

James W. Wadman

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Selectmen
Town of Montville
414 Center Road
Montville, ME 04941

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Montville, Maine as of and for the year ended December 31, 2020, 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 of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Montville, Maine, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 on pages 3 through 7 and 24 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Montville, Maine's financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Respectfully Submitted,

James W. Wadman, CPA

James W. Wadman, CPA
February 22, 2021

TOWN OF MONTVILLE, MAINE
Management's Discussion and Analysis
For the Year Ended December 31, 2020

Management of the Town of Montville, Maine provides this *Management's Discussion and Analysis* of the Town's financial performance for readers of the Town's financial statements. This narrative overview and analysis of the financial activities of the Town is for the year ended December 31, 2020. We encourage readers to consider this information in conjunction with the financial statements and accompanying notes that follow.

The financial statements herein include all of the activities of the Town of Montville, Maine (the Town) using the integrated approach as prescribed by Government Accounting Standards Board (GASB) Statement No. 34.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-wide Highlights:

Net Position – The assets of the Town exceeded its liabilities at year ending December 31, 2020 by \$5,898,881 (presented as “net position”). Of this amount, \$760,850 was reported as “unrestricted net position”. Unrestricted net position represents the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position – The Town's total net position decreased by \$229,248 (a 3.7% decrease) for the year ended December 31, 2020.

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the year ended December 31, 2020; the Town's governmental funds reported a combined ending fund balance of \$564,344 with \$437,138 being general unassigned fund balance. This unassigned fund balance represents approximately 21.6% of the total general fund expenditures for the year.

Long-term Debt:

The Town's total long-term debt obligations increased by \$56,609 (100%) during the current fiscal year. A lease was issued to Gorham Leasing Group in the amount of \$71,500 for a grader, and the debt obligations were retired according to schedule.

Additional information on the Town's debt can be found in Note 3E of the notes to the financial statements on page 22 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary comparison) and other supplementary information. These components are described below:

Government-wide Financial Statements

The Government-wide financial statements present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Town (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain elimination entries have occurred as prescribed by the statement in regards to inter-fund activity, payables and receivables.

The government-wide financial statements can be found on pages 8 - 9 of this report.

Fund Financial Statements

The fund financial statements include statements for each of the three categories of activities – governmental, business-type and fiduciary. The governmental activities are prepared using the current financial resources measurement focus

and the modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. Reconciliation of the fund financial statements to the Government-wide financial statements is provided to explain the differences created by the integrated approach.

The basic governmental fund financial statements can be found on pages 10-12 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 13-23 of this report.

Required Supplementary Information

This section includes a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the general fund as presented in the governmental fund financial statements (if necessary). Required supplementary information can be found on page 24 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

The largest portion of the Town's net position (86.1%) reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges and other immovable assets), less any related debt used to acquire those assets that are still outstanding. The Town uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

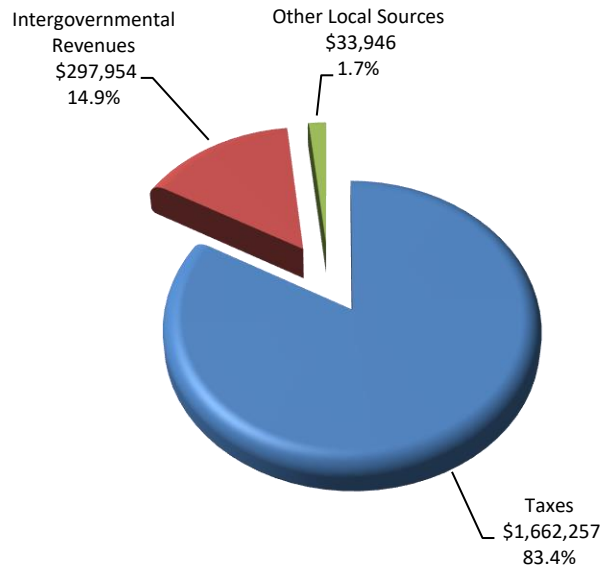
	<i>Governmental Activities</i>	
	<i>Total 2020</i>	<i>Total 2019</i>
Current Assets	826,970	784,131
Capital Assets	5,135,860	5,349,864
Total Assets	5,962,830	6,133,995
Current Liabilities	2,557	2,258
Long-Term Liabilities	56,609	-
Total Liabilities	59,166	2,258
Property Taxes Collected in Advance	4,783	3,608
Total Deferred Inflows of Resources	4,783	3,608
Net Position:		
Net Investment in Capital Assets	5,079,251	5,349,864
Restricted	58,780	39,253
Unrestricted	760,850	739,012
Total Net Position	5,898,881	6,128,129
Total Liabilities, Deferred Inflows of Resources and Net Position	5,962,830	6,133,995

Changes in Net Position

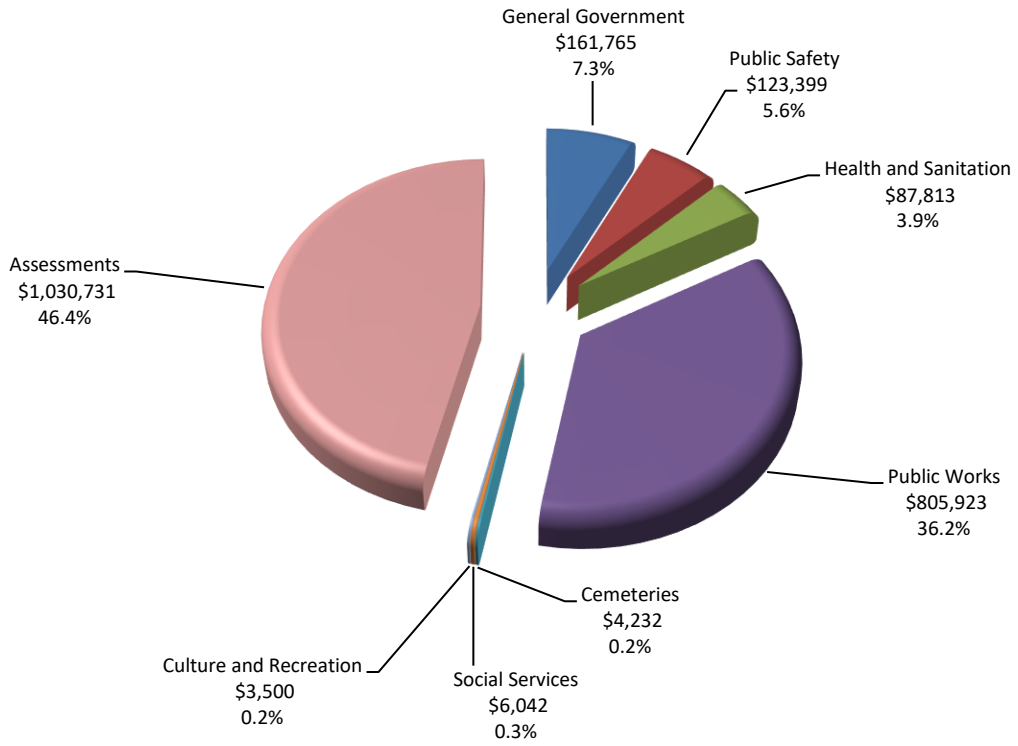
Approximately 83.4% of the Town’s total revenue came from property and excise taxes, approximately 14.9% came from State subsidies and grants, and approximately 1.7% came from services, investment earnings and other sources. Depreciation expense on the Town’s governmental activity assets represents \$308,004 of the total expenses for the year.

	<i>Governmental Activities</i>	
	<i>Total 2020</i>	<i>Total 2019</i>
Revenues:		
Taxes	1,662,257	1,621,900
Intergovernmental Revenues	297,954	204,067
Other Local Sources	33,946	22,447
Total	1,994,157	1,848,414
Expenses:		
General Government	161,765	159,514
Public Safety	123,399	98,352
Health and Sanitation	87,813	48,663
Public Works	805,923	758,332
Cemeteries	4,232	8,008
Social Services	6,042	7,161
Culture and Recreation	3,500	5,000
Assessments	1,030,731	999,818
Total	2,223,405	2,084,848
Changes in Net Position	(229,248)	(236,434)

Revenues By Source - Governmental Activities



Expenditures By Source - Governmental Activities



FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

Governmental Funds

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

At the end of the year, the Town's governmental funds reported ending fund balances of \$564,344, an increase of \$105,335 in comparison with the prior year. Approximately 77.5% of this total amount constitutes unassigned fund balance. The remainder is reserved to indicate that it is not available for spending because it has been committed to liquidate contracts and commitments of the prior year or for a variety of other purposes.

Variances between actual General Fund revenues and expenditures and the final amended budget included the following:

- \$82,671 positive variance in property tax revenue due to lower outstanding property tax balances at year end.
- \$41,421 positive variance in auto excise due to conservative budgeting.
- \$8,099 positive variance in town officials due in large part to a grant secured to cover the costs of election workers that otherwise would have been paid from the budget.
- \$4,500 negative variance in assessor's agent due to town select board's decision to move forward with the position for the financial health of the town.
- The transfer station overall, had a surplus; however, there were certain overages within the department due to COVID-19 impacts to the way business was conducted and the loss of several pieces of equipment, which required outside services for trash removal and recycling.
- Public Works overages include \$105,420 for road maintenance due to additional work related to the late spring snowstorm, \$10,147 for equipment repairs. The grader lease payment was budgeted to come from unassigned fund balance. The paving account was under budget by \$89,293 due to the overages in other areas of public works and was postponed.

CAPITAL ASSET ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities amounts to \$10,796,183, net of accumulated depreciation of \$5,660,323, leaving a net book value of \$5,135,860. Current year additions include \$12,500 for bridge repair and \$81,500 for a grader.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all citizens, taxpayers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Montville, 414 Center Road, Montville, ME 04941.

TOWN OF MONTVILLE
STATEMENT OF NET POSITION
DECEMBER 31, 2020

Exhibit A

<i>Assets</i>	<i>Governmental Activities</i>
Cash and Equivalents	466,188
Receivables	
Taxes	260,941
Tax Liens	60,305
Due From Other Governments	39,536
Capital Assets:	
Land	53,800
Other Capital Assets, Net of Depreciation	5,082,060
Total Assets	5,962,830
<i>Liabilities, Deferred Inflows of Resources and Net Position</i>	
Liabilities:	
Due to Other Governments	2,557
Long-term Liabilities:	
Due Within One Year	13,694
Due in More Than One Year	42,915
Total Liabilities	59,166
Deferred Inflows of Resources:	
Property Taxes Collected in Advance	4,783
Total Deferred Inflows of Resources	4,783
Net Position:	
Net Investment in Capital Assets	5,079,251
Restricted Net Position	58,780
Unrestricted	760,850
Total Net Position	5,898,881
Total Liabilities, Deferred Inflows of Resources and Net Position	5,962,830

The notes to financial statements are an integral part of this statement.

TOWN OF MONTVILLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit B

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants</u>	<u>Revenue and Changes in Net Position</u>
<u>Primary Government</u>				<u>Total Governmental Activities</u>
<u>Governmental Activities</u>				
General Government	161,765			(161,765)
Public Safety	123,399	438	-	(122,961)
Health and Sanitation	87,813	16,771		(71,042)
Public Works	805,923		44,956	(760,967)
Cemeteries	4,232			(4,232)
Social Services	6,042		197	(5,845)
Culture and Recreation	3,500	5,300		1,800
Assessments	1,030,731			(1,030,731)
<u>Total Governmental Activities</u>	<u>2,223,405</u>	<u>22,509</u>	<u>45,153</u>	<u>(2,155,743)</u>
<u>Total Primary Government</u>	<u>2,223,405</u>	<u>22,509</u>	<u>45,153</u>	<u>(2,155,743)</u>
<u>General Revenues:</u>				
Taxes				
Property				1,473,836
Auto Excise				188,421
Intergovernmental Revenues				252,801
Other Local Sources				11,437
<u>Total Revenues, Special Items and Transfers</u>				<u>1,926,495</u>
<u>Changes in Net Position</u>				<u>(229,248)</u>
<u>Net Position - Beginning</u>				<u>6,128,129</u>
<u>Net Position - Ending</u>				<u>5,898,881</u>

The notes to financial statements are an integral part of this statement.

TOWN OF MONTVILLE
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2020

Exhibit C

<i>Assets</i>	<i>General Fund</i>	<i>Other Governmental Funds</i>	<i>Total</i>
Cash and Equivalents	445,923	20,265	466,188
Receivables			
Taxes	260,941		260,941
Tax Liens	60,305		60,305
Due from Other Funds	-	700	700
Due from Other Governments	39,536		39,536
Total Assets	806,705	20,965	827,670
<i>Liabilities, Deferred Inflows of Resources and Fund Balances</i>			
<i>Liabilities:</i>			
Due to Other Funds	700	-	700
Due to Other Governments	2,557		2,557
Total Liabilities	3,257	-	3,257
<i>Deferred Inflows of Resources:</i>			
Unavailable Property Taxes	234,126		234,126
Unavailable Local Road Assistance	21,160		21,160
Property Taxes Collected in Advance	4,783		4,783
Total Deferred Inflows of Resources	260,069	-	260,069
<i>Fund Balances:</i>			
Non-Spendable		17,858	17,858
Restricted	40,922		40,922
Committed	65,319		65,319
Assigned	-	3,107	3,107
Unassigned	437,138		437,138
Total Fund Balances	543,379	20,965	564,344
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	806,705	20,965	827,670

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance	564,344
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$5,660,323	5,135,860
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds:	
Loans Payable	(56,609)
Unavailable Property Taxes	234,126
Unavailable Local Road Assistance	21,160
Net Position of Governmental Activities	5,898,881

The notes to financial statements are an integral part of this statement.

TOWN OF MONTVILLE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit D
Page 1 of 2

	<i>General Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
Revenues			
Taxes	1,725,059		1,725,059
Intergovernmental Revenues	299,122		299,122
Other Local Sources	33,635	311	33,946
Total Revenues	2,057,816	311	2,058,127
Expenditures			
Current:			
General Government	155,990		155,990
Public Safety	120,831		120,831
Health & Sanitation	87,813		87,813
Public Works	615,153		615,153
Cemeteries	4,232	-	4,232
Social Services	6,042		6,042
Culture and Recreation	3,500		3,500
Assessments	1,030,731		1,030,731
Total Expenditures	2,024,292	-	2,024,292
Excess of Revenues Over (Under) Expenditures	33,524	311	33,835
Other Financing Sources (Uses)			
Lease Proceeds	71,500		71,500
Total Other Financing Sources (Uses)	71,500	-	71,500
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	105,024	311	105,335
Fund Balance - January 1	438,355	20,654	459,009
Fund Balance - December 31	543,379	20,965	564,344

(Continued)

The notes to financial statements are an integral part of this statement.

TOWN OF MONTVILLE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit D
Page 2 of 2

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds	105,335
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	94,000
Depreciation expense	<u>(308,004)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Change in unavailable property taxes	(62,802)
Change in unavailable local road assistance	<u>(1,168)</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:	
General obligation loan proceeds	(71,500)
General obligation loan principal payments	<u>14,891</u>
Change in net position of governmental activities	<u><u>(229,248)</u></u>

The notes to financial statements are an integral part of this statement.

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Montville have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

The Town of Montville operates under a Board of Selectmen form of government. The Town's major operations include public works, public safety, health and sanitation, and general administrative services.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. Fiduciary activities, whose resources are not available to finance the Town's programs, are excluded from the government-wide statements. The material effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and various intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Functional expenses may also include an element of indirect cost, designed to recover administrative (overhead) costs. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when transactions occurred and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Agency funds, reporting only assets and liabilities, have no measurement focus but use the accrual basis of accounting.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including interest on long-term debt, as well as expenditure related to compensated absences and claims and judgments are recorded only when payment is due.

**TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property taxes, sales taxes, interdepartmental charges and intergovernmental revenues are considered susceptible to accrual. Special assessments are recorded as revenues in the year the assessment become current. Annual installments not yet due are reflected as special assessment receivables and unavailable revenues. Other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The general fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenue include 1) charges to customers or applicants for goods, services, fines and forfeitures, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Position or Fund Balance

1. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. These investments are not specifically identified with any one fund. Interest is allocated to the individual funds on the basis of average cash balances.

The Town may invest in certificates of deposit, in time deposits, and in any securities in which the state investment officer is authorized to invest pursuant to the Maine Statute 5705 Title 30-A and as provided in the authorized investment guidelines of the Maine Statutes 5711 through 5719 in effect on the date the investment is made.

2. Receivables and Payables

Transactions between funds that result in outstanding balances are reported as due to/from other funds.

Property taxes receivable not expected to be collected within 60 days from year-end are classified as unavailable revenue. At December 31, \$234,126 has been so classified and reported on the general fund balance sheet.

Property taxes were levied on July 20 on property values assessed on April 1. Taxes were due on August 1 and November 1, with interest at 3.5% beginning 60 days after each installment due date. Tax liens are placed on real property within 12 months following the tax commitment date if taxes remain delinquent. Liens were placed on

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Balance (Continued)

2. Receivables and Payables (Continued)

the 2019 fiscal year levy on May 22, 2020. The Town has the authority to foreclose on property eighteen months after the filing of the liens if the lien amount and associated costs remain unpaid.

Certain grants received from other governments require that eligible expenditures be made in order to earn the grant. Revenue for these grants is recorded for the period in which eligible expenditures are made.

3. Inventories

Inventories are valued at cost using the first in, first out method.

4. Capital Assets

Capital assets, which property, plant, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Infrastructure	10-40
Equipment	15-25

5. Compensated Absences

In the fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave in the government-wide financial statements is recorded as an expense and liability of the fund as the benefits accrue to employees. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulated right to receive sick pay benefits.

6. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Balance (continued)

7. Deferred Inflows/Outflows of Resources

In addition to assets and liabilities, the statement of net position and the governmental fund balance sheet will report a separate section for deferred outflows and/or inflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period(s) and therefore will not be recognized as an expense/expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future period(s) and therefore will not be recognized as revenue until that time.

8. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources.

Under State Law, no municipality can incur debt, which would cause its total outstanding debt, exclusive of debt incurred for school, storm or sanitary sewer, energy facilities, or municipal airports, to exceed 7.50% of its last full state valuation. A municipality may incur debt for schools not exceeding 10%, storm or sanitary sewers 7.50%, and municipal airports, water districts and special purpose districts 3% of its last full state valuation. In no event can the total debt exceed 15% of its last full valuation. Full state valuation is the valuation of taxable property as certified by the State Tax Assessor, adjusted to 100%.

At December 31, the Town of Montville is in compliance with the above requirements.

9. Fund Balances/Net Position

Fund Balances

In accordance with Government Accounting Standards Board 54, fund balance reporting and governmental fund type definitions, the Town classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through town meeting voting and does not lapse at year-end.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Town Board of Selectmen.

Unassigned – includes positive fund balance within the general fund which has not been classified within the above-mentioned categories and negative fund balance in other governmental funds.

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Balance (continued)

9. Fund Balances/Net Position (continued)

The Town considers restricted, committed, assigned, and unassigned amounts to be spent in that order when expenditures for which any of those amounts are available.

The Town does not have a formal minimum fund balance policy.

Fund Balances

The Town has identified December 31, 2020 fund balances on the balance sheet as follows:

	<i>General</i>	<i>Other Governmental</i>	
	<i>Fund</i>	<i>Funds</i>	<i>Total</i>
<u>Non-Spendable</u>			
Mt. Repose Principal		14,858	14,858
Cemetery Principal		3,000	3,000
	-	17,858	17,858
<u>Restricted</u>			
Municipal Revenue Sharing	34,009		34,009
Nash Lot	6,913		6,913
	40,922	-	40,922
<u>Committed</u>			
Fire Department Equipment Reserve	54,780		54,780
Fire Department Matching Grants	3,634		3,634
Records Restoration	1,905		1,905
Grader Reserve	5,000		5,000
	65,319	-	65,319
<u>Assigned</u>			
Mt. Repose		1,852	1,852
Cemetery		1,255	1,255
	-	3,107	3,107
<u>Unassigned</u>			
General Fund	437,138		437,138
<u>Total Fund Balance</u>	543,379	20,965	564,344

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

9. Fund Balances/Net Position (continued)

Net Position

Net position is required to be classified into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted – This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern the Town’s operations. At its annual meeting, the Town adopts a budget for the current year for the General Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Management may transfer appropriations between operating categories as they deem necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at fiscal year end to the extent that they have not been encumbered.

State statutes require balanced budgets, but provide for the use of beginning unreserved fund balance to achieve that end. In 2020, \$94,164 of the beginning General Fund fund balance was applied for this purpose.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments are carried forward to supplement appropriations of the subsequent year.

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government’s deposits may not be returned to it. The Town does not currently have a deposit/investment policy.

State Statute 5706 requires banks to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the Town Treasurer in the amount of the Town’s deposits. The Statutes allow pledged securities to be reduced by the amount of Federal Deposit Insurance Corporation (FDIC).

The financial institutions holding the Town’s cash accounts are participating in the FDIC Program. For time and savings deposit accounts, the Town's savings accounts, including certificates of deposit, are insured up to \$250,000 by the FDIC. Separately, for demand deposit accounts, the Town's cash accounts, including checking and money market accounts are insured up to \$250,000 by the FDIC. Any cash deposits or certificates of deposit in excess of the \$250,000 FDIC limits are covered by collateral held in a Federal Reserve pledge account or by an agent for the Town and thus no custodial risk exists.

At year-end, the government’s carrying amount of deposits was \$466,188 and the bank balance was \$476,373, all of which was insured/collateralized.

Investment Policy

The Town does not currently have an investment policy.

Summary of Deposits and Investment Balances

Following is a reconciliation of the Town’s deposit balances as of December 31, 2020:

Deposits and Cash on Hand (including invested repurchase agreement)	<u>\$ 466,188</u>	
	Government-wide Statement of Net Position	Totals
Cash and Cash Equivalents	<u>\$ 466,188</u>	<u>\$ 466,188</u>
	<u>\$ 466,188</u>	<u>\$ 466,188</u>

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

B. Property Taxes

Property taxes were levied for the fiscal year as follows:

Assessed Value	69,488,052
Tax Rate (per \$1,000)	<u>20.90</u>
Commitment	<u><u>1,452,300</u></u>
Appropriations	1,895,575
Variance in Municipal Appropriations	4,950
Less:	
State Municipal Revenue Sharing	90,000
Estimated Revenues	268,141
Variance in Other Revenues	(2,850)
Homestead Reimbursement	<u>92,934</u>
	<u><u>448,225</u></u>
Net Assessment for Commitment	<u><u>1,452,300</u></u>

Uncollected taxes at December 31 for the current year commitment totaled \$257,110, prior year uncollected taxes totaled \$3,830. Unpaid liens at December 31 totaled \$60,305.

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<i>Governmental Activities;</i>				
<i>Capital assets not depreciated:</i>				
Land	53,800			53,800
<i>Capital assets being depreciated</i>				
Buildings	427,792			427,792
Equipment	233,641	81,500		315,141
Infrastructure	9,990,851	12,500		10,003,351
<i>Total capital assets being depreciated</i>	10,652,284	94,000	-	10,746,284
<i>Less accumulated depreciation for:</i>				
Buildings	248,261	11,717		259,978
Equipment	169,641	10,131		179,772
Infrastructure	4,938,318	286,156		5,224,474
<i>Total accumulated depreciation</i>	5,356,220	308,004	-	5,664,224
<i>Net capital assets being depreciated</i>	5,296,064	(214,004)	-	5,082,060
<i>Governmental Activities Capital Assets, net</i>	<u>5,349,864</u>	<u>(214,004)</u>	<u>-</u>	<u>5,135,860</u>

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

<u>Governmental Activities</u>	
General Government	5,775
Public Safety	2,568
Public Works, including depreciation of general infrastructure assets	<u>299,661</u>
Total Depreciation Expense - Governmental Activities	<u><u>308,004</u></u>

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-Term Debt

Overlapping Debt

The Town's proportionate share of debt of all local government units which provide services within the Town's boundaries, and which must be borne by properties in the Town is summarized as follows:

<i>Units</i>	<i>Net debt outstanding December 31, 2020</i>	<i>Percentage applicable to the Town</i>	<i>Town's proportionate share of debt</i>
Regional School Unit No. 3	\$ 6,877,424	9.68%	\$ 665,762
Waldo County	\$ -	0.00%	\$ -
Totals	<u>\$ 6,877,424</u>		<u>\$ 665,762</u>

The Town's proportionate share of the above debt is paid through annual assessments by the receptive units. The school's outstanding debt does not include the state portion of debt which amounts to \$10,695,252.

E. Permanent Funds

The principal amount of all Nonexpendable Permanent Funds is restricted either by law or by terms of individual bequests in that only income earned may be expended. The government's Principal and Income Permanent Funds at December 31 are detailed as follows:

<i>Purpose</i>	<i>Principal</i>	<i>Income</i>
General Cemetery Care	3,000	1,255
Mt. Repose Cemetery	<u>14,858</u>	<u>1,852</u>
	<u>17,858</u>	<u>3,107</u>

TOWN OF MONTVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 - OTHER INFORMATION

A. Commitments/Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amount, if any to be immaterial.

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

TOWN OF MONTVILLE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - UNASSIGNED FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit E

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues				
Taxes	1,591,500	1,591,500	1,725,059	133,559
Intergovernmental Revenues	190,939	190,939	189,823	(1,116)
Other Local Sources	17,683	17,683	33,607	15,924
Total Revenues	1,800,122	1,800,122	1,948,489	148,367
Expenditures (Net of Departmental Revenues)				
General Government	161,303	161,303	156,373	4,930
Public Safety	128,280	128,280	124,831	3,449
Health and Sanitation	91,259	91,259	87,813	3,446
Public Works	594,439	594,439	610,153	(15,714)
Cemeteries	7,850	7,850	4,232	3,618
Social Services	10,811	10,811	6,042	4,769
Culture and Recreation	5,600	5,600	3,500	2,100
Assessments	1,056,244	1,056,244	1,030,731	25,513
Total Expenditures	2,055,786	2,055,786	2,023,675	32,111
Excess Revenues Over Expenditures	(255,664)	(255,664)	(75,186)	180,478
Other Financing Sources				
Transfers In	161,500	161,500	161,500	-
Total Other Financing Sources	161,500	161,500	161,500	-
Net Change in Fund Balance	(94,164)	(94,164)	86,314	180,478
Beginning Fund Balances - Unassigned			350,824	
Ending Fund Balances - Unassigned			437,138	

TOWN OF MONTVILLE
GENERAL FUND
STATEMENT OF ESTIMATED AND ACTUAL REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit A-1

<i>Revenues</i>	<i>Estimated</i>	<i>Actual</i>	<i>Over (Under) Budget</i>
Taxes			
Property	1,444,500	1,527,171	82,671
Interest on Taxes/Lien Costs		9,467	9,467
Auto/RV Excise	147,000	188,421	41,421
	<u>1,591,500</u>	<u>1,725,059</u>	<u>133,559</u>
Intergovernmental			
Local Road Assistance Funds	44,776	43,488	(1,288)
Homestead Exemption	92,934	91,416	(1,518)
General Assistance		197	197
Keep ME Healthy Grant	44,956	44,956	-
Veterans Reimbursement	1,380	1,383	3
Tree Growth Reimbursement	6,893	8,383	1,490
	<u>190,939</u>	<u>189,823</u>	<u>(1,116)</u>
Local Sources			
Clerk Fees	383	7,306	6,923
Permits and Fees		152	152
Animal Control Fees		438	438
Garbage Stickers	12,000	16,771	4,771
MRC Dividend		261	261
Investment Interest		181	181
Election COVID-19 Grant	5,300	5,300	-
Sale of Tax Acquired Property		1,086	1,086
All Other		2,112	2,112
	<u>17,683</u>	<u>33,607</u>	<u>15,924</u>
Other Financing Sources (Uses)			
Lease Proceeds	71,500	71,500	-
Transfers In	90,000	90,000	-
	<u>161,500</u>	<u>161,500</u>	<u>-</u>
Total Revenues and Transfers	1,961,622	<u>2,109,989</u>	<u>148,367</u>
Fund Balance Used to Reduce Taxes	<u>94,164</u>		
Total Revenues and Use of Fund Balance	<u>2,055,786</u>		

TOWN OF MONTVILLE
GENERAL FUND
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit A-2
Page 1 of 2

	<i>Encumbered</i>	<i>Town</i>			<i>Balances</i>	
	<i>January 1</i>	<i>Appropriation</i>	<i>Expenditures</i>	<i>Transfers</i>	<i>Lapsed</i>	<i>(Over) Under</i>
					<i>December 31</i>	<i>Encumbered</i>
General Government						
Administration:						
Town General Government		38,610	33,567		5,043	
Town Officials		30,750	22,651		8,099	
Town Administration Assistant		15,000	15,337		(337)	
Town Administration Insurance		23,800	21,472		2,328	
Sub-Total General Administrative Operating and Wages		108,160	93,027	-	15,133	
Elected Officials - Town Clerk		15,000	15,000		-	
Elected Officials - Treasurer/Tax Collector		17,000	17,000		-	
Elected Officials - Selectors		10,000	10,000		-	
Election Grant		5,300	4,924		376	
Elections		-	5,000		(5,000)	
Town Office		4,760	6,364		(1,604)	
Town Hall		700	175		525	
Assessing Agent		-	4,500		(4,500)	
Records Restoration	1,522	383	-			1,905
Total General Government	1,522	161,303	155,990	-	4,930	1,905
Protection and Enforcement:						
Fire Department:						
Fire Department Wages		15,000	13,895		1,105	
Fire Department Payroll Liability		1,500	930		570	
Fire Department Operations		19,650	16,281		3,369	
Fire Department Station		3,500	958		2,542	
Fire Department Equipment		6,180	9,023		(2,843)	
Fire Department Reserve	51,780	3,000	-		-	54,780
Fire Department COVID-19 Expenditures		-	1,814		(1,814)	
Fire Dept. Matching Grant	2,634	1,000	-		-	3,634
Sub-Total Fire Department	54,414	49,830	42,901	-	2,929	58,414
Emergency Management		600	411		189	
Street Lights		900	899		1	
Animal Control		2,000	1,970		30	
Code Enforcement Officer		100	-		100	
Planning Board		200	-		200	
Sub-Total Protection and Enforcement	54,414	53,630	46,181	-	3,449	58,414
Liberty Ambulance		74,650	74,650		-	
Total Public Safety	54,414	128,280	120,831	-	3,449	58,414
Health and Sanitation						
Tipping Fees		9,500	13,091		(3,591)	
Wages		13,000	7,370		5,630	
Payroll Liability		1,300	564		736	
Supplies		1,000	548		452	
Demolition Days		6,500	7,239		(739)	
Unity Recycling		11,503	10,496		1,007	
Repairs & Maintenance		500	1,635		(1,135)	
Miscellaneous		-	1,017		(1,017)	
Equipment Repairs and Maint.		3,000	897		2,103	
COVID-19 Related Costs		44,956	44,956		-	
Total Health and Sanitation	-	91,259	87,813	-	3,446	-

TOWN OF MONTVILLE
GENERAL FUND
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit A-2
Page 2 of 2

	<i>Encumbered</i>	<i>Town</i>		<i>Balances</i>	
	<i>January 1</i>	<i>Appropriation</i>	<i>Expenditures</i>	<i>Lapsed</i>	<i>Encumbered</i>
				<i>(Over) Under</i>	
			<i>Transfers</i>	<i>December 31</i>	
Public Works					
Road Maintenance		88,000	193,420	(105,420)	
Winter Roads-Snow Removal and Sanding		312,000	304,370	7,630	
Paving		90,000	707	89,293	
Equipment Repairs & Maint.		6,500	16,647	(10,147)	
Garage		6,500	3,570	2,930	
Grader Purchase		71,500	81,500	10,000	
Grader Lease		14,939	14,939	-	
Grader Reserve Fund	10,000	5,000	-	(10,000)	5,000
Sub-Total Public Works	10,000	594,439	615,153	-	(15,714)
Total Public Works	10,000	594,439	615,153	-	(15,714)
Cemeteries		7,850	4,232		3,618
Social Services					
General Assistance		5,000	281	4,719	
American Red Cross		500	500	-	
Gary Owen House		250	250	-	
Community Agencies		5,061	5,011	50	
Total Social Services		10,811	6,042	-	4,769
Culture & Recreation					
Library		2,500	2,500	-	
Field Day		1,000	-	1,000	
Liberty		1,000	1,000	-	
Knox Booster Club		200	-	200	
Recreation		900	-	900	
Total Cultural and Recreation		5,600	3,500	-	2,100
Assessment					
County Tax		159,673	159,673	-	
R.S.U. #3		859,902	859,899	3	
Abatements, Discounts, Overlay		36,669	11,159	25,510	
Total Assessments		1,056,244	1,030,731	-	25,513
	65,936	2,055,786	2,024,292	-	32,111
					65,319

**TOWN OF MONTVILLE
GENERAL FUND
STATEMENT OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Exhibit A-3

Unassigned Fund Balance, January 1		350,824
Additions		
Revenue Surplus	148,367	
Unexpended Balances of Appropriations Lapsed	<u>32,111</u>	
Budget Surplus (Deficit)		<u>180,478</u>
Deductions		
Beginning Fund Balance Used to Reduce Taxes		<u>(94,164)</u>
Unassigned Fund Balance, December 31		<u><u>437,138</u></u>

**TOWN OF MONTVILLE
GENERAL RESTRICTED FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2020**

Exhibit A-4

<i>Assets</i>	<i>Municipal Revenue Sharing</i>	<i>Nash Lot</i>	<i>Total</i>
Cash		6,913	6,913
Due From Other Funds	34,009		34,009
Total Assets	34,009	6,913	40,922
<i>Liabilities and Fund Balance</i>			
Liabilities			
Due To Other Funds			-
Total Liabilities	-	-	-
Fund Balances			
Restricted	34,009	6,913	40,922
Total Fund Balances	34,009	6,913	40,922
Total Liabilities and Fund Balances	34,009	6,913	40,922

TOWN OF MONTVILLE
GENERAL RESTRICTED FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit A-5

	<i>Municipal Revenue Sharing</i>	<i>Nash Lot</i>	<i>Total</i>
Revenues			
Intergovernmental			
State	109,299		109,299
Local Sources		28	28
Total Revenues	<u>109,299</u>	<u>28</u>	<u>109,327</u>
Expenditures			
Miscellaneous			-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>109,299</u>	<u>28</u>	<u>109,327</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(90,000)</u>		<u>(90,000)</u>
Total Other Financing Sources (Uses)	<u>(90,000)</u>		<u>(90,000)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures	19,299	28	19,327
Fund Balance - January 1	<u>14,710</u>	<u>6,885</u>	<u>21,595</u>
Fund Balance - December 31	<u><u>34,009</u></u>	<u><u>6,913</u></u>	<u><u>40,922</u></u>

**TOWN OF MONTVILLE
 COMBINING BALANCE SHEET
 ALL PERMANENT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020**

Exhibit B-1

<i>Assets</i>	<u><i>Cemetery Trust</i></u>	<u><i>Mt. Repose Cemetery</i></u>	<u><i>Total</i></u>
Cash and Equivalents	3,555	16,710	20,265
Due From Other Funds	700		700
Total Assets	<u>4,255</u>	<u>16,710</u>	<u>20,965</u>
 <i>Liabilities and Fund Balance</i>			
Liabilities			
Due To Other Funds	-	-	-
Fund Balances			
Non-Spendable	3,000	14,858	17,858
Assigned	1,255	1,852	3,107
Total Fund Balance	4,255	16,710	20,965
Total Liabilities and Fund Balance	<u>4,255</u>	<u>16,710</u>	<u>20,965</u>

TOWN OF MONTVILLE
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL PERMANENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Exhibit B-2

	<u><i>Cemetery Trust</i></u>	<u><i>Mt. Repose Cemetery</i></u>	<u><i>Total</i></u>
Revenues			
Other Local Sources	200		200
Investment Income	18	93	111
Total Revenues	<u>218</u>	<u>93</u>	<u>311</u>
Expenditures			
Maintenance			-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures	218	93	311
Fund Balance - January 1	<u>4,037</u>	<u>16,617</u>	<u>20,654</u>
Fund Balance - December 31	<u><u>4,255</u></u>	<u><u>16,710</u></u>	<u><u>20,965</u></u>