITAL RESERVES
 JUNE 30, 2016

	FIRE TRUCK	SHADE TREE	DRINKWATER SCHOOL	ALTON OXTON	PIER	WWII MEMORIAL	WATERSHED ACCOUNT	CHARACTER GENERATOR	FOREST FIRE EMERGENCY
ASSETS:									
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	148,569.71	2,721.82	491.72	20,605.11	179,024.83	2,128.72	654.34	3,568.17	15,038.18
Due From Other Funds	11,737.62				120,553.70				
Accounts Receivable									
Total Assets	<u>\$ 160,307.33</u>	<u>\$ 2,721.82</u>	<u>\$ 491.72</u>	<u>\$ 20,605.11</u>	<u>\$ 299,578.53</u>	<u>\$ 2,128.72</u>	<u>\$ 654.34</u>	<u>\$ 3,568.17</u>	<u>\$ 15,038.18</u>
LIABILITIES AND FUND EQUITY:									
Liabilities:									
Due To Other Funds	\$ -	\$ -	\$ -	\$ 3,378.75	\$ 225,163.77	\$ 2,128.72	\$ -	\$ -	\$ -
FUND EQUITY:									
Reserved for Other Projects	160,307.33	2,721.82	491.72	17,226.36	74,414.76		654.34	3,568.17	15,038.18
Total Liabilities and Fund Equity	<u>\$ 160,307.33</u>	<u>\$ 2,721.82</u>	<u>\$ 491.72</u>	<u>\$ 20,605.11</u>	<u>\$ 299,578.53</u>	<u>\$ 2,128.72</u>	<u>\$ 654.34</u>	<u>\$ 3,568.17</u>	<u>\$ 15,038.18</u>

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - CAPITAL RESERVES
 FOR THE YEAR ENDED JUNE 30, 2016

	FIRE TRUCK	SHADE TREE	DRINKWATER SCHOOL	ALTON OXTON	PIER	WWII MEMORIAL	WATERSHED ACCOUNT	CHARACTER GENERATOR	FOREST FIRE EMERGENCY
REVENUES:									
Donation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,068.32	\$ -	\$ -	\$ -
Interest and Dividends	2,828.38	58.77	10.62	444.88	3,296.25	22.44	14.13	77.04	324.69
Gains and Losses	(230.82)	(6.05)	(1.09)	(45.80)	(248.83)	43.65	(1.45)	(7.93)	(33.42)
Total Revenues	<u>\$ 2,597.56</u>	<u>\$ 52.72</u>	<u>\$ 9.53</u>	<u>\$ 399.08</u>	<u>\$ 3,047.42</u>	<u>\$ 2,134.41</u>	<u>\$ 12.68</u>	<u>\$ 69.11</u>	<u>\$ 291.27</u>
EXPENDITURES:									
Investment Fees	\$ 695.26	\$ 14.53	\$ 2.63	\$ 110.06	\$ 808.76	\$ 5.69	\$ 3.49	\$ 19.07	\$ 80.34
Program Expenses						2,128.72			
Total Expenditures	<u>\$ 695.26</u>	<u>\$ 14.53</u>	<u>\$ 2.63</u>	<u>\$ 110.06</u>	<u>\$ 808.76</u>	<u>\$ 2,134.41</u>	<u>\$ 3.49</u>	<u>\$ 19.07</u>	<u>\$ 80.34</u>
Excess Revenues Over (Under) Expenditures	<u>\$ 1,902.30</u>	<u>\$ 38.19</u>	<u>\$ 6.90</u>	<u>\$ 289.02</u>	<u>\$ 2,238.66</u>	<u>\$ -</u>	<u>\$ 9.19</u>	<u>\$ 50.04</u>	<u>\$ 210.93</u>
OTHER FINANCING SOURCES (USES):									
Operating Transfers - In	\$ 31,737.62	\$ -	\$ -	\$ -	\$ 150,041.55	\$ -	\$ -	\$ -	\$ -
Operating Transfers - Out					(225,163.77)				
Total Other Financing Sources (Uses)	<u>\$ 31,737.62</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (75,122.22)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 33,639.92</u>	<u>\$ 38.19</u>	<u>\$ 6.90</u>	<u>\$ 289.02</u>	<u>\$ (72,883.56)</u>	<u>\$ -</u>	<u>\$ 9.19</u>	<u>\$ 50.04</u>	<u>\$ 210.93</u>
Fund Balance, July 1, 2015	126,667.41	2,683.63	484.82	16,937.34	147,298.32		645.15	3,518.13	14,827.25
Fund Balance, June 30, 2016	<u>\$ 160,307.33</u>	<u>\$ 2,721.82</u>	<u>\$ 491.72</u>	<u>\$ 17,226.36</u>	<u>\$ 74,414.76</u>	<u>\$ -</u>	<u>\$ 654.34</u>	<u>\$ 3,568.17</u>	<u>\$ 15,038.18</u>

TOWN OF LINCOLNVILLE
 COMBINING BALANCE SHEET - CAPITAL RESERVES
 JUNE 30, 2016

	ROAD IMPROVEMENTS	COOMBS & GRIFFIN - TOWN	COOMBS & GRIFFIN - SCHOOL	NORTON POND FLOAT	CAPITAL CAMPAIGN	CAPITAL CAMPAIGN CHECKING	MEGUNTICOOK DAM	BOAT LAUNCH ESCROW	COOMBS GRIFFIN CHECKING	TOTAL
ASSETS:										
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,020.59	\$ -	\$ 10,095.60	\$ 3,366.04	\$ 16,482.23
Investments	148,255.31	161,523.43	268,165.47	4,259.75	190,351.85		45,665.26			1,191,023.67
Due From Other Funds										132,291.32
Accounts Receivable						150.00				150.00
Total Assets	\$ 148,255.31	\$ 161,523.43	\$ 268,165.47	\$ 4,259.75	\$ 190,351.85	\$ 3,170.59	\$ 45,665.26	\$ 10,095.60	\$ 3,366.04	\$ 1,339,947.22
LIABILITIES AND FUND EQUITY:										
Liabilities:										
Due To Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230,671.24
FUND EQUITY:										
Reserved for Other Projects	148,255.31	161,523.43	268,165.47	4,259.75	190,351.85	3,170.59	45,665.26	10,095.60	3,366.04	1,109,275.98
Total Liabilities and Fund Equity	\$ 148,255.31	\$ 161,523.43	\$ 268,165.47	\$ 4,259.75	\$ 190,351.85	\$ 3,170.59	\$ 45,665.26	\$ 10,095.60	\$ 3,366.04	\$ 1,339,947.22

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - CAPITAL RESERVES
 FOR THE YEAR ENDED JUNE 30, 2016

	ROAD IMPROVEMENTS	COOMBS & GRIFFIN - TOWN	COOMBS & GRIFFIN - SCHOOL	NORTON POND FLOAT	CAPITAL CAMPAIGN	CAPITAL CAMPAIGN CHECKING	MEGUNTICOOK DAM	BOAT LAUNCH ESCROW	COOMBS GRIFFIN CHECKING	TOTAL
REVENUES:										
Donation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,068.32
Interest and Dividends	1,484.71	3,487.42	5,900.65	91.97	4,368.11		985.95	20.25	5,129.26	28,545.52
Gains and Losses	481.69	(359.02)	(607.46)	(9.47)	(978.45)		(101.51)			(2,105.96)
Total Revenues	\$ 1,966.40	\$ 3,128.40	\$ 5,293.19	\$ 82.50	\$ 3,389.66	\$ -	\$ 884.44	\$ 20.25	\$ 5,129.26	\$ 28,507.88
EXPENDITURES:										
Investment Fees	\$ 357.55	\$ 862.73	\$ 1,459.72	\$ 22.75	\$ 1,082.82	\$ -	\$ 243.91	\$ -	\$ 5,521.10	\$ 11,290.41
Program Expenses			5,129.26		32,884.00	5.00				40,146.98
Total Expenditures	\$ 357.55	\$ 862.73	\$ 6,588.98	\$ 22.75	\$ 33,966.82	\$ 5.00	\$ 243.91	\$ -	\$ 5,521.10	\$ 51,437.39
Excess Revenues Over (Under) Expenditures	\$ 1,608.85	\$ 2,265.67	\$ (1,295.79)	\$ 59.75	\$ (30,577.16)	\$ (5.00)	\$ 640.53	\$ 20.25	\$ (391.84)	\$ (22,929.51)
OTHER FINANCING SOURCES (USES):										
Operating Transfers - In	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,779.17
Operating Transfers - Out										(225,163.77)
Total Other Financing Sources (Uses)	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,615.40
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 51,608.85	\$ 2,265.67	\$ (1,295.79)	\$ 59.75	\$ (30,577.16)	\$ (5.00)	\$ 640.53	\$ 20.25	\$ (391.84)	\$ (16,314.11)
Fund Balance, July 1, 2015	96,646.46	159,257.76	269,461.26	4,200.00	220,929.01	3,175.59	45,024.73	10,075.35	3,757.88	1,125,590.09
Fund Balance, June 30, 2016	\$ 148,255.31	\$ 161,523.43	\$ 268,165.47	\$ 4,259.75	\$ 190,351.85	\$ 3,170.59	\$ 45,665.26	\$ 10,095.60	\$ 3,366.04	\$ 1,109,275.98

TOWN OF LINCOLNVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	FUND BALANCE JULY 1, 2015	REVENUES	EXPENDITURES	TRANSFER TO GENERAL FUND	FUND BALANCE JUNE 30, 2016
U.S. DEPARTMENT OF AGRICULTURE:							
Passed Through State Department of Education:							
Donated Commodities (Note 2)	10.550	N/A	\$ -	\$ 5,442.90	\$ 5,442.90	\$ -	
National School Lunch - Regular	10.555	013.3024.05		31,937.80	31,937.80		
Subtotal			<u>\$ -</u>	<u>\$ 37,380.70</u>	<u>\$ 37,380.70</u>	<u>\$ -</u>	
U.S. DEPARTMENT OF EDUCATION:							
Rural Education Achievement Program							
	84.358	N/A	\$ -	\$ 21,196.00	\$ 21,196.00	\$ -	
Passed Through State Department of Education:							
IDEA Special Education - Grants to States (IDEA Part B)	84.027	013.3046.12		56,750.70	56,750.70		
IDEA Special Education Preschool Grants (IDEA Preschool)	84.173	013.6247.23					
NCLB - Title I	84.010	013.3107.13		37,781.00	37,781.00		
NCLB Title IIA	84.367	013.3042.11		6,653.46	6,653.46		
Subtotal			<u>\$ -</u>	<u>\$ 122,381.16</u>	<u>\$ 122,381.16</u>	<u>\$ -</u>	
Total			<u>\$ -</u>	<u>\$ 159,761.86</u>	<u>\$ 159,761.86</u>	<u>\$ -</u>	

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Lincolnville School Department's Schedule of Expenditures of Federal Awards conforms to generally accepted accounting principles as applicable to governmental units. The modified accrual basis of accounting is followed. This method of accounting is defined as the basis of accounting under which expenditures are recorded as incurred, and revenues are recorded when received in cash except for material and/or available revenues which are accrued to reflect properly the assessments levied and the revenues earned.

NOTE 2 - DONATED COMMODITIES:

Non-monetary assistance is reported in the schedule at the fair market value of the commodities consumed.