

TOWN OF LIBERTY, MAINE

***FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT***

***FOR THE FISCAL YEAR
ENDED JUNE 30, 2024***

**TOWN OF LIBERTY, MAINE
 FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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James W. Wadman

CERTIFIED PUBLIC ACCOUNTANT

James W. Wadman, C.P.A.
Ronald C. Bean, C.P.A.
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Wanese L. Lynch, C.P.A.

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Selectmen
Town of Liberty
P.O. Box 116
Liberty, ME 04949

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Liberty, Maine (the Town) as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 for Town of Liberty, Maine as of June 30, 2024, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibility under those standards is further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town Department's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, on pages 4-8, and 26-27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Town of Liberty, Maine's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting

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

Respectfully Submitted,

James W. Wadman, CPA

James W. Wadman, CPA
Ellsworth, Maine
March 3, 2025

TOWN OF LIBERTY, MAINE
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

Management of the Town of Liberty, Maine provides this *Management's Discussion and Analysis* of the Town's financial performance for readers of the Town's financial statements. This narrative overview and analysis of the financial activities of the Town is for the fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with the financial statements and accompanying notes that follow.

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

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-wide Highlights:

Net Position – The assets of the Town exceeded its liabilities at fiscal year ending June 30, 2024 by \$4,484,616 (presented as “net position”). Of this amount, \$962,171 was reported as “unrestricted net position”. Unrestricted net position represents the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position – The Town's total net position increased by \$381,320 (a 9% increase) for the year ended June 30, 2024.

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the fiscal year ended June 30, 2024; the Town's governmental funds reported a combined ending fund balance of \$1,001,218 with \$282,254 being general unassigned fund balance. This unassigned fund balance represents approximately 13% of the total general fund expenditures for the year.

Long-term Debt:

The Town's total long-term debt obligations increased by \$70,427 (23%) during the current fiscal year. A new bond for heat pumps and solar panels was issued for \$100,000. Existing debt obligations were retired according to schedule.

Additional information on the Town's long-term debt can be found in Note 3E of the notes to the financial statements on page 23-24 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

The fund financial statements include statements for each of the three categories of activities – governmental, business-type and fiduciary (if applicable). The governmental activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not

available to support the Town’s own programs. Reconciliation of the fund financial statements to the Government-wide financial statements is provided to explain the differences created by the integrated approach.

The basic governmental fund financial statements can be found on pages 11-13 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements. The notes to the financial statements can be found on pages 14-25 of this report.

Required Supplementary Information

This section includes a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the general fund as presented in the governmental fund financial statements (if necessary). Required supplementary information can be found on page 26-27 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

74% of the Town’s net position reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges and other immovable assets); less any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	<i>Governmental Activities</i>	
	<i>Total 2024</i>	<i>Total 2023</i>
Current Assets	1,363,415	1,046,499
Capital Assets	3,714,838	3,416,578
<i>Total Assets</i>	5,078,253	4,463,077
Current Liabilities	228,785	60,648
Other Liabilities	342,361	280,500
<i>Total Liabilities</i>	571,146	341,148
Property Taxes Collected in Advance	22,491	18,633
<i>Total Deferred Inflows of Resources</i>	22,491	18,633
<i>Net Position:</i>		
Net Investment in Capital Assets	3,334,338	3,106,505
Restricted	188,107	179,750
Unrestricted	962,171	817,041
<i>Total Net Position</i>	4,484,616	4,103,296
<i>Total Liabilities and Net Position</i>	5,078,253	4,463,077

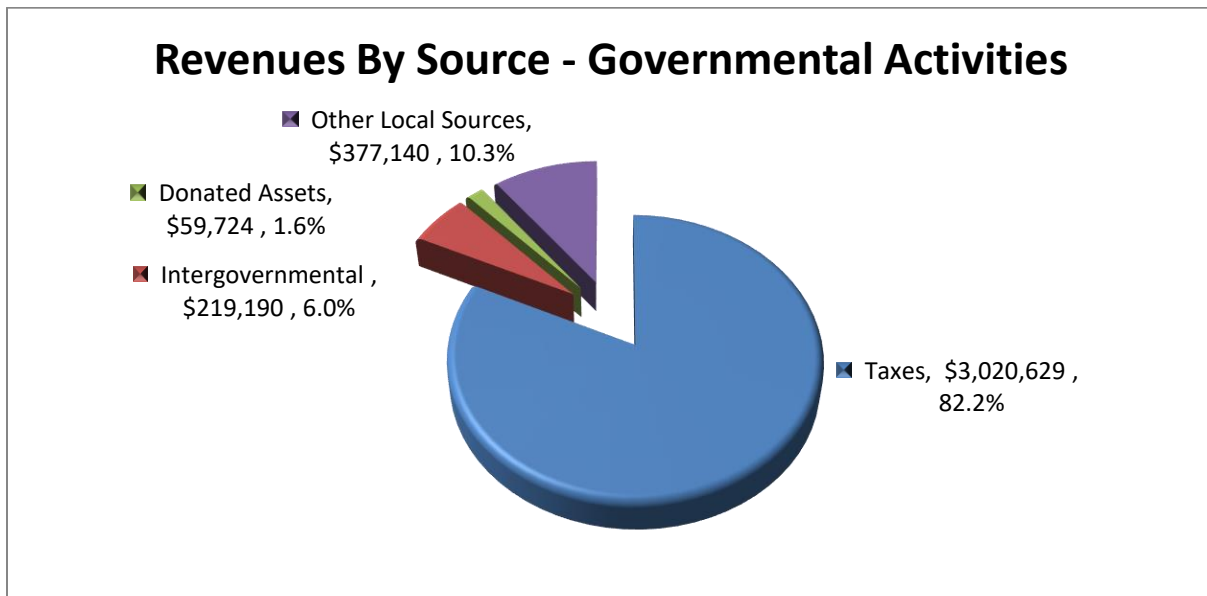
Changes in Net Position

Approximately 82 percent of the Town’s total revenue came from property and excise taxes, approximately 6 percent came from State subsidies and grants, and approximately 12 percent came from services, investment

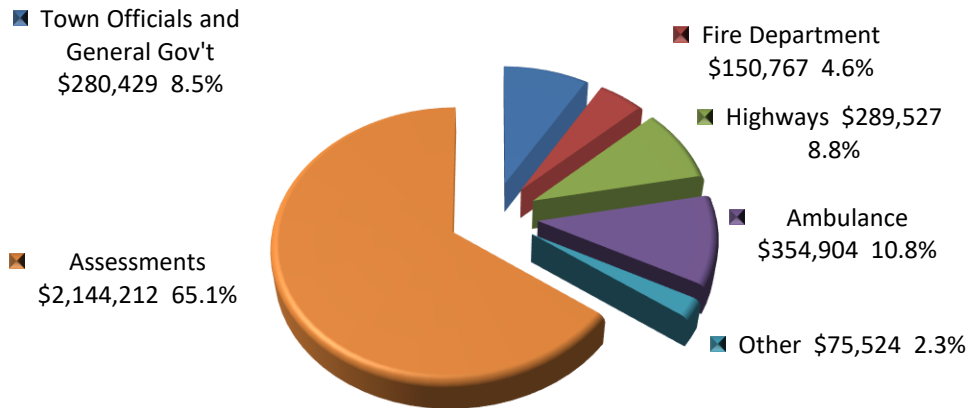
earnings and other sources. Depreciation expense on the Town's governmental activity assets represents \$320,494 of the total expenses for the year.

**Governmental
Activities**

	Total 2024	Total 2023
Revenues:		
Taxes	3,020,629	2,766,625
Intergovernmental Revenues	219,190	245,534
Departmental Revenues	59,724	91,682
Other Local Sources	377,140	371,535
Total	3,676,683	3,475,376
Expenses:		
Town Officials	123,270	110,579
General Government	157,159	173,779
Highways	289,527	584,697
Dam Maintenance	33,615	5,801
Fire Department	150,767	147,439
Recreation	12,103	9,454
Ambulance	354,904	302,699
Other	23,805	25,860
Capital Outlay		11,000
Debt	6,001	4,562
Assessments	2,144,212	1,942,747
Total	3,295,363	3,318,617
Changes in Net Position	381,320	156,759



Expenditures By Source - Governmental Activities



FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

Governmental Funds

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

At the end of the year, the Town's governmental funds reported ending fund balances of \$1,001,218, an increase of \$86,001 in comparison with the prior year. Approximately 28 percent of this total amount constitutes unassigned fund balance. The remainder is reserved to indicate that it is not available for spending because it has been committed to liquidate contracts and commitments of the prior year or for a variety of other purposes.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- \$75,341 negative variance in property taxes. The variance is due to unfavorable property tax collections this year.
- \$14,030 positive variance in emergency fund. This fund is carried over every year.
- \$11,877 positive variance in salt and sand. The variance is due to milder winter and not needing as much.
- \$28,814 negative variance in Steven's Pond Dam maintenance. The variance is due to purchasing part for dam repair.

CAPITAL ASSET ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities amounts to \$8,246,391, net of accumulated depreciation of \$4,531,553, leaving a net book value of 3,714,838. Current year additions included \$86,000 for solar panels, \$41,738 for heat pumps, 207,550 for paving \$28,815 for side gate, \$9,959 for culvert, and \$244,692 in spring paving. Additional information on the Town's capital assets can be found in Note 3D of the notes to the financial statements on page 23 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all citizens, taxpayers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Liberty, P.O. Box 116 Liberty, Maine 04949.

TOWN OF LIBERTY, MAINE
STATEMENT OF NET POSITION
JUNE 30, 2024

Exhibit A

Assets	Governmental Activities
Cash and Equivalents	727,929
Receivables	
Taxes	185,863
Tax Liens	70,470
Accounts	134,461
Prepaid Expenditures	244,692
Capital Assets:	
Land	48,000
Other Capital Assets, Net of Depreciation	3,666,838
Total Assets	5,078,253
 Liabilities, Deferred Inflows of Resources, and Net Position	
Liabilities	
Accounts Payable	190,646
Long-term Liabilities:	
Due Within One Year	38,139
Due in More Than One Year	342,361
Total Liabilities	571,146
 Deferred Inflows of Resources:	
Property Taxes Collected in Advance	22,491
Total Deferred Inflows of Resources	22,491
 Net Position	
Net Investment in Capital Assets	3,334,338
Restricted	188,107
Unrestricted	92,171
Total Net Position	4,484,616
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 5,078,253

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

TOWN OF LIBERTY, MAINE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit B

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants</u>	<u>Revenue and Changes in Net Position</u>
				<u>Total</u>
<u>Primary Government</u>				<u>Governmental</u>
<u>Governmental Activities</u>				<u>Activities</u>
Town Officials	123,270			(123,270)
General Government	157,159			(157,159)
Highways	289,527		51,636	(237,891)
Dam Maintenance	33,615			(33,615)
Fire Department	150,767			(150,767)
Recreation	12,103			(12,103)
Ambulance	354,904			(354,904)
Other	23,805			(23,805)
Capital Outlay				0
Debt	6,001			(6,001)
Assessments	2,144,212			(2,144,212)
<u>Total Governmental Activities</u>	<u>3,295,363</u>	<u>-</u>	<u>51,636</u>	<u>(3,243,727)</u>
<u>Total Primary Government</u>	<u>3,295,363</u>	<u>-</u>	<u>51,636</u>	<u>(3,243,727)</u>
<u>General Revenues:</u>				
Taxes				
Property				2,817,166
Auto Excise				203,463
Intergovernmental Revenues				219,190
Other Local Sources				385,228
<u>Total Revenues, Special Items and Transfers</u>				<u>3,625,047</u>
<u>Changes in Net Position</u>				381,320
<u>Net Position - Beginning</u>				<u>4,103,296</u>
<u>Net Position - Ending</u>				<u>4,484,616</u>

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

TOWN OF LIBERTY, MAINE
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

Exhibit C

<i>Assets</i>	<i>General Fund</i>	<i>Other Governmental Funds</i>	<i>Total</i>
Cash and Equivalents	542,314	185,615	727,929
Receivables			
Taxes	185,863		185,863
Tax Liens	70,470		70,470
Accounts	134,461		134,461
Prepaid Expenditures	244,692		244,692
Due from Other Funds	22,884	-	22,884
<i>Total Assets</i>	<u>1,200,684</u>	<u>185,615</u>	<u>1,386,299</u>
<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>			
<i>Liabilities</i>			
Accounts Payable	190,646		190,646
Due to Other Funds	-	22,884	22,884
<i>Total Liabilities</i>	<u>190,646</u>	<u>22,884</u>	<u>213,530</u>
<i>Deferred Inflows of Resources:</i>			
Property Taxes Collected in Advance	22,491		22,491
Unavailable Property Tax Revenue	149,060		149,060
<i>Total Deferred Inflows of Resources</i>	<u>171,551</u>	<u>-</u>	<u>171,551</u>
<i>Fund Balances</i>			
Restricted	100,056	88,051	188,107
Committed	409,524		409,524
Assigned	46,653	74,680	121,333
Unassigned	282,254		282,254
<i>Total Fund Balances</i>	<u>838,487</u>	<u>162,731</u>	<u>1,001,218</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>1,200,684</u>	<u>185,615</u>	<u>1,386,299</u>

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

Total Fund Balance	1,001,218
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of 4,531,553	3,714,838
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds:	
Unavailable Taxes	149,060
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:	
Bonds Payable	<u>(380,500)</u>
Net Position of Governmental Activities	<u>4,484,616</u>

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

TOWN OF LIBERTY, MAINE
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit D
Page 1 of 2

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	2,953,143		2,953,143
Intergovernmental Revenues	219,190		219,190
Departmental Revenues	59,724		59,724
Other Local Sources	372,708	4,432	377,140
Total Revenues	3,604,765	4,432	3,609,197
Expenditures			
Town Officials	123,270		123,270
General Government	170,693	1,047	171,740
Highways	567,036		567,036
Dam Maintenance	28,815		28,815
Fire Department	90,178		90,178
Ambulance	333,067		333,067
Recreation	5,499		5,499
Other	122,291	1,514	123,805
Debt	35,574		35,574
Assessments	2,144,212		2,144,212
Total Expenditures	3,620,635	2,561	3,623,196
Excess of Revenues Over (Under)			
Expenditures	(15,870)	1,871	(13,999)
Other Financing Sources (Uses)			
Bond Proceeds	100,000		100,000
Transfers from Other Funds	-	1,500	1,500
Transfers to Other Funds	(1,500)	-	(1,500)
Total Other Financing Sources (Uses)	98,500	1,500	100,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	82,630	3,371	86,001
Fund Balance - July 1	755,857	159,360	915,217
Fund Balance - June 30	838,487	162,731	1,001,218

(Continued)

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

TOWN OF LIBERTY, MAINE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Net change in fund balances - total governmental funds	86,001
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital Asset additions	618,754
Depreciation expense	(320,494)
	<u>298,260</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Unavailable Taxes	67,486
	<u>67,486</u>
Bond proceeds proved current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:	
New Bond Proceeds	(100,000)
General obligation bond principal payments	29,573
	<u>(70,427)</u>
Change in net position of governmental activities	<u><u>381,320</u></u>

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

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

The Town of Liberty operates under an elected Board of Selectmen form of government. The Town's major operations include public works, public safety, and general administrative services.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. The material effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and various intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Town reports the following major governmental funds:

The General Fund is used to account for all or most of the Town's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the servicing of general long-term debt (debt service fund). The General Fund is used to account for all activities of the general government not accounted in some other fund.

Additionally, the Town reports the following fund types:

Nonexpendable trust funds account for monies held in trust by the Town, the investment earnings from which may only be used for the operation of the program.

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the Town's own programs.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for goods and services. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities and Net Position or Fund Equity

1. Deposits and Investments

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

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Investments in the Pension Trust Fund are carried at fair value. Investments in other funds are carried at fair value, except for short-term investments, which are reported at amortized cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value, based on relevant market information of similar financial instruments. Income from investments held by the individual funds is recorded in the respective funds as it is earned.

2. Receivables and Payables

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

Property taxes receivable not expected to be collected within 60 days from year's end are classified as unavailable property tax revenue. At June 30, \$149,060 has been so classified and reported on the general fund balance sheet.

Property taxes were levied on August 30, 2023 on property values assessed on April 1. Taxes were due on September 29, 2023 and May 4, 2024, with interest at 6% beginning October 1, 2023 and May 5, 2024.

Tax liens are placed on real property within 12 months following the tax commitment date if taxes remain delinquent. Liens were placed on the 2023 taxes on August 31, 2023.

The Town has the authority to foreclose on property eighteen months after the filing of the liens if the lien amount and associated costs remain unpaid.

3. Capital Assets

Capital assets, which property, plant, equipment, and infrastructure (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed.

**TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Capital Assets (continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25-40
Infrastructure	10-75
Equipment	10-15

4. Compensated Absences

In the fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave in the government-wide financial statements is recorded as an expense and liability of the fund as the benefits accrue to employees.

5. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt using the bonds-outstanding method. For current and advance refunding of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

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

At June 30, the Town of Liberty is in compliance with the above requirements.

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Fund Balances/Net Position

Fund Balances

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

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

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

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

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

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

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

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

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Town has identified for the year ended June 30, 2024 fund balances on the balance sheet as follows:

	General Fund	Other Governmental Funds	Total
<u>Restricted</u>			
Municipal Revenue Sharing	100,056		100,056
Hoit Fund		88,051	88,051
<u>Committed</u>			
Fire Department Reserve	57,735		57,735
Ambulance Fund	338,337		338,337
Community Hall	4,641		4,641
Capital Equipment Reserve	4,001		4,001
Paving Reserve	4,810		4,810
<u>Assigned</u>			
Assessors Agent	4,205		4,205
Digital Tax Maps	1,367		1,367
Legal Fees	10,540		10,540
General Assistance	4,634		4,634
Emergency Fund	14,030		14,030
Fire Length of Service Award	11,877		11,877
Willard Overlock Scholarship		69,860	69,860
Cemetery Fund		4,820	4,820
<u>Unassigned</u>			
General Fund	282,254		282,254
<u>Total Fund Balance</u>	<u>838,487</u>	<u>162,731</u>	<u>1,001,218</u>

Net Position

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

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

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

**TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the government’s general fund and school department operating fund except the Town does not budget for the revenues and expenditures associated with the employer’s teacher retirement contribution made by the State of Maine on behalf of the town to the Maine State Retirement System; and encumbrances which are considered to be expenditures for budgetary purposes.

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

State statutes require balanced budgets, but provide for the use of beginning unreserved fund balance to achieve that end. In 2024, \$0 of the beginning General Fund fund balance was applied for this purpose.

Reserve funds, once established by the Town Meeting, may be expended with approval of management for the purpose for which the reserve was established.

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

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government’s deposits may not be returned to it. The Town’s deposit policy for custodial credit risk requires compliance with the provisions of state law.

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

One or more of the financial institutions holding the Town’s cash accounts are participating in the FDIC Transaction Account Guarantee Program. For all accounts, the Town’s cash deposits, including certificates of deposits, are insured up to \$250,000 per custodian by the FDIC. At year-end, the carrying value of the Town’s deposits was \$727,929 and the bank balance was \$722,896. Of the bank balances, \$722,896 was collateralized by Federal Deposit Insurance Town insurance.

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

B. Property Taxes

Property taxes were levied for the fiscal year as follows:

Assessed Value		167,792,000
Tax Rate (per \$1,000)		<u>16.75</u>
Commitment		<u><u>2,810,517</u></u>
Appropriations		3,213,205
Less:		
State Municipal Revenue Sharing	129,092	
Estimated Revenues	201,548	
BETE Reimbursement	66	
Homestead Reimbursement	<u>71,982</u>	
		<u>402,688</u>
Net Assessment for Commitment		<u><u>2,810,517</u></u>

Uncollected taxes at June 30 for the current year commitment totaled \$177,175. Unpaid liens at June 30 totaled \$70,470.

C. Interfund Receivables and Payables

Individual fund interfund receivable and payable balances at for the year ended June 30, 2024 were as follows:

	<u><i>Interfund Receivable</i></u>	<u><i>Interfund Payable</i></u>
General Fund	22,884	
Willard Overlock Scholarship		6,102
Hoit Fund		8,276
Cemetery Fund		8,506
Totals	<u><u>22,884</u></u>	<u><u>22,884</u></u>

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. On the Governmental Fund financial statements, payables are classified as Due to Other Funds with offsetting receivables on the Governmental Fund financial statements classified as Due from Other Funds. All balances are expected to be repaid during the current year.

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

C. Interfund Receivables and Payables (continued)

Transfers To/From Other Funds at for the year ended June 30, 2024, were as follows:

	<i>Transfers From</i>	<i>Transfers To</i>
General Fund		1,500
Willard Overlock Scholarship Fund	1,500	
Totals	<u>1,500</u>	<u>1,500</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) transfer funds to general fund to cover expenditures voted on per Selectmen.

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities;				
<i>Capital assets not being depreciated</i>				
Land	48,000			48,000
Construction Work in Progress	-			-
<i>Capital assets being depreciated</i>				
Buildings	1,443,005	127,738		1,570,743
Equipment	1,395,833			1,395,833
Infrastructure	4,740,800	491,016		5,231,816
Total capital assets being depreciated	7,579,638	618,754	-	8,198,392
<i>Less accumulated depreciation for</i>				
Buildings	437,648	44,604		482,252
Equipment	609,907	75,413		685,320
Infrastructure	3,163,505	200,477		3,363,982
Total accumulated depreciation	4,211,060	320,494	-	4,531,554
Net capital assets being depreciated	3,368,578	298,260	-	3,666,838
Governmental Activities				
Capital Assets, net	3,416,578	298,260	-	3,714,838

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

<u>Governmental Activities</u>	
General Government	13,157
Fire Department	60,589
Ambulance	21,837
Highways	213,507
Dam Maintenance	4,800
Recreation	6,604
Total Depreciation Expense - Governmental Activities	320,494

**TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-Term Debt

The following is a summary of long-term debt transactions of the Town of Liberty for the year ended June 30, 2024:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
<i>Governmental activities:</i>					
<i>Bonds payable:</i>					
Heat Pump - Solar Panel		100,000		100,000	8,368
Fire Truck refinance	310,073		(29,573)	280,500	29,771
Governmental activities long-term obligations	310,073	100,000	(29,573)	380,500	38,139

The general fund liquidates the fire truck capital lease obligation.

In 2024, the Town issued a bond for heat pump and solar panels with Maine Bond Bank. The bond was issued for \$100,000, with variable annual principal payments. Interest is paid annually at a rate of 3.88-3.93%. The balance at June 30, 2024 was \$100,000.

In 2022, the Town issued a bond for the refinance of the fire truck with Maine Bond Bank. The bond was issued for \$339,503, with variable annual principal payments. Interest is paid annually at a rate of .610-2.171%. The balance at June 30, 2024 was \$280,500.

Debt service requirements (principal and interest) for all long-term obligations at June 30, 2024 are summarized in the table following:

<i>Year Ended June 30</i>	<i>Governmental Activities</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2025	38,139	7,553	45,692
2026	38,699	6,970	45,669
2027	39,315	6,330	45,645
2028	39,986	5,622	45,608
2029	40,740	4,844	45,584
2030	41,558	3,998	45,556
2031	42,450	3,088	45,538
2032	43,397	2,120	45,517
2033	44,406	1,041	45,447
2034	11,810	231	12,041
Total	380,500	41,797	422,297

TOWN OF LIBERTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 4 - OTHER INFORMATION

A. Contingent Liabilities

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

There are various claims and suits pending against the Town that arise in the normal course of the Town's activities. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the management that resolution of these matters will not have a material adverse effect on the financial condition of the government.

TOWN OF LIBERTY, MAINE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit E
Page 1 of 2

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues				
Taxes	3,012,167	3,012,167	2,953,143	(59,024)
Intergovernmental Revenues	207,589	207,589	212,610	5,021
Other Local Sources	5,499	5,499	11,771	6,272
Total Revenues	3,225,255	3,225,255	3,177,524	(47,731)
Expenditures (Net of Departmental Revenues)				
Town Officials	131,500	131,500	123,270	8,230
General Government	147,435	147,435	151,637	(4,202)
Highways	331,050	331,050	316,967	14,083
Dam Maintenance	1,001	1,001	28,815	(27,814)
Fire Department	85,000	85,000	81,811	3,189
Recreation	7,500	7,500	5,499	2,001
Other	122,291	122,291	122,266	25
Debt	33,710	33,710	35,574	(1,864)
Assessments	2,170,368	2,170,368	2,144,212	26,156
Total Expenditures	3,029,855	3,029,855	3,010,051	19,804
Excess Revenues Over Expenditures	195,400	195,400	167,473	(27,927)
Other Financing Sources				
Bond Proceeds	100,000	100,000	100,000	-
Transfers In	-	-	-	-
Transfers Out	(295,400)	(295,400)	(298,588)	(3,188)
Total Other Financing Sources	(195,400)	(195,400)	(198,588)	(3,188)
Net Change in Fund Balance	-	-	(31,115)	(31,115)
Reconciliation of Fund Balances to Exhibit D:				
Beginning Fund Balances			313,369	
Municipal Revenue Sharing			100,056	
Ambulance Fund			338,337	
Community Hall			4,641	
Fire Department Reserve			57,735	
Capital Equipment Reserve			4,001	
Paving Reserve			4,810	
Encumbrances			46,653	
Ending Fund Balances			838,487	

TOWN OF LIBERTY, MAINE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Reconciliation to Exhibit D:

Total Revenues per above	3,177,524
Municipal Revenue Sharing	6,580
Ambulance Fund	349,078
Community Hall	650
Fire Department Reserve	11,209
Departmental Revenues	59,724
Total Revenues per Statement of Revenues, Expenditures and Fund Balances - Governmental Funds	<u>\$3,604,765</u>
Total Expenditures per above	3,010,051
Ambulance Fund	333,067
Community Hall	4,747
Fire Department Reserve	9,642
Paving Reserve	185,296
Departmental Revenues	59,724
Encumbrances	18,108
Total Expenditures per Statement of Revenues, Expenditures and Fund Balances - Governmental Funds	<u>\$3,620,635</u>

TOWN OF LIBERTY, MAINE
GENERAL FUND
STATEMENT OF ESTIMATED AND ACTUAL REVENUES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit A-1

<i>Revenues</i>	<i>Estimated</i>	<i>Actual</i>	<i>Over (Under) Budget</i>
Taxes			
Property	2,820,217	2,744,876	(75,341)
Auto and Boat Excise	191,950	203,463	11,513
Interest on Taxes		4,804	4,804
	<u>3,012,167</u>	<u>2,953,143</u>	<u>(59,024)</u>
Intergovernmental			
Tree Growth Refund		4,500	4,500
Veterans Reimbursement		561	561
Snowmobile Reimbureserment		685	685
Municipal Revenue Sharing	129,092	129,092	-
BETE Reimbursement	66	68	2
Renewable Energy Reimbursement		450	450
State Park Fee	6,449	5,272	(1,177)
Homestead Reimbursement	71,982	71,982	-
	<u>207,589</u>	<u>212,610</u>	<u>5,021</u>
Local Sources			
Payment in Lieu of Taxes	311	411	100
Planning Board Fees	810	2,910	2,100
Clerk, Agent Fees, and Miscellaneous	4,378	8,450	4,072
	<u>5,499</u>	<u>11,771</u>	<u>6,272</u>
Transfers and Other Sources			
Bond Proceeds	100,000	100,000	-
Fire Department Reserve			-
Ambulance			-
	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Revenues and Transfers	3,325,255	<u>3,277,524</u>	<u>(47,731)</u>
Fund Balance Used To Reduce Taxes			
Total	<u><u>3,325,255</u></u>		

TOWN OF LIBERTY, MAINE

GENERAL FUND

STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit A-2

Page 1 of 3

	<u>Encumbered from 2023</u>	<u>Appropriation</u>	<u>Receipts and Reimbursements</u>	<u>Expenditures</u>	<u>Balances (Over) Under</u>	
					<u>Lapsed</u>	<u>Encumbered</u>
Town Officials						
Town Clerk		39,750		37,844	1,906	
Deputy Clerk		13,500		10,498	3,002	
Selectmen		15,000		11,667	3,333	
Town Administrator		19,000		19,000	-	
Treasurer		10,000		10,017	(17)	
Deputy Treasurer		1,500		1,494	6	
Code Enforcement		5,250		5,250	-	
Fire Chief		9,500		9,500	-	
Road Commissioner		10,000		10,000	-	
Animal Control Officer		4,000		4,000	-	
Registrar of Voters		1,000		1,000	-	
Plumbing Inspector		500		500	-	
E-911 Addressing Officer		1,000		1,000	-	
Emergency Management Director		1,500		1,500	-	
	-	131,500	-	123,270	8,230	-
General Government						
Administration		30,000	1,469	39,170	(7,701)	
TRIO Software/Upgrade		17,000		12,942	4,058	
Assessors Agent	6,737	10,125		12,657	-	4,205
Parking Management		3,995		2,833	1,162	
Snow Shoveling		600		100	500	
Digital Tax Maps	1,767	3,500		3,900	-	1,367
Legal Fees	14,428	4,000		7,888	-	10,540
Planning Board / Board of Appeals		3,000		2,071	929	
Tri County Solid Waste		30,740		28,771	1,969	
Animal Control		1,900		44	1,856	
Emergency Management		250		19	231	
Cemeteries		4,900		5,870	(970)	
General Assistance	4,035	2,000		1,401	-	4,634
Street Lights		3,300		4,452	(1,152)	
Insurance		20,000		28,588	(8,588)	
Payroll Expenses		12,125		10,686	1,439	
Emergency Fund	14,030				-	14,030
Lien Fees			6,619	4,554	2,065	
	40,997	147,435	8,088	165,946	(4,202)	34,776

TOWN OF LIBERTY, MAINE

GENERAL FUND

STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit A-2

Page 2 of 3

	<u>Encumbered from 2023</u>	<u>Appropriation</u>	<u>Receipts and Reimbursements</u>	<u>Expenditures</u>	<u>Balances (Over) Under</u>	
					<u>Lapsed</u>	<u>Encumbered</u>
Highways						
Roads/Bridge/Dam Maintenance		60,000		64,201	(4,201)	
911 Signs		2,000			2,000	
Paving - DOT	13,137		26,784	39,921	-	
FEMA			24,852	24,852	-	
Parks		2,350		600	1,750	
Salt and Sand		60,000		45,466	14,534	
Sand Shed Repair					-	
Snowplowing		206,700		206,700	-	
	<u>13,137</u>	<u>331,050</u>	<u>51,636</u>	<u>381,740</u>	<u>14,083</u>	<u>-</u>
Dam Maintenance						
Lake St. George Dam Maintenance		1,000			1,000	
Steven's Pond Dam Maintenance		1		28,815	(28,814)	
	<u>-</u>	<u>1,001</u>	<u>-</u>	<u>28,815</u>	<u>(27,814)</u>	<u>-</u>
Fire Department						
Fire Department Expenditures		60,000		56,811	3,189	
Fire Department Wages		25,000	(9,475)	15,525	-	
Fire Length of Service Award	10,602		9,475	8,200	-	11,877
	<u>10,602</u>	<u>85,000</u>	<u>-</u>	<u>80,536</u>	<u>3,189</u>	<u>11,877</u>
Recreation						
Recreation		4,900		5,049	(149)	
Recreation Requests		2,600		450	2,150	
	<u>-</u>	<u>7,500</u>	<u>-</u>	<u>5,499</u>	<u>2,001</u>	<u>-</u>

TOWN OF LIBERTY, MAINE

GENERAL FUND

STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit A-2

Page 3 of 3

	<i>Encumbered from 2023</i>	<i>Appropriation</i>	<i>Receipts and Reimbursements</i>	<i>Expenditures</i>	<i>Balances (Over) Under</i>	
					<i>Lapsed</i>	<i>Encumbered</i>
Other						
Library		9,000		9,000	-	
Efficiency Upgrades		100,000		100,000	-	
Social Requests	25	13,291		13,291	25	
	<u>25</u>	<u>122,291</u>	<u>-</u>	<u>122,291</u>	<u>25</u>	<u>-</u>
Debt						
Efficiency Loan				1,909	(1,909)	
Fire Truck Loan		33,710		33,665	45	
		<u>33,710</u>		<u>35,574</u>	<u>(1,864)</u>	
Assessments						
RSU #3		1,817,380		1,817,380	-	
County Taxes		325,781		325,781	-	
Overlay		27,207		1,051	26,156	
		<u>2,170,368</u>		<u>2,144,212</u>	<u>26,156</u>	
Transfers to Other Funds						
Fire Department Reserve		25,000		28,188	(3,188)	
Paving Reserve Fund		180,000		180,000	-	
Capital Equipment		3,900		3,900	-	
Ambulance Fund		77,000		77,000	-	
Community Hall		8,000		8,000	-	
Overlock Scholarship		1,500		1,500	-	
		<u>295,400</u>		<u>298,588</u>	<u>(3,188)</u>	
	<u>64,761</u>	<u>3,325,255</u>	<u>59,724</u>	<u>3,386,471</u>	<u>16,616</u>	<u>46,653</u>

TOWN OF LIBERTY, MAINE
GENERAL FUND
STATEMENT OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Exhibit A-3

Unassigned Fund Balance -July 1		313,369
Budget Summary		
Revenue Surplus (Deficit) - Exhibit A-1	(47,731)	
Unexpended Balance (Overdraft) of		
Appropriations - Exhibit A-2	<u>16,616</u>	
Budget Surplus (Deficit)		<u>(31,115)</u>
Deductions		
Beginning Fund Balance Used		
to Reduce Tax Rate		<u>-</u>
Unassigned Fund Balance - June 30		<u><u>282,254</u></u>

**TOWN OF LIBERTY, MAINE
GENERAL RESERVE
BALANCE SHEET
JUNE 30, 2024**

Exhibit A-4

<i>Assets</i>	<i>Municipal Revenue Sharing</i>	<i>Ambulance Fund</i>	<i>Community Hall</i>	<i>Fire Department Reserve</i>	<i>Capital Equipment Reserve</i>	<i>Paving Reserve</i>	<i>Total</i>
Cash		335,914					335,914
Accounts Receivable		107,901					107,901
Due from Other Funds	100,056		4,641	57,735	4,001	4,810	171,243
Total Assets	100,056	443,815	4,641	57,735	4,001	4,810	615,058
<i>Liabilities and Fund Balances</i>							
<i>Liabilities</i>							
Accounts Payable							-
Due to Other Funds		105,478					105,478
Total Liabilities	-	105,478	-	-	-	-	105,478
<i>Fund Balances</i>							
Restricted	100,056						100,056
Committed		338,337	4,641	57,735	4,001	4,810	409,524
Unassigned							-
Total Fund Balances	100,056	338,337	4,641	57,735	4,001	4,810	509,580
Total Liabilities and Fund Balances	100,056	443,815	4,641	57,735	4,001	4,810	615,058

TOWN OF LIBERTY, MAINE

Exhibit A-5

GENERAL RESERVE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<i>Municipal Revenue Sharing</i>	<i>Ambulance Fund</i>	<i>Community Hall</i>	<i>Fire Department Reserve</i>	<i>Capital Equipment Reserve</i>	<i>Paving Reserve</i>	<i>Total</i>
Revenues							
Intergovernmental	135,672						135,672
Other Local Sources		349,078	650	11,209			360,937
Total Revenues	135,672	349,078	650	11,209		-	496,609
Expenditures							
General Government			4,747				4,747
Fire Department				9,642			9,642
Ambulance Department		333,067					333,067
Highway Department						185,296	185,296
Budgeted Appropriation	129,092						129,092
Total Expenditures	129,092	333,067	4,747	9,642	-	185,296	661,844
Excess of Revenues Over (Under) Expenditures	6,580	16,011	(4,097)	1,567	-	(185,296)	(165,235)
Other Financing Sources (Uses)							
Transfer In		77,000	8,000	28,188	3,900	180,000	297,088
Transfer Out							-
	-	77,000	8,000	28,188	3,900	180,000	297,088
Excess of Revenues and Other Sources Over (Under) Expenditures	6,580	93,011	3,903	29,755	3,900	(5,296)	131,853
Fund Balance -July 1	93,476	245,326	738	27,980	101	10,106	377,727
Fund Balance - June 30	100,056	338,337	4,641	57,735	4,001	4,810	509,580

TOWN OF LIBERTY, MAINE
ALL SPECIAL REVENUE FUNDS
BALANCE SHEET
JUNE 30, 2024

Exhibit B-1

<i>Assets</i>	<i>Willard Overlock Scholarship</i>	<i>Hoit Fund</i>	<i>Cemetery Fund</i>	<i>Total</i>
Cash	75,962	96,327	13,326	185,615
Due from Other Funds				-
Total Assets	75,962	96,327	13,326	185,615
 <i>Liabilities and Fund Balances</i>				
Liabilities				
Due to Other Funds	6,102	8,276	8,506	22,884
Total Liabilities	6,102	8,276	8,506	22,884
Fund Balances				
Restricted		88,051		88,051
Assigned	69,860		4,820	74,680
Total Fund Balances	69,860	88,051	4,820	162,731
Total Liabilities and Fund Balances	75,962	96,327	13,326	185,615

TOWN OF LIBERTY, MAINE
ALL SPECIAL REVENUE FUNDS

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<i>Willard Overlock Scholarship</i>	<i>Hoit Fund</i>	<i>Cemetery Fund</i>	<i>Total</i>
Revenues				
Intergovernmental Revenues				-
Donations				-
Interest Income	1,495	2,824	113	4,432
Total Revenues	1,495	2,824	113	4,432
Expenditures				
Scholarships	1,514			1,514
Capital Outlay				-
Miscellaneous		1,047		1,047
Total Expenditures	1,514	1,047	-	2,561
Excess of Revenues Over (Under) Expenditures	(19)	1,777	113	1,871
Other Financing Sources (Uses)				
Transfers from Other Funds	1,500			1,500
Transfers to Other Funds				-
Total Other Sources (Uses)	1,500	-	-	1,500
Excess of Revenues Over (Under) Expenditures and Other Sources	1,481	1,777	113	3,371
Fund Balance - July 1	68,379	86,274	4,707	159,360
Fund Balance - June 30	69,860	88,051	4,820	162,731