

# Audited Financial Statements

## Town of Gray, Maine

June 30, 2015



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TOWN OF GRAY, MAINE

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JUNE 30, 2015

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## INDEPENDENT AUDITORS' REPORT

Town Council  
Town of Gray  
Gray, Maine

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Gray, Maine, as of and for the year ended June 30, 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.

### Auditors' Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Gray, Maine as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 11 and 39 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 Gray, Maine's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

*R.H.R. Smith & Company*

Buxton, Maine  
January 6, 2016

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2015**

**(UNAUDITED)**

The following management's discussion and analysis of Town of Gray, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the Town's financial statements.

**Financial Statement Overview**

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

**Basic Financial Statements**

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

**Government-Wide Financial Statements**

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

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

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



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

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include administration services, council, boards & committees, public safety, library, parks & recreation, public works, education and program expenses.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Gray, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Gray are considered governmental funds.

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

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

The Town of Gray presents two columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund

balances. The Town's major governmental fund is the general fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

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

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

### **Required Supplementary Information**

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

### **Other Supplementary Information**

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

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

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activity. The Town's total net position for governmental activities increased by \$305,511 from \$14,968,677 to \$15,274,188.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased for governmental activities to a balance of \$5,917,426 at the end of this year.

**Table 1**  
**Town of Gray, Maine**  
**Net Position**  
**June 30,**

	<b>2015</b>	<b>2014</b>
<b>Assets:</b>		
Current Assets	\$ 7,269,215	\$ 7,111,028
Capital Assets	16,022,164	16,704,870
Total Assets	<u>23,291,379</u>	<u>23,815,898</u>
<b>Liabilities:</b>		
Current Liabilities	1,298,942	1,134,600
Long-term Debt Outstanding	6,547,560	7,602,384
Total Liabilities	<u>7,846,502</u>	<u>8,736,984</u>
<b>Deferred Inflows of Resources:</b>		
Prepaid Taxes	22,304	28,820
Deferred Revenue	148,385	81,417
Total Deferred Inflows of Resources	<u>170,689</u>	<u>110,237</u>
<b>Net Position:</b>		
Net Investment in Capital Assets	8,602,249	8,392,720
Restricted: Special Revenue Funds	591,763	1,479,969
Capital Projects Funds	8,623	32,822
Permanent Funds	154,127	152,647
Unrestricted	5,917,426	4,910,519
Total Net Position	<u>\$ 15,274,188</u>	<u>\$ 14,968,677</u>

### **Revenues and Expenses**

Both revenues and expenses for the Town's governmental funds were fairly consistent from the prior year with revenues increasing by \$765,031 or 4.73% primarily due to increases in taxes. Expenses decreased by \$307,491 or 1.81%. This decrease was primarily due to program expenses, capital outlay and public works.

**Table 2**  
**Town of Gray, Maine**  
**Changes in Net Position**  
**For The Years Ended June 30,**

	<u>2015</u>	<u>2014</u>
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for services	\$ 990,648	\$ 563,431
Operating grants and contributions	146,299	169,575
<i>General Revenues:</i>		
Taxes	15,142,251	14,184,569
Grants and contributions not restricted to specific programs	364,059	362,099
Interest income	67,845	73,273
Bond premium	-	212,087
Miscellaneous	229,420	610,457
Total Revenues	<u>16,940,522</u>	<u>16,175,491</u>
<b>Expenses</b>		
Administration services	1,062,353	1,185,482
Council, boards & committees	31,046	29,349
Public safety	1,142,959	1,149,137
Library/parks & recreation	333,013	325,901
Public works	2,940,115	3,068,801
Municipal finances	556,493	506,596
County assessment	556,042	533,667
Education	9,111,989	8,526,351
Insurance claims	14,181	14,380
Other grants	-	255
Community services	30,958	26,976
Program expenses	666,730	944,951
Capital outlay	-	355,699
Bond issuance costs	-	49,648
Interest on long term debt	189,132	225,309
Total Expenses	<u>16,635,011</u>	<u>16,942,502</u>
Change in Net Position	305,511	(767,011)
Net Position - July 1	<u>14,968,677</u>	<u>15,735,688</u>
Net Position - June 30	<u><u>\$ 15,274,188</u></u>	<u><u>\$ 14,968,677</u></u>

## Financial Analysis of the Town's Fund Statements

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

**Table 3**  
**Town of Gray, Maine**  
**Fund Balances - Governmental Funds**  
**June 30,**

	<b>2015</b>	<b>2014</b>
General Fund:		
Nonspendable	\$ 59,379	\$ 56,421
Committed	200,000	50,000
Assigned	-	49,004
Unassigned	3,882,725	2,657,960
Total General Fund	<u>\$ 4,142,104</u>	<u>\$ 2,813,385</u>
Nonmajor Funds:		
Special revenue funds:		
Nonspendable	\$ 7,331	\$ 5,528
Restricted	591,763	1,479,969
Committed	130,576	144,030
Assigned	251,361	269,993
Capital projects funds:		
Restricted	8,623	32,822
Committed	1,707,595	1,858,380
Assigned	146,771	-
Unassigned	(651,904)	(343,417)
Permanent funds:		
Nonspendable-principal	113,637	89,811
Restricted	40,490	62,836
Unassigned	(4,101)	(2,218)
Total Nonmajor Funds	<u>\$ 2,342,142</u>	<u>\$ 3,597,734</u>

The general fund total fund balance increased by \$1,328,719 from the prior fiscal year. The non-major fund balances decreased by \$1,255,592 from the prior fiscal year.

## Budgetary Highlights

There was no significant difference between the original and final budget for the general fund.

The general fund actual revenues exceeded budget by \$1,309,990. The transfer from other funds (Crisis Fund) of \$991,728, and the excess in excise taxes and charges for services collected of \$145,237 and \$124,360, respectively, accounted for the majority of the positive results.

The general fund actual expenditures were under budget in total by \$117,733, but when excluding overlay of \$102,097, remained under budget by \$15,636. This despite cost overruns in public safety, public works, municipal finances, and community services.

## Capital Asset and Debt Administration

### Capital Assets

As of June 30, 2015, the net book value of capital assets recorded by the Town decreased by \$682,706 from the prior year. This decrease is the result of capital additions of \$646,888 less current year depreciation expense of \$1,329,594.

**Table 4**  
**Town of Gray, Maine**  
**Capital Assets (Net of Depreciation)**  
**June 30,**

	<b>2015</b>	<b>2014</b>
Land and Non-Depreciable Assets	\$ 2,560,323	\$ 2,477,778
Buildings and Improvements	5,729,984	6,076,042
Furniture and Equipment	519,163	551,896
Vehicles	1,880,771	2,230,638
Infrastructure	5,331,923	5,368,516
Total	<u>\$ 16,022,164</u>	<u>\$ 16,704,870</u>

### Debt

At June 30, 2015, the Town had \$6,780,000 in bonds outstanding versus \$7,360,000 in the prior year. Other obligations include capital leases payable and accrued sick and vacation time. Refer to Note 5 of Notes to Financial Statements for detailed information.

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

To further promote and ensure the financial well-being and fiscal stability of the Town, the Gray Town Council adopted an Unassigned General Fund Balance Policy in February of 2004. The Town's management established the policy as a guideline to ensure the well-being of the Town's financial administration in a manner that assists in providing for a positive cash flow, reducing short-term borrowing costs and meeting the Town's long-term capital investment objectives while ensuring that year-to-year fluctuations do not allow accumulation of an excessive unassigned fund balance. The policy also includes a provision for the suggested utilization of excess funds on future capital improvements and/or distribution to various reserve accounts. The Town's management designed the policy around maintaining a level of funding in Unassigned General Fund Balance that assures the fiscal integrity of the Town into the near future. In addition, the policy will provide direction to the Town Manager during annual budget preparation.

The policy requires that the Town Treasurer maintain the Unassigned General Fund Balance (as determined in accordance with applicable government accounting standards) at a level not less than two twelfths (or  $1/6$ ) and up to three twelfths (or  $1/4$ ) of the Town's net assessment for commitment, excluding any and all TIF plan amount assessment. Utilization of the Unassigned General Fund Balance is restricted and may in no circumstance be appropriated to below the two twelfths (or  $1/6$ ) level as described above without the favorable vote of a Town Meeting. Such a resolution for utilization shall also contain a plan to restore the Unassigned General Fund Balance to the level detailed above within a five (5) year period should such utilization cause the Unassigned General Fund Balance to fall below the level detailed above. The Town maintained balances in excess of the required minimum level for the fiscal year ended 2015.

At any time during any budget year the Town Council may, after notice, call a special Town Meeting for the purpose of making appropriation(s) from Unassigned General Fund Balance in excess of the two twelfths (or  $1/6$ ) level as described above. The proposed appropriation(s) shall meet an essential municipal need to protect the public health, safety and welfare. The needs may be caused by severe economic decline, any natural disaster or sudden event outside the control of the Town Council. Such appropriation(s) shall be adopted by a favorable vote of a special Town Meeting, with the vote specifically identifying the public necessity and containing the precise use of the appropriation(s).

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

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Office at 24 Main St., Gray, Maine 04039.

TOWN OF GRAY, MAINE  
STATEMENT OF NET POSITION  
JUNE 30, 2015

	Governmental Activities
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 6,358,992
Accounts receivable (net of allowance for uncollectibles)	
Taxes	85,318
Liens	367,130
Other	81,349
Due from other governments	84,881
Prepaid expenses	279,928
Inventory	11,617
Total current assets	<u>7,269,215</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	2,560,323
Buildings and equipment, net of accumulated depreciation	13,461,841
Total noncurrent assets	<u>16,022,164</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 23,291,379</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 141,487
Accrued payroll	93,226
Current portion of long-term obligations	1,064,229
Total current liabilities	<u>1,298,942</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	6,225,000
Capital leases payable	322,560
Total noncurrent liabilities	<u>6,547,560</u>
<b>TOTAL LIABILITIES</b>	<u>7,846,502</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Prepaid taxes	22,304
Deferred revenue	148,385
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>170,689</u>
<b>NET POSITION</b>	
Net investment in capital assets	8,602,249
Restricted: Special revenue funds	591,763
Capital projects funds	8,623
Permanent funds	154,127
Unrestricted	5,917,426
<b>TOTAL NET POSITION</b>	<u>15,274,188</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 23,291,379</u></u>

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



## TOWN OF GRAY, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Total Governmental Activities
Governmental activities:					
Administration services	\$ 1,062,353	\$ 123,467	\$ 11,471	\$ -	\$ (927,415)
Council, boards & committees	31,046	19,143	-	-	(11,903)
Public safety	1,142,959	333,864	-	-	(809,095)
Library/parks & recreation	333,013	13,247	-	-	(319,766)
Public works	2,940,115	126,789	134,828	-	(2,678,498)
Municipal finances	556,493	-	-	-	(556,493)
County assessment	556,042	-	-	-	(556,042)
Education	9,111,989	-	-	-	(9,111,989)
Insurance claims	14,181	-	-	-	(14,181)
Community services	30,958	-	-	-	(30,958)
Program expenses	666,730	374,138	-	-	(292,592)
Interest on long term debt	189,132	-	-	-	(189,132)
Total governmental	<u>\$ 16,635,011</u>	<u>\$ 990,648</u>	<u>\$ 146,299</u>	<u>\$ -</u>	<u>(15,498,064)</u>

STATEMENT B (CONTINUED)  
TOWN OF GRAY, MAINE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>(15,498,064)</u>
General revenues:	
Taxes:	
Property taxes, levied for general purposes	13,669,264
Excise taxes	1,472,987
Grants and contributions not restricted to specific programs	364,059
Interest income	67,845
Miscellaneous	229,420
Total general revenues	<u>15,803,575</u>
Change in net position	305,511
NET POSITION - JULY 1	<u>14,968,677</u>
NET POSITION - JUNE 30	<u><u>\$ 15,274,188</u></u>

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

## STATEMENT C

## TOWN OF GRAY, MAINE

BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2015

	General Fund	Other Governmental Funds	Totals Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,322,309	\$ 36,683	\$ 6,358,992
Accounts receivable (net of allowance for uncollectibles):			
Taxes	85,318	-	85,318
Liens	367,130	-	367,130
Other	81,349	-	81,349
Due from other governments	84,881	-	84,881
Prepaid expenses	47,762	232,166	279,928
Inventory	11,617	-	11,617
Due from other funds	550,702	2,786,031	3,336,733
<b>TOTAL ASSETS</b>	<u>\$ 7,551,068</u>	<u>\$ 3,054,880</u>	<u>\$ 10,605,948</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 135,015	\$ 6,472	\$ 141,487
Accrued payroll	86,047	7,179	93,226
Due to other funds	2,786,031	550,702	3,336,733
<b>TOTAL LIABILITIES</b>	<u>3,007,093</u>	<u>564,353</u>	<u>3,571,446</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes	22,304	-	22,304
Deferred revenue	-	148,385	148,385
Deferred property tax	379,567	-	379,567
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>401,871</u>	<u>148,385</u>	<u>550,256</u>
<b>FUND BALANCES</b>			
Nonspendable	59,379	120,968	180,347
Restricted	-	640,876	640,876
Committed	200,000	1,838,171	2,038,171
Assigned	-	398,132	398,132
Unassigned	3,882,725	(656,005)	3,226,720
<b>TOTAL FUND BALANCES</b>	<u>4,142,104</u>	<u>2,342,142</u>	<u>6,484,246</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 7,551,068</u>	<u>\$ 3,054,880</u>	<u>\$ 10,605,948</u>

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

## TOWN OF GRAY, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2015

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 6,484,246
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	16,022,164
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	379,567
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(6,780,000)
Capital leases payable	(639,915)
Accrued compensated absences	<u>(191,874)</u>
Net position of governmental activities	<u><u>\$ 15,274,188</u></u>

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

## TOWN OF GRAY, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes:			
Property	\$ 13,637,004	\$ -	\$ 13,637,004
Excise	1,472,987	-	1,472,987
Intergovernmental	510,358	-	510,358
Interest income	65,349	2,496	67,845
Charges for services	616,510	374,138	990,648
Miscellaneous	172,432	56,988	229,420
TOTAL REVENUES	<u>16,474,640</u>	<u>433,622</u>	<u>16,908,262</u>
EXPENDITURES			
Current:			
Administration services	888,604	-	888,604
Council, boards & committees	31,046	-	31,046
Public safety	954,117	-	954,117
Library/parks & recreation	306,385	-	306,385
Public works	1,990,335	-	1,990,335
Municipal finances	556,493	-	556,493
County assessment	556,042	-	556,042
Education	9,111,989	-	9,111,989
Insurance claims	14,181	-	14,181
Community services	30,958	-	30,958
Program expenses	-	687,197	687,197
Debt service:			
Principal	-	892,235	892,235
Interest	-	189,132	189,132
Capital outlay	13,370	613,051	626,421
TOTAL EXPENDITURES	<u>14,453,520</u>	<u>2,381,615</u>	<u>16,835,135</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,021,120</u>	<u>(1,947,993)</u>	<u>73,127</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	991,728	1,684,129	2,675,857
Transfers (out)	(1,684,129)	(991,728)	(2,675,857)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(692,401)</u>	<u>692,401</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,328,719	(1,255,592)	73,127
FUND BALANCES - JULY 1	<u>2,813,385</u>	<u>3,597,734</u>	<u>6,411,119</u>
FUND BALANCES - JUNE 30	<u>\$ 4,142,104</u>	<u>\$ 2,342,142</u>	<u>\$ 6,484,246</u>

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

## TOWN OF GRAY, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 73,127</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to be allocated those expenditures over the life of the assets:	
Capital asset purchases capitalized	646,888
Capital asset disposed	-
Depreciation expense	<u>(1,329,594)</u>
	<u>(682,706)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Taxes and liens receivable	<u>32,260</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Net Position	<u>892,235</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	<u>(9,405)</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 305,511</u></u>

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

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Reporting Entity***

The Town of Gray was incorporated under the laws of the State of Maine. The Town operates under the council-manager form of government and provides the following services: general government services, public safety, public works, education, and recreation and culture.

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

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

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

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

Both the government-wide and fund financial statements categorize primary activities as governmental.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (general government, public safety, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

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

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

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

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

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

The following fund types are used by the Town:

1. Governmental Funds:

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

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



TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Basis of Accounting**

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

1. Accrual

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

2. Modified Accrual

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

**Budget**

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

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

**Deposits and Investments**

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

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

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

The Town of Gray has a formal investment policy.

**Prepaid Items**

Certain insurance and other payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Inventories**

Inventories consist of expendable supplies held for consumption and are valued at cost determined using the last-in, first-out (LIFO) method. Under the consumption

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

method, the costs of inventory items are recognized as expenditures when used. In the general fund, inventory consists of diesel fuel and gasoline.

**Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

**Transactions Between Funds**

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

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated to be \$10,000 as of June 30, 2015. The full amount of the allowance was for uncollectible rescue fees and personal property taxes.

**Capital Assets**

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

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

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

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

**Long-term Obligations**

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

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

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

**Compensated Absences**

The Town's policies regarding vacation and sick time permits employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2015, the Town's liability for compensated absences is \$191,874.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

outflow of resources (expense/expenditure) until then. The Town currently has no deferred outflows of resources.

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

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

The Town's property tax for the current year was levied August 13, 2014 on the assessed value listed as of April 1, 2014, for all real and personal property located in the Town. Taxes were due in two installments on October 1, 2014 and April 1, 2015. Interest on unpaid taxes commenced on October 2, 2014 and April 2, 2015, at 7% per annum.

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

The property tax collection rate was 97.1% and 96.7% for the years ended June 30, 2015 and 2014, respectively.

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.

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 \$102,097 for the year ended June 30, 2015.

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Program Revenues**

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

**Encumbrance Accounting**

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

**Use of Estimates**

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

**Net Position**

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Fund Balance**

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

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

NOTE 2 – DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the Town consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

**Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2015, the Town's cash balances amounting to \$6,358,992 were comprised of deposits of \$6,585,335. All of these bank deposits were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 34,620
Sweep accounts	2,558,454
ICS savings accounts	3,992,261
	<u>\$ 6,585,335</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments; however, the Town seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and broker/dealers.

At June 30, 2015, the Town had no investments.

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

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



TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2015 consisted of the following individual fund receivables and payables:

	Receivables (Due From)	Payables (Due To)
Major funds:		
General fund	\$ 550,702	\$ 2,786,031
Non-major funds:		
Special revenue funds	1,087,045	-
Capital projects funds	1,585,118	550,702
Permanent funds	113,868	-
	<u>\$ 3,336,733</u>	<u>\$ 3,336,733</u>

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at June 30, 2015:

	Balance 7/1/14	Additions	Disposals	Balance 6/30/15
Non-depreciated assets:				
Land	\$ 124,803	\$ -	\$ -	\$ 124,803
Construction in progress	2,352,975	82,545	-	2,435,520
	<u>2,477,778</u>	<u>82,545</u>	<u>-</u>	<u>2,560,323</u>
Depreciated assets:				
Buildings & improvements	8,576,355	34,839	-	8,611,194
Furniture & equipment	2,267,848	68,430	-	2,336,278
Vehicles	7,109,231	-	(204,000)	6,905,231
Infrastructure	11,487,145	461,074	-	11,948,219
	<u>29,440,579</u>	<u>564,343</u>	<u>(204,000)</u>	<u>29,800,922</u>
Less accumulated depreciation:				
Buildings & improvements	(2,500,313)	(380,897)	-	(2,881,210)
Furniture & equipment	(1,715,952)	(101,163)	-	(1,817,115)
Vehicles	(4,878,593)	(349,867)	204,000	(5,024,460)
Infrastructure	(6,118,629)	(497,667)	-	(6,616,296)
	<u>(15,213,487)</u>	<u>(1,329,594)</u>	<u>204,000</u>	<u>(16,339,081)</u>
Net depreciated assets	<u>14,227,092</u>	<u>(765,251)</u>	<u>-</u>	<u>13,461,841</u>
Net capital assets	<u>\$ 16,704,870</u>	<u>\$ (682,706)</u>	<u>\$ -</u>	<u>\$ 16,022,164</u>
<u>Current year depreciation:</u>				
General Government				\$ 164,110
Pennell				234
Library				9,383
Parks & Recreation				17,245
Public Safety				188,842
Public Works				906,728
Buildings & Grounds				20,501
Solid Waste				<u>22,551</u>
Total depreciation expense				<u>\$ 1,329,594</u>

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2015:

	Balance 7/1/14	Additions	Deletions	Balance 6/30/15	Current Year Portion
Bonds payable	\$ 7,360,000	\$ -	\$ (580,000)	\$ 6,780,000	\$ 555,000
Capital leases payable	952,150	-	(312,235)	639,915	317,355
Accrued compensated absences	182,469	9,405	-	191,874	191,874
Totals	<u>\$ 8,494,619</u>	<u>\$ 9,405</u>	<u>\$ (892,235)</u>	<u>\$ 7,611,789</u>	<u>\$ 1,064,229</u>

The following is a summary of outstanding bonds payable:

\$2,880,000, 2014 General Obligation Refunding Bond due in annual installments and semiannual interest installments through July of 2023. Interest is charged at a varying rate of 2.00% to 4.00% per annum. Annual principal installments vary from \$160,000 to \$335,000. \$ 2,580,000

\$5,600,000, 2009 General Obligation Bond due in annual installments and semiannual interest installments through October 2029. Interest is charged at a varying rate of 2.50% to 4.25% per annum. Annual principal installments are \$280,000. 4,200,000

Total Bonds Payable \$ 6,780,000

Principal and interest requirements to maturity are as follows:

	Principal	Interest	Total Debt Service
2016	\$ 555,000	\$ 227,700	\$ 782,700
2017	565,000	215,600	780,600
2018	565,000	202,400	767,400
2019	575,000	189,200	764,200
2020	585,000	176,000	761,000
2021-2025	2,535,000	660,000	3,195,000
2026-2030	1,400,000	228,800	1,628,800
	<u>\$ 6,780,000</u>	<u>\$ 1,899,700</u>	<u>\$ 8,679,700</u>

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 5 - LONG-TERM DEBT (CONTINUED)

All bonds and notes are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for special assessment debt. All bonds and notes are payable from taxes levied on all taxable property located within the Town. The General Fund is used to liquidate the liability for the bonds and notes.

The following is a summary of capital leases payable for the year ended June 30, 2015:

\$1,280,000, 2013 Capital Lease payable to TD Equipment Finance, Inc. for vehicles due in annual installments through October 2016. Interest is charged at a rate of 1.64% per annum. Annual payments are \$327,850.	<u>\$ 639,915</u>
Total Capital Leases Payable	<u><u>\$ 639,915</u></u>

The future annual payments for this capital lease for the years ending June 30 are as follows:

2016	\$ 327,850
2017	327,850
2018	-
2019	-
2020	<u>-</u>
Total minimum lease payment	655,700
Less amount representing interest	<u>(15,785)</u>
Present value of future minimum lease payments	<u><u>\$ 639,915</u></u>

NOTE 6 - EXPENDITURES OVER APPROPRIATIONS

At June 30, 2015, the Town had no overspent appropriations. The Town budget was approved in total by one article and the total actual expenditures did not exceed this amount.

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 7 – NONSPENDABLE FUND BALANCES

At June 30, 2015, the Town had the following nonspendable fund balances:

General fund:	
Prepaid expenses	\$ 47,762
Inventory	11,617
Nonmajor special revenue funds (Schedule E)	7,331
Nonmajor permanent funds (Schedule I)	113,637
	<u>\$ 180,347</u>

NOTE 8 – RESTRICTED FUND BALANCES

At June 30, 2015, the Town had the following restricted fund balances:

Nonmajor special revenue funds (Schedule E)	\$ 591,763
Nonmajor capital projects funds (Schedule H)	8,623
Nonmajor permanent funds (Schedule I)	40,490
	<u>\$ 640,876</u>

NOTE 9 – COMMITTED FUND BALANCES

At June 30, 2015, the Town had the following committed fund balances:

General fund:	
Use of fund balance FY 2016 budget	\$ 200,000
Nonmajor special revenue funds (Schedule E)	130,576
Nonmajor capital projects funds (Schedule H)	1,707,595
	<u>\$ 2,038,171</u>

NOTE 10 – ASSIGNED FUND BALANCES

At June 30, 2015, the Town had the following assigned fund balances:

Nonmajor special revenue funds (Schedule E)	\$ 251,361
Nonmajor capital projects funds (Schedule H)	146,771
	<u>\$ 398,132</u>

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 11 – TAX INCREMENT FINANCING DISTRICT

The Town has established two tax increment financing districts in accordance with Maine statutes to finance development programs located in the Town of Gray. The expenditures from these development programs will be recovered in future years through an incremental tax levied upon the districts' so called "captured asset value". A portion of the incremental tax revenues will be returned to the district to repay principal and interest on any indebtedness to fund the expenditures of the development program and to finance future expansion.

Northbrook Tax Increment Financing District

The Town has entered into an inducement agreement and a credit enhancement agreement with Enercon and Advance Realty whereby the Town has issued revenue obligation bonds on behalf of Advance Realty amounting to \$2,800,000. These bonds are not general obligation bonds of the Town and do not constitute a debt or obligation of the Town of Gray, Maine. The bonds will be paid solely by the revenue of the project provided by the companies. In 2015, \$119,332 of tax was captured and \$70,562 was returned to the companies. Additionally, the Town of Gray, Maine entered into an agreement with the Gray Water District to extend the waterline to the Northbrook campus. The Town's share of this project was capped at 30% or a maximum of \$200,000. The debt will be serviced by captured asset value within the district.

South Gray Tax Increment Financing District

The Town has entered into a contract with the Gray Water District where the Town will reimburse the Gray Water District 100% of the debt service on debt issued by the District to finance the costs of construction (including design and engineering) of a 16" public water line and related facilities running up to 2.4 miles from Gray Village along Route 100 toward Whitney Road. The combined principal amount of the bonds or notes issued by the Town and by the Gray Water District for such purpose shall not exceed \$1,650,000.

NOTE 12 – LANDFILL CLOSURE FUNDS

The Town of Gray closed its solid waste landfill as per State requirements in June of 1992. The Town has reserved \$125,460 for any capital repairs or improvements during the post closure period. The Town considers any liability for post closure monitoring to be immaterial and therefore has not recorded a liability in the entity-wide statements.

TOWN OF GRAY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 13 - OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At June 30, 2015, the Town's share was approximately:

	<u>Outstanding Debt</u>	<u>Percentage</u>	<u>Amount</u>
Gray Water District	\$ 2,608,810	36.55%	\$ 953,520
County of Cumberland	37,310,000	2.19%	816,341
MSAD #15	5,982,615	64.70%	3,870,752
			<u>\$ 5,640,613</u>

NOTE 14 – CONTINGENCIES

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

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

NOTE 15 – 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; and natural disasters for which the Town either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. Currently the Town participates in several public-entity and self-insured risk pools sponsored by the Maine Municipal Association.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2015. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 16 – DEFICIT FUND BALANCES

The Town had the following fund with a deficit fund balance at June 30, 2015:

Road resurfacing	<u>\$ 550,702</u>
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This deficit fund balance is offset by other nonmajor capital projects funds, which in total, have a positive fund balance.

NOTE 17 – DEFERRED COMPENSATION PLAN

INTERNATIONAL CITY MANAGERS ASSOCIATION RETIREMENT CORP.

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and maintained by International City Managers Association Retirement Corporation (ICMA). The plan, available to employees who are in certain employee groups, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

The Town will match an eligible employee's contribution to the ICMA-RC Plan at 6% and will increase the contribution to 7.5% for 10 years of service, 8% for 15 years of service, 8.5% for 20 years of service and a maximum of 9% for 25 years of service of the employee's gross wages.

NOTE 18 – JOINT VENTURES

The Town is a member of a joint venture with 45 other municipalities throughout Cumberland, Oxford and York counties. ecomaine is a solid waste management corporation that creates electricity through its processing of waste and also operates as an extensive recycling program. A joint committee, made up of the Town of Gray and 20 other member communities owns and controls the corporation. Interlocal (waste handling) agreements between ecomaine and participating communities obligate the members to deliver certain solid waste produced with the community to ecomaine for processing, and to make service payments and pay tipping fees for such processing. The Town has no explicit, measurable equity interest and therefore has not reported an asset in the financial statements in connection with its participation in ecomaine. The Town of Gray has an owner membership of 5.354% in ecomaine as of June 30, 2015 (the most current period available).

ecomaine has issued bonds to fund the design, construction and start-up of a resource recovery system. The bonds are special revenue obligations of ecomaine, payable from and secured by a pledge of ecomaine revenues. The bonds do not constitute a debt or liability within the meaning of any constitutional or statutory



TOWN OF GRAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 18 – JOINT VENTURES (CONTINUED)

provision of the State of Maine, or a pledge of the full faith and credit of a political subdivision of the State of Maine. ecomaine has no taxing power. The obligations of the participating municipalities under the Waste Handling Agreements are secured by the full faith and credit of the participating municipalities subject to certain limitations. On June 30, 2015 (the most current period available), ecomaine had no outstanding debt. Additionally, the Town's share of the projected landfill closure and post closure cost relating to ecomaine is estimated to be \$880,877.

NOTE 19 – COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

### Required Supplementary Information

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

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

## TOWN OF GRAY, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	\$ 2,813,385	\$ 2,813,385	\$ 2,813,385	\$ -
Resources (Inflows):				
Property taxes	13,666,644	13,666,644	13,637,004	(29,640)
Excise taxes	1,327,750	1,327,750	1,472,987	145,237
Intergovernmental	498,634	498,634	510,358	11,724
Charges for services	492,150	492,150	616,510	124,360
Interest income	57,200	57,200	65,349	8,149
Other revenue	114,000	114,000	172,432	58,432
Transfers from other funds	-	-	991,728	991,728
Amounts Available for Appropriation	<u>18,969,763</u>	<u>18,969,763</u>	<u>20,279,753</u>	<u>1,309,990</u>
Charges to Appropriations (Outflows):				
Administration services	970,404	970,404	888,604	81,800
Council, boards & committees	36,065	36,065	31,046	5,019
Public safety	940,269	940,269	954,117	(13,848)
Library/parks & recreation	313,864	313,864	306,385	7,479
Public works	1,968,949	1,968,949	1,990,335	(21,386)
Municipal finances	493,811	527,200	556,493	(29,293)
County assessment	556,042	556,042	556,042	-
Education	9,111,989	9,111,989	9,111,989	-
Insurance claims	-	-	14,181	(14,181)
Community services	28,718	30,708	30,958	(250)
Overlay	102,097	102,097	-	102,097
Capital outlay	-	13,625	13,370	255
Transfers to other funds	1,684,170	1,684,170	1,684,129	41
Total Charges to Appropriations	<u>16,206,378</u>	<u>16,255,382</u>	<u>16,137,649</u>	<u>117,733</u>
Budgetary Fund Balance, June 30	<u>\$ 2,763,385</u>	<u>\$ 2,714,381</u>	<u>\$ 4,142,104</u>	<u>\$ 1,427,723</u>
Utilization of unassigned fund balance	\$ 50,000	\$ 50,000	\$ -	\$ (50,000)
Utilization of assigned fund balance	-	49,004	-	(49,004)
	<u>\$ 50,000</u>	<u>\$ 99,004</u>	<u>\$ -</u>	<u>\$ (99,004)</u>

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

### Other Supplementary Information

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

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

SCHEDULE A

TOWN OF GRAY, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
BUDGET AND ACTUAL – GENERAL FUND REVENUES  
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Taxes:				
Property taxes	\$ 13,666,644	\$ 13,666,644	\$ 13,637,004	\$ (29,640)
Auto excise	1,310,000	1,310,000	1,454,387	144,387
Boat excise	17,750	17,750	18,600	850
Subtotal	14,994,394	14,994,394	15,109,991	115,597
Intergovernmental revenues:				
State revenue sharing	300,000	300,000	298,487	(1,513)
Highway block grant	147,284	147,284	134,828	(12,456)
Tree growth	20,000	20,000	21,960	1,960
Veterans' exemption	4,000	4,000	4,992	992
General assistance	25,250	25,250	11,471	(13,779)
Snowmobiles	2,100	2,100	3,039	939
FEMA/MEMA	-	-	34,224	34,224
Animal waste facility	-	-	1,357	1,357
Subtotal	498,634	498,634	510,358	11,724
Charges for services:				
Building fees	50,000	50,000	55,543	5,543
Clerk fees	36,550	36,550	37,142	592
Community development miscellaneous	1,500	1,500	1,179	(321)
Dog control	7,500	7,500	9,879	2,379
Driveway opening	100	100	1,250	1,150
Electric fees	6,500	6,500	8,826	2,326
Gravel pits	1,600	1,600	1,700	100
Junkyard fees	50	50	50	-
Land use fines	-	-	115	115
Library fines	8,000	8,000	13,247	5,247
Planning board fees	6,000	6,000	14,293	8,293
Plumbing fees	13,000	13,000	17,229	4,229
Public communications	750	750	465	(285)
Recycling	117,250	117,250	124,139	6,889
Rescue fees	240,000	240,000	323,985	83,985
Salt service	-	-	450	450
Shoreland application fees	1,000	1,000	3,150	2,150
Shoreland fines	-	-	150	150
Tree removal	1,750	1,750	2,200	450
Zoning board applications	600	600	1,518	918
Subtotal	492,150	492,150	616,510	124,360

SCHEDULE A (CONTINUED)

TOWN OF GRAY, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
BUDGET AND ACTUAL – GENERAL FUND REVENUES  
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Interest income:				
Interest income	5,200	5,200	12,224	7,024
Tax interest	52,000	52,000	53,125	1,125
Subtotal	<u>57,200</u>	<u>57,200</u>	<u>65,349</u>	<u>8,149</u>
Miscellaneous revenues:				
Cable franchise fees	93,000	93,000	88,693	(4,307)
Stimson Hall Rental	9,000	9,000	1,500	(7,500)
Insurance claims	-	-	14,181	14,181
Other miscellaneous	12,000	12,000	68,058	56,058
Subtotal	<u>114,000</u>	<u>114,000</u>	<u>172,432</u>	<u>58,432</u>
Transfers from other funds	<u>-</u>	<u>-</u>	<u>991,728</u>	<u>991,728</u>
Amounts Available for Appropriation	<u><u>\$ 16,156,378</u></u>	<u><u>\$ 16,156,378</u></u>	<u><u>\$ 17,466,368</u></u>	<u><u>\$ 1,309,990</u></u>

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

## TOWN OF GRAY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
ADMINISTRATION SERVICES:					
Administration	\$ 444,509	\$ -	\$ 444,509	\$ 450,650	\$ (6,141)
Community development	203,283	-	203,283	136,488	66,795
Assessing	98,571	-	98,571	95,024	3,547
Code enforcement	88,694	-	88,694	104,389	(15,695)
General assistance	56,097	-	56,097	27,244	28,853
Public communications	68,778	-	68,778	67,185	1,593
Elections	10,472	-	10,472	7,624	2,848
Totals	970,404	-	970,404	888,604	81,800
COUNCIL, BOARDS & COMMITTEES:					
Council	26,565	-	26,565	26,283	282
Zoning Board of Appeals	1,450	-	1,450	2,713	(1,263)
Planning Board	6,050	-	6,050	2,050	4,000
Economic development	2,000	-	2,000	-	2,000
Totals	36,065	-	36,065	31,046	5,019
PUBLIC SAFETY:					
County sheriff	94,872	-	94,872	93,764	1,108
Public safety services	672,733	-	672,733	686,558	(13,825)
Utilities	172,664	-	172,664	173,795	(1,131)
Totals	940,269	-	940,269	954,117	(13,848)

## TOWN OF GRAY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
LIBRARY/ PARKS & RECREATION:					
Library	285,195	-	285,195	275,506	9,689
Parks and recreation administration	28,669	-	28,669	30,879	(2,210)
Totals	313,864	-	313,864	306,385	7,479
PUBLIC WORKS:					
Winter roads	400,533	-	400,533	468,869	(68,336)
Summer roads	335,501	-	335,501	328,851	6,650
Additional roadwork	108,594	-	108,594	110,475	(1,881)
Garage	306,471	-	306,471	274,328	32,143
Recycling	573,940	-	573,940	564,379	9,561
Buildings and grounds	243,910	-	243,910	243,433	477
Totals	1,968,949	-	1,968,949	1,990,335	(21,386)
MUNICIPAL FINANCES:					
General insurance	493,811	33,389	527,200	556,493	(29,293)
Totals	493,811	33,389	527,200	556,493	(29,293)
COUNTY ASSESSMENT	556,042	-	556,042	556,042	-
EDUCATION	9,111,989	-	9,111,989	9,111,989	-
INSURANCE CLAIMS	-	-	-	14,181	(14,181)



## SCHEDULE B (CONTINUED)

## TOWN OF GRAY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
CAPITAL OUTLAY:					
Study match	-	13,625	13,625	13,370	255
Totals	-	13,625	13,625	13,370	255
COMMUNITY SERVICES	28,718	1,990	30,708	30,958	(250)
OVERLAY	102,097	-	102,097	-	102,097
TRANSFERS TO OTHER FUNDS:					
Northbrook TIF	119,373	-	119,373	119,332	41
South Gray TIF	234,797	-	234,797	234,797	-
Recreation fund	30,000	-	30,000	30,000	-
Capital reserves	1,300,000	-	1,300,000	1,300,000	-
Totals	1,684,170	-	1,684,170	1,684,129	41
TOTAL EXPENDITURES	<u>\$ 16,206,378</u>	<u>\$ 49,004</u>	<u>\$ 16,255,382</u>	<u>\$ 16,137,649</u>	<u>\$ 117,733</u>

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

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 525	\$ -	\$ 36,158	\$ 36,683
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-
Prepaid expenses	2,166	230,000	-	232,166
Due from other funds	1,087,045	1,585,118	113,868	2,786,031
<b>TOTAL ASSETS</b>	<u>\$ 1,089,736</u>	<u>\$ 1,815,118</u>	<u>\$ 150,026</u>	<u>\$ 3,054,880</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 4,157	\$ 2,315	\$ -	\$ 6,472
Accrued payroll	7,179	-	-	7,179
Due to other funds	-	550,702	-	550,702
<b>TOTAL LIABILITIES</b>	<u>11,336</u>	<u>553,017</u>	<u>-</u>	<u>564,353</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue	97,369	51,016	-	148,385
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>97,369</u>	<u>51,016</u>	<u>-</u>	<u>148,385</u>
<b>FUND BALANCES</b>				
Nonspendable	7,331	-	113,637	120,968
Restricted	591,763	8,623	40,490	640,876
Committed	130,576	1,707,595	-	1,838,171
Assigned	251,361	146,771	-	398,132
Unassigned	-	(651,904)	(4,101)	(656,005)
<b>TOTAL FUND BALANCES</b>	<u>981,031</u>	<u>1,211,085</u>	<u>150,026</u>	<u>2,342,142</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 1,089,736</u>	<u>\$ 1,815,118</u>	<u>\$ 150,026</u>	<u>\$ 3,054,880</u>

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

## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Investment income, net of unrealized gains/(losses)	\$ 395	\$ 1,886	\$ 215	\$ 2,496
Charges for services	374,138	-	-	374,138
Other income	34,558	22,430	-	56,988
TOTAL REVENUES	<u>409,091</u>	<u>24,316</u>	<u>215</u>	<u>433,622</u>
EXPENDITURES				
Debt service:				
Principal	-	892,235	-	892,235
Interest	-	189,132	-	189,132
Capital outlay	33,402	579,649	-	613,051
Other	686,579	-	618	687,197
EXPENDITURES	<u>719,981</u>	<u>1,661,016</u>	<u>618</u>	<u>2,381,615</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(310,890)</u>	<u>(1,636,700)</u>	<u>(403)</u>	<u>(1,947,993)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	384,129	1,300,000	-	1,684,129
Transfers (out)	<u>(991,728)</u>	<u>-</u>	<u>-</u>	<u>(991,728)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(607,599)</u>	<u>1,300,000</u>	<u>-</u>	<u>692,401</u>
NET CHANGE IN FUND BALANCES	(918,489)	(336,700)	(403)	(1,255,592)
FUND BALANCES - JULY 1	<u>1,899,520</u>	<u>1,547,785</u>	<u>150,429</u>	<u>3,597,734</u>
FUND BALANCES - JUNE 30	<u>\$ 981,031</u>	<u>\$ 1,211,085</u>	<u>\$ 150,026</u>	<u>\$ 2,342,142</u>

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

## Special Revenue Funds

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

## SCHEDULE E

## TOWN OF GRAY, MAINE

## COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2015

	Northbrook TIF	South Gray TIF	Recreation Fund	Crisis Fund	Dry Mills Schoolhouse	Rescue Kilby Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 525	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Prepaid expenses	-	-	2,166	-	-	-
Due from other funds	189,439	259,019	172,413	-	5,711	4,854
TOTAL ASSETS	<u>\$ 189,439</u>	<u>\$ 259,019</u>	<u>\$ 175,104</u>	<u>\$ -</u>	<u>\$ 5,711</u>	<u>\$ 4,854</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 3,330	\$ -	\$ -	\$ -
Accrued payroll	-	-	7,179	-	-	-
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>10,509</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	97,369	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>97,369</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	2,166	-	-	-
Restricted	189,439	228,281	-	-	-	4,854
Committed	-	-	-	-	5,711	-
Assigned	-	30,738	65,060	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>189,439</u>	<u>259,019</u>	<u>67,226</u>	<u>-</u>	<u>5,711</u>	<u>4,854</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 189,439</u>	<u>\$ 259,019</u>	<u>\$ 175,104</u>	<u>\$ -</u>	<u>\$ 5,711</u>	<u>\$ 4,854</u>

## SCHEDULE E (CONTINUED)

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015

	Penn Cable	Gray Employee Safety & Wellness	Subdivision Recreation Fund	Library Reserve	Landfill Closure	Water Quality
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Due from other funds	525	390	20,165	3,431	125,460	6,151
<b>TOTAL ASSETS</b>	<b>\$ 525</b>	<b>\$ 390</b>	<b>\$ 20,165</b>	<b>\$ 3,431</b>	<b>\$ 125,460</b>	<b>\$ 6,151</b>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
FUND BALANCES						
Nonspendable	-	-	5,165	-	-	-
Restricted	525	-	-	-	-	-
Committed	-	-	-	3,431	-	-
Assigned	-	390	15,000	-	125,460	6,151
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>525</b>	<b>390</b>	<b>20,165</b>	<b>3,431</b>	<b>125,460</b>	<b>6,151</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 525</b>	<b>\$ 390</b>	<b>\$ 20,165</b>	<b>\$ 3,431</b>	<b>\$ 125,460</b>	<b>\$ 6,151</b>

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015

	Pennell Town Clock	Stimson Hall	Library Appeal	Gray Fire & Rescue Mem. Fund	Marketing	Revaluation
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Due from other funds	10,550	21,862	1,959	18,302	1,000	54,325
TOTAL ASSETS	<u>\$ 10,550</u>	<u>\$ 21,862</u>	<u>\$ 1,959</u>	<u>\$ 18,302</u>	<u>\$ 1,000</u>	<u>\$ 54,325</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	10,550	21,862	-	18,302	-	54,325
Assigned	-	-	1,959	-	1,000	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>10,550</u>	<u>21,862</u>	<u>1,959</u>	<u>18,302</u>	<u>1,000</u>	<u>54,325</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 10,550</u>	<u>\$ 21,862</u>	<u>\$ 1,959</u>	<u>\$ 18,302</u>	<u>\$ 1,000</u>	<u>\$ 54,325</u>

## SCHEDULE E (CONTINUED)

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015

	GEO Plan	Tomco	Library Fund	Planning Board Escrow	S/Dugas Pit Reclamation	Maxwell Gravel Pit Reclamation
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Due from other funds	2,451	19,800	12,282	111,763	8,507	5,065
TOTAL ASSETS	<u>\$ 2,451</u>	<u>\$ 19,800</u>	<u>\$ 12,282</u>	<u>\$ 111,763</u>	<u>\$ 8,507</u>	<u>\$ 5,065</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 297	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>297</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	19,800	-	111,466	8,507	5,065
Committed	2,451	-	12,282	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,451</u>	<u>19,800</u>	<u>12,282</u>	<u>111,466</u>	<u>8,507</u>	<u>5,065</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,451</u>	<u>\$ 19,800</u>	<u>\$ 12,282</u>	<u>\$ 111,763</u>	<u>\$ 8,507</u>	<u>\$ 5,065</u>



## SCHEDULE E (CONTINUED)

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015

	Training Site	Guardrail Repair	Henry Pennell Municipal Complex	MonoPod System	Libby Recreation Scholarship	Gray Matters
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Due from other funds	216	1,662	11,459	-	1,008	2,204
<b>TOTAL ASSETS</b>	<u>\$ 216</u>	<u>\$ 1,662</u>	<u>\$ 11,459</u>	<u>\$ -</u>	<u>\$ 1,008</u>	<u>\$ 2,204</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	11,459	-	1,008	2,204
Committed	-	1,662	-	-	-	-
Assigned	216	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>216</u>	<u>1,662</u>	<u>11,459</u>	<u>-</u>	<u>1,008</u>	<u>2,204</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 216</u>	<u>\$ 1,662</u>	<u>\$ 11,459</u>	<u>\$ -</u>	<u>\$ 1,008</u>	<u>\$ 2,204</u>

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015

	Gray Fire/Rescue Education	Shannon Ronan Mem Fund	Mazur Parks/Rec Mem Fund	Grants	Parks & Recreation Scholarship Fund	Totals
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 525
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	2,166
Due from other funds	5,387	479	2,151	708	6,347	1,087,045
<b>TOTAL ASSETS</b>	<u>\$ 5,387</u>	<u>\$ 479</u>	<u>\$ 2,151</u>	<u>\$ 708</u>	<u>\$ 6,347</u>	<u>\$ 1,089,736</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 530	\$ 4,157
Accrued payroll	-	-	-	-	-	7,179
Due to other funds	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>530</u>	<u>11,336</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue	-	-	-	-	-	97,369
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,369</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	7,331
Restricted	-	479	2,151	708	5,817	591,763
Committed	-	-	-	-	-	130,576
Assigned	5,387	-	-	-	-	251,361
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>5,387</u>	<u>479</u>	<u>2,151</u>	<u>708</u>	<u>5,817</u>	<u>981,031</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 5,387</u>	<u>\$ 479</u>	<u>\$ 2,151</u>	<u>\$ 708</u>	<u>\$ 6,347</u>	<u>\$ 1,089,736</u>

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

## TOWN OF GRAY, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Northbrook TIF	South Gray TIF	Recreation Fund	Crisis Fund	Dry Mills Schoolhouse	Rescue Kilby Fund
REVENUES						
Interest income	\$ -	\$ 395	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	299,317	-	-	-
Other income	-	-	-	-	247	2,965
TOTAL REVENUES	-	395	299,317	-	247	2,965
EXPENDITURES						
Capital outlay	-	-	-	-	-	-
Other	80,046	139,335	328,028	-	-	539
TOTAL EXPENDITURES	80,046	139,335	328,028	-	-	539
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(80,046)	(138,940)	(28,711)	-	247	2,426
OTHER FINANCING SOURCES (USES)						
Transfers in	119,332	234,797	30,000	-	-	-
Transfers (out)	-	-	-	(991,728)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	119,332	234,797	30,000	(991,728)	-	-
NET CHANGE IN FUND BALANCES	39,286	95,857	1,289	(991,728)	247	2,426
FUND BALANCES - JULY 1	150,153	163,162	65,937	991,728	5,464	2,428
FUND BALANCES - JUNE 30	\$ 189,439	\$ 259,019	\$ 67,226	\$ -	\$ 5,711	\$ 4,854

## TOWN OF GRAY, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Penn Cable	Gray Employee Safety & Wellness	Subdivision Recreation Fund	Library Reserve	Landfill Closure	Water Quality
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Other income	-	2,871	6,800	102	-	-
TOTAL REVENUES	<u>-</u>	<u>2,871</u>	<u>6,800</u>	<u>102</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Capital outlay	-	-	-	-	29,372	-
Other	2,864	2,481	26,196	300	-	-
TOTAL EXPENDITURES	<u>2,864</u>	<u>2,481</u>	<u>26,196</u>	<u>300</u>	<u>29,372</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,864)</u>	<u>390</u>	<u>(19,396)</u>	<u>(198)</u>	<u>(29,372)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(2,864)	390	(19,396)	(198)	(29,372)	-
FUND BALANCES - JULY 1	<u>3,389</u>	<u>-</u>	<u>39,561</u>	<u>3,629</u>	<u>154,832</u>	<u>6,151</u>
FUND BALANCES - JUNE 30	<u>\$ 525</u>	<u>\$ 390</u>	<u>\$ 20,165</u>	<u>\$ 3,431</u>	<u>\$ 125,460</u>	<u>\$ 6,151</u>

## TOWN OF GRAY, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Pennell Town Clock	Stimson Hall	Library Appeal	Gray Fire & Rescue Mem. Fund	Marketing	Revaluation
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Other income	-	-	-	250	-	-
TOTAL REVENUES	-	-	-	250	-	-
EXPENDITURES						
Capital outlay	-	-	-	-	-	4,030
Other	500	388	-	-	-	-
TOTAL EXPENDITURES	500	388	-	-	-	4,030
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(500)	(388)	-	250	-	(4,030)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(500)	(388)	-	250	-	(4,030)
FUND BALANCES - JULY 1	11,050	22,250	1,959	18,052	1,000	58,355
FUND BALANCES - JUNE 30	<u>\$ 10,550</u>	<u>\$ 21,862</u>	<u>\$ 1,959</u>	<u>\$ 18,302</u>	<u>\$ 1,000</u>	<u>\$ 54,325</u>

## TOWN OF GRAY, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	GEO Plan	Tomco	Library Fund	Planning Board Escrow	S/Dugas Pit Reclamation	Maxwell Gravel Pit Reclamation
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	74,821	-	-
Other income	138	-	590	-	-	-
TOTAL REVENUES	<u>138</u>	<u>-</u>	<u>590</u>	<u>74,821</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Capital outlay	-	-	-	-	-	-
Other	-	171	9,655	68,852	-	7,192
TOTAL EXPENDITURES	<u>-</u>	<u>171</u>	<u>9,655</u>	<u>68,852</u>	<u>-</u>	<u>7,192</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>138</u>	<u>(171)</u>	<u>(9,065)</u>	<u>5,969</u>	<u>-</u>	<u>(7,192)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	138	(171)	(9,065)	5,969	-	(7,192)
FUND BALANCES - JULY 1	<u>2,313</u>	<u>19,971</u>	<u>21,347</u>	<u>105,497</u>	<u>8,507</u>	<u>12,257</u>
FUND BALANCES - JUNE 30	<u>\$ 2,451</u>	<u>\$ 19,800</u>	<u>\$ 12,282</u>	<u>\$ 111,466</u>	<u>\$ 8,507</u>	<u>\$ 5,065</u>

## TOWN OF GRAY, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Training Site	Guardrail Repair	Henry Pennell Municipal Complex	MonoPod System	Libby Recreation Scholarship	Gray Matters
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Other income	869	1,112	25	-	-	-
TOTAL REVENUES	<u>869</u>	<u>1,112</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Capital outlay	-	-	-	-	-	-
Other	653	1,020	-	869	920	102
TOTAL EXPENDITURES	<u>653</u>	<u>1,020</u>	<u>-</u>	<u>869</u>	<u>920</u>	<u>102</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>216</u>	<u>92</u>	<u>25</u>	<u>(869)</u>	<u>(920)</u>	<u>(102)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	216	92	25	(869)	(920)	(102)
FUND BALANCES - JULY 1	<u>-</u>	<u>1,570</u>	<u>11,434</u>	<u>869</u>	<u>1,928</u>	<u>2,306</u>
FUND BALANCES - JUNE 30	<u>\$ 216</u>	<u>\$ 1,662</u>	<u>\$ 11,459</u>	<u>\$ -</u>	<u>\$ 1,008</u>	<u>\$ 2,204</u>

## TOWN OF GRAY, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Gray Fire/Rescue Education	Shannon Ronan Mem Fund	Mazur Parks/Rec Mem Fund	Grants	Parks & Recreation Scholarship Fund	Totals
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 395
Charges for services	-	-	-	-	-	374,138
Other income	1,290	-	-	-	17,299	34,558
TOTAL REVENUES	1,290	-	-	-	17,299	409,091
EXPENDITURES						
Capital outlay	-	-	-	-	-	33,402
Other	1,115	-	-	-	15,353	686,579
TOTAL EXPENDITURES	1,115	-	-	-	15,353	719,981
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	175	-	-	-	1,946	(310,890)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	384,129
Transfers (out)	-	-	-	-	-	(991,728)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	(607,599)
NET CHANGE IN FUND BALANCES	175	-	-	-	1,946	(918,489)
FUND BALANCES - JULY 1	5,212	479	2,151	708	3,871	1,899,520
FUND BALANCES - JUNE 30	\$ 5,387	\$ 479	\$ 2,151	\$ 708	\$ 5,817	\$ 981,031

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



## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF ACTIVITY – RECREATION FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	Balance, 7/1/2014	Revenue	Expenditures	Balance, 6/30/2015
<b>ADMINISTRATION:</b>				
FICA/Medicare	\$ -	\$ -	\$ 9,666	\$ (9,666)
Full-time personnel	-	-	104,192	(104,192)
Overtime	-	-	6,305	(6,305)
Part-time personnel	-	-	13,522	(13,522)
Retirement	-	-	6,216	(6,216)
Wilkie's Beach attendant	-	-	3,751	(3,751)
Total Administration	-	-	143,652	(143,652)
<b>PROGRAMS:</b>				
<b>Operations</b>				
Administrative fees	-	5,896	6,449	(553)
Grants	-	1,300	-	1,300
Totals	-	7,196	6,449	747
<b>Supplies and equipment</b>				
Brochures/flyers	-	-	409	(409)
Equipment	-	-	730	(730)
Software	-	-	3,915	(3,915)
Totals	-	-	5,054	(5,054)
<b>Adult fitness</b>				
Basketball	-	7,202	4,556	2,646
Flag football	-	-	150	(150)
Pickleball	-	584	365	219
Softball	-	500	206	294
Totals	-	8,286	5,277	3,009
<b>Adult classes</b>				
Bridge	-	50	24	26
Photography	-	446	200	246
Totals	-	496	224	272
<b>Youth fitness</b>				
Fall soccer	-	6,242	2,128	4,114
Golf	-	232	186	46
Gymnastics	-	2,180	885	1,295
Junior basketball	-	4,592	1,858	2,734
Junior soccer	-	3,807	974	2,833
Lacrosse	-	737	300	437
Skiing	-	2,195	1,607	588
Track and field	-	2,991	757	2,234
Zumba for kids	-	2,243	1,243	1,000
Totals	-	25,219	9,938	15,281
<b>Youth classes</b>				
American Red Cross babysit	-	635	580	55
Mad science	-	6,750	5,741	1,009
Mommy & me	-	299	149	150
Totals	-	7,684	6,470	1,214

SCHEDULE G (CONTINUED)

TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF ACTIVITY – RECREATION FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	Balance, 7/1/2014	Revenue	Expenditures	Balance, 6/30/2015
<b>PROGRAMS (CONTINUED):</b>				
<b>All day programs</b>				
Day camp	-	97,865	74,832	23,033
Day camp trips	-	19,911	17,471	2,440
In service days	-	2,653	1,014	1,639
Kindergarten camp	-	152	-	152
Kid's Club	-	94,343	33,282	61,061
Leaders in training	-	10,016	6,818	3,198
Snack shack	-	4,237	3,583	654
Vacation camp	-	6,502	3,336	3,166
Totals	-	235,679	140,336	95,343
<b>Camps/clinics</b>				
Family pick-up basketball and open gym	-	418	-	418
Field hockey	-	1,805	1,160	645
Mad science	-	3,388	3,010	378
Parents night out	-	300	177	123
Running	-	28	-	28
Volleyball	-	3,664	2,449	1,215
Totals	-	9,603	6,796	2,807
<b>Rentals</b>				
Grounds	-	-	377	(377)
Newbegin	-	4,015	197	3,818
Totals	-	4,015	574	3,441
<b>Special events</b>				
Christmas	-	-	520	(520)
Halloween	-	-	1,351	(1,351)
Ice Skating	-	21	97	(76)
Special events	-	1,118	1,290	(172)
Totals	-	1,139	3,258	(2,119)
				-
Total programs	-	299,317	184,376	114,941
Subtotal - Recreation Department Activity	-	299,317	328,028	(28,711)
Transfers In	-	30,000	-	30,000
Beginning Fund Balance	65,937	-	-	65,937
Total Recreation Department Activity	\$ 65,937	\$ 329,317	\$ 328,028	\$ 67,226

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

## Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds. The projects also include significant purchases of vehicles and equipment, as well as the servicing of leases and bonds associated with those purchases. Projects are generally segregated by the related Town department managing the project.

## TOWN OF GRAY, MAINE

## COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

JUNE 30, 2015

	Public Works & Transfer Station Project	Town Office Project	Bridge Repair and Replacement	Fire and Public Safety	PW and Town Vehicles and Equipment	Sidewalks
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	2,519	6,104	75,112	564,119	194,943	12,108
Prepaid expenses	-	-	-	230,000	-	-
TOTAL ASSETS	<u>\$ 2,519</u>	<u>\$ 6,104</u>	<u>\$ 75,112</u>	<u>\$ 794,119</u>	<u>\$ 194,943</u>	<u>\$ 12,108</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	2,519	6,104	-	-	-	-
Committed	-	-	75,112	794,119	194,943	3,843
Assigned	-	-	-	-	-	8,265
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,519</u>	<u>6,104</u>	<u>75,112</u>	<u>794,119</u>	<u>194,943</u>	<u>12,108</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,519</u>	<u>\$ 6,104</u>	<u>\$ 75,112</u>	<u>\$ 794,119</u>	<u>\$ 194,943</u>	<u>\$ 12,108</u>

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2015

	Library Expansion Project	Debt Service	Capital Lease	Bridges/Road Bond	Misc.
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	54,790	51,670	-	568,227	35,275
Prepaid expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ 54,790</u>	<u>\$ 51,670</u>	<u>\$ -</u>	<u>\$ 568,227</u>	<u>\$ 35,275</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	51,016	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>51,016</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	3,774	51,670	-	568,227	5,275
Assigned	-	-	-	-	30,000
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>3,774</u>	<u>51,670</u>	<u>-</u>	<u>568,227</u>	<u>35,275</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 54,790</u>	<u>\$ 51,670</u>	<u>\$ -</u>	<u>\$ 568,227</u>	<u>\$ 35,275</u>

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2015

	Public Buildings	Technology	Road Resurfacing	Totals
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other funds	8,599	11,652	-	1,585,118
Prepaid expenses	-	-	-	230,000
TOTAL ASSETS	<u>\$ 8,599</u>	<u>\$ 11,652</u>	<u>\$ -</u>	<u>\$ 1,815,118</u>
LIABILITIES				
Accounts payable	\$ 2,165	\$ 150	\$ -	\$ 2,315
Due to other funds	-	-	550,702	550,702
TOTAL LIABILITIES	<u>2,165</u>	<u>150</u>	<u>550,702</u>	<u>553,017</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	-	-	-	51,016
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,016</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	8,623
Committed	-	10,632	-	1,707,595
Assigned	81,254	870	26,382	146,771
Unassigned	(74,820)	-	(577,084)	(651,904)
TOTAL FUND BALANCES	<u>6,434</u>	<u>11,502</u>	<u>(550,702)</u>	<u>1,211,085</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 8,599</u>	<u>\$ 11,652</u>	<u>\$ -</u>	<u>\$ 1,815,118</u>

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

## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Public Works & Transfer Station Project	Town Office Project	Bridge Repair and Replacement	Fire and Public Safety	PW and Town Vehicles and Equipment	Sidewalks
REVENUES						
Investment income, net of unrealized gains/(losses)	\$ 4	\$ 9	\$ 115	\$ 1,240	\$ 294	\$ 18
Other	-	-	-	-	22,430	-
TOTAL REVENUES	<u>4</u>	<u>9</u>	<u>115</u>	<u>1,240</u>	<u>22,724</u>	<u>18</u>
EXPENDITURES						
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	23,295	11,726	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,295</u>	<u>11,726</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>4</u>	<u>9</u>	<u>115</u>	<u>(22,055)</u>	<u>10,998</u>	<u>18</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	4	9	115	(22,055)	10,998	18
FUND BALANCES - JULY 1	<u>2,515</u>	<u>6,095</u>	<u>74,997</u>	<u>816,174</u>	<u>183,945</u>	<u>12,090</u>
FUND BALANCES - JUNE 30	<u>\$ 2,519</u>	<u>\$ 6,104</u>	<u>\$ 75,112</u>	<u>\$ 794,119</u>	<u>\$ 194,943</u>	<u>\$ 12,108</u>

## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	Library Expansion Project	Debt Service	Capital Lease	Bridges/Road Bond	Misc.
REVENUES					
Investment income, net of unrealized gains/(losses)	\$ 20	\$ -	\$ -	\$ 892	\$ 55
Other	-	-	-	-	-
TOTAL REVENUES	<u>20</u>	<u>-</u>	<u>-</u>	<u>892</u>	<u>55</u>
EXPENDITURES					
Debt service:					
Principal	-	580,000	312,235	-	-
Interest	-	173,517	15,615	-	-
Capital outlay	94,324	-	-	29,436	-
EXPENDITURES	<u>94,324</u>	<u>753,517</u>	<u>327,850</u>	<u>29,436</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(94,304)</u>	<u>(753,517)</u>	<u>(327,850)</u>	<u>(28,544)</u>	<u>55</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	778,141	296,859	-	-
Transfers (out)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>778,141</u>	<u>296,859</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(94,304)</u>	<u>24,624</u>	<u>(30,991)</u>	<u>(28,544)</u>	<u>55</u>
FUND BALANCES - JULY 1	<u>98,078</u>	<u>27,046</u>	<u>30,991</u>	<u>596,771</u>	<u>35,220</u>
FUND BALANCES - JUNE 30	<u>\$ 3,774</u>	<u>\$ 51,670</u>	<u>\$ -</u>	<u>\$ 568,227</u>	<u>\$ 35,275</u>



## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	Public Buildings	Technology	Road Resurfacing	Totals
REVENUES				
Investment income, net of unrealized gains/(losses)	\$ (8)	\$ 22	\$ (775)	\$ 1,886
Other	-	-	-	22,430
TOTAL REVENUES	<u>(8)</u>	<u>22</u>	<u>(775)</u>	<u>24,316</u>
EXPENDITURES				
Debt service:				
Principal	-	-	-	892,235
Interest	-	-	-	189,132
Capital outlay	38,526	20,800	361,542	579,649
EXPENDITURES	<u>38,526</u>	<u>20,800</u>	<u>361,542</u>	<u>1,661,016</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38,534)</u>	<u>(20,778)</u>	<u>(362,317)</u>	<u>(1,636,700)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	25,000	100,000	1,300,000
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>100,000</u>	<u>25,000</u>	<u>100,000</u>	<u>1,300,000</u>
NET CHANGE IN FUND BALANCES	61,466	4,222	(262,317)	(336,700)
FUND BALANCES - JULY 1	<u>(55,032)</u>	<u>7,280</u>	<u>(288,385)</u>	<u>1,547,785</u>
FUND BALANCES - JUNE 30	<u>\$ 6,434</u>	<u>\$ 11,502</u>	<u>\$ (550,702)</u>	<u>\$ 1,211,085</u>

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

## Permanent Funds

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

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS  
JUNE 30, 2015

	Cemetery	George Doughty	Helen Frank Cemetery	Monument & Christian Temple	Pennell
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	22,830	10,014	33,627	3,051	34,482
<b>TOTAL ASSETS</b>	<u>\$ 22,830</u>	<u>\$ 10,014</u>	<u>\$ 33,627</u>	<u>\$ 3,051</u>	<u>\$ 34,482</u>
<b>LIABILITIES</b>					
Due to others funds	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable-principal	22,798	10,000	33,580	-	-
Restricted	32	14	47	3,051	34,482
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>22,830</u>	<u>10,014</u>	<u>33,627</u>	<u>3,051</u>	<u>34,482</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 22,830</u>	<u>\$ 10,014</u>	<u>\$ 33,627</u>	<u>\$ 3,051</u>	<u>\$ 34,482</u>

## TOWN OF GRAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS  
JUNE 30, 2015

	Charles W. Barker Scholarship	Grange Scholarship	Common School	Stimson Cemetery	Totals
ASSETS					
Cash and cash equivalents	\$ 21,921	\$ 14,237	\$ -	\$ -	\$ 36,158
Due from other funds	-	-	2,854	7,010	113,868
TOTAL ASSETS	<u>\$ 21,921</u>	<u>\$ 14,237</u>	<u>\$ 2,854</u>	<u>\$ 7,010</u>	<u>\$ 150,026</u>
LIABILITIES					
Due to others funds	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable-principal	23,826	16,433	-	7,000	113,637
Restricted	-	-	2,854	10	40,490
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(1,905)	(2,196)	-	-	(4,101)
TOTAL FUND BALANCES	<u>21,921</u>	<u>14,237</u>	<u>2,854</u>	<u>7,010</u>	<u>150,026</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 21,921</u>	<u>\$ 14,237</u>	<u>\$ 2,854</u>	<u>\$ 7,010</u>	<u>\$ 150,026</u>

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

## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR PERMANENT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Cemetery</u>	<u>George Doughty</u>	<u>Helen Frank Cemetery</u>	<u>Monument &amp; Christian Temple</u>	<u>Pennell</u>
REVENUES					
Interest income	\$ 32	\$ 14	\$ 47	\$ 4	\$ 49
TOTAL REVENUES	<u>32</u>	<u>14</u>	<u>47</u>	<u>4</u>	<u>49</u>
EXPENDITURES					
Other	<u>37</u>	<u>16</u>	<u>54</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>37</u>	<u>16</u>	<u>54</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5)</u>	<u>(2)</u>	<u>(7)</u>	<u>4</u>	<u>49</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(5)	(2)	(7)	4	49
FUND BALANCES - JULY 1	<u>22,835</u>	<u>10,016</u>	<u>33,634</u>	<u>3,047</u>	<u>34,433</u>
FUND BALANCES - JUNE 30	<u>\$ 22,830</u>	<u>\$ 10,014</u>	<u>\$ 33,627</u>	<u>\$ 3,051</u>	<u>\$ 34,482</u>

## TOWN OF GRAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Charles W. Barker Scholarship	Grange Scholarship	Common School	Stimson Cemetery	Totals
REVENUES					
Interest income	\$ 33	\$ 22	\$ 4	\$ 10	\$ 215
TOTAL REVENUES	<u>33</u>	<u>22</u>	<u>4</u>	<u>10</u>	<u>215</u>
EXPENDITURES					
Other	500	-	-	11	618
TOTAL EXPENDITURES	<u>500</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>618</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(467)</u>	<u>22</u>	<u>4</u>	<u>(1)</u>	<u>(403)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(467)	22	4	(1)	(403)
FUND BALANCES - JULY 1	<u>22,388</u>	<u>14,215</u>	<u>2,850</u>	<u>7,011</u>	<u>150,429</u>
FUND BALANCES - JUNE 30	<u>\$ 21,921</u>	<u>\$ 14,237</u>	<u>\$ 2,854</u>	<u>\$ 7,010</u>	<u>\$ 150,026</u>

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

## General Capital Assets

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

## TOWN OF GRAY, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2015

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Totals
General Government	\$ 14,280	\$ 1,384,876	\$ 491,644	\$ 147,326	\$ 2,038,126
Pennell	-	1,569,524	-	-	1,569,524
Library	1,543,035	313,818	418,923	-	2,275,776
Parks & Recreation	3,850	332,965	73,332	25,000	435,147
Public Safety	30,885	1,108,124	4,486,930	9,100	5,635,039
Public Works	938,273	3,557,046	3,400,432	11,373,147	19,268,898
Buildings & Grounds	30,000	147,659	34,500	393,646	605,805
Solid Waste	-	197,182	335,748	-	532,930
Total General Capital Assets	2,560,323	8,611,194	9,241,509	11,948,219	32,361,245
Less: Accumulated Depreciation	-	(2,881,210)	(6,841,575)	(6,616,296)	(16,339,081)
Net General Capital Assets	<u>\$ 2,560,323</u>	<u>\$ 5,729,984</u>	<u>\$ 2,399,934</u>	<u>\$ 5,331,923</u>	<u>\$ 16,022,164</u>

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



## TOWN OF GRAY, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED JUNE 30, 2015

	General Capital Assets 7/1/14	Additions	Deletions	General Capital Assets 6/30/15
General Government	\$ 1,999,231	\$ 38,895	\$ -	\$ 2,038,126
Pennell	1,569,524	-	-	1,569,524
Library	2,193,231	82,545	-	2,275,776
Parks & Recreation	408,912	26,235	-	435,147
Public Safety	5,587,949	47,090	-	5,635,039
Public Works	19,020,775	452,123	(204,000)	19,268,898
Buildings & Grounds	605,805	-	-	605,805
Solid Waste	532,930	-	-	532,930
Total General Capital Assets	31,918,357	646,888	(204,000)	32,361,245
Less: Accumulated Depreciation	<u>(15,213,487)</u>	<u>(1,329,594)</u>	<u>204,000</u>	<u>(16,339,081)</u>
Net General Capital Assets	<u>\$ 16,704,870</u>	<u>\$ (682,706)</u>	<u>\$ -</u>	<u>\$ 16,022,164</u>

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