

Audited Financial Statements

Town of Wayne, Maine

June 30, 2015



Proven Expertise and Integrity

TOWN OF WAYNE, MAINE

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JUNE 30, 2015

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INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Wayne
Wayne, 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 Wayne, 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 Wayne, 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 10 and 34 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 Wayne, 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.

The combining and individual nonmajor 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 21, 2016

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

(UNAUDITED)

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

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

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 Wayne, 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 Wayne can be categorized as governmental funds.

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

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

The Town of Wayne 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 "All Nonmajor Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual –

General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances 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 activities. The Town's total net position for governmental funds is \$4,317,548 compared to \$4,221,268 in the prior year, an increase of \$96,280.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased to \$1,444,469 at the end of this year for governmental activities.

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

	Governmental Activities	
	2015	2014
Assets:		
Current Assets	\$ 1,545,276	\$ 1,810,156
Capital Assets	3,239,110	2,601,616
Total Assets	<u>4,784,386</u>	<u>4,411,772</u>
Liabilities:		
Current Liabilities	115,046	38,152
Long-term Debt Outstanding	345,800	149,809
Total Liabilities	<u>460,846</u>	<u>187,961</u>
Deferred Inflows of Resources:		
Prepaid Taxes	5,992	2,543
Total Deferred Inflows of Resources	<u>5,992</u>	<u>2,543</u>
Net Position:		
Net Investment in Capital Assets	2,797,542	2,424,281
Restricted	75,537	66,920
Unrestricted	1,444,469	1,730,067
Total Net Position	<u>\$ 4,317,548</u>	<u>\$ 4,221,268</u>

Revenues and Expenses

Revenues increased by 4.21% and expenses increased by 4.45% from the prior year. The increase in revenues was primarily due to an increase in taxes and miscellaneous revenues. The increase in expenditures was primarily due to increases in education and sanitation.

Table 2
Town of Wayne, Maine
Change in Net Position
For the Years Ended June 30,

	<u>2015</u>	<u>2014</u>
Revenues		
<i>Program Revenues:</i>		
Charges for services	\$ 9,129	\$ 8,139
Operating grants & contributions	30,532	33,292
<i>General Revenues:</i>		
Taxes	2,848,100	2,770,860
Grants & contributions not restricted to specific programs	78,218	69,432
Miscellaneous	174,481	131,873
Total Revenues	<u>3,140,460</u>	<u>3,013,596</u>
Expenses		
General government	321,090	304,641
Public safety	87,079	91,556
Highways and roads	364,087	360,359
Sanitation	114,293	79,953
Cobbossee watershed	2,233	2,127
Recreation	24,184	19,356
Organizations and social services	21,611	28,152
Unclassified	143,210	132,424
Education	1,774,654	1,708,722
County tax	179,882	182,790
Overlay	7,913	4,393
Interest on long-term debt	3,944	-
Total Expenses	<u>3,044,180</u>	<u>2,914,473</u>
Change in Net Position	96,280	99,123
Net Position - July 1	<u>4,221,268</u>	<u>4,122,145</u>
Net Position - June 30	<u>\$ 4,317,548</u>	<u>\$ 4,221,268</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 Wayne, Maine
Fund Balances - Governmental Funds
June 30,

	2015	2014
Major Funds:		
General Fund:		
Unassigned	\$ 1,085,862	\$ 1,022,909
Total Major Funds	\$ 1,085,862	\$ 1,022,909
Nonmajor Funds:		
Special Revenue Funds:		
Assigned	\$ 41,325	\$ 36,661
Unassigned	(542)	(3,084)
Capital Projects Funds:		
Assigned	242,104	512,999
Permanent Funds:		
Restricted	75,537	66,920
Total Nonmajor Funds	\$ 358,424	\$ 613,496

The general fund total fund balance increased by \$62,953 from the prior fiscal year. The nonmajor fund balances decreased by \$255,072 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 were over budget by \$140,151. This was primarily because of property and excise taxes being receipted more than budgeted amounts.

The general fund actual expenditures were under budget by \$72,802. All expenditure categories were under budget with the exception of general government and sanitation.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2015, the net book value of capital assets recorded by the Town increased by \$637,494. This was a result of capital additions of \$735,589 less current year depreciation expense of \$98,095.

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

	<u>2015</u>	<u>2014</u>
Land and improvements	\$ 705,000	\$ 705,000
Buildings and improvements	245,013	256,901
Machinery and equipment	56,905	38,693
Vehicles	356,516	25,097
Infrastructure	<u>1,875,676</u>	<u>1,575,925</u>
Total	<u>\$ 3,239,110</u>	<u>\$ 2,601,616</u>

Debt

At June 30, 2015, the Town had \$436,000 in bonds outstanding versus \$170,000 last year. Other obligations include capital leases payable and accrued sick and vacation time as shown in Note 5 of Notes to Financial Statements.

Currently Known Facts, Decisions, or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town has steadily maintained a sufficient unassigned fund balance to sustain government operations for a period of approximately four months, while also maintaining significant reserve accounts for future capital and program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Department at, P.O. Box 400, Wayne, Maine 04284.

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

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,362,592
Investments	14,788
Accounts receivable (net of allowance for uncollectibles):	
Taxes	105,842
Liens	60,776
Other	1,278
Total current assets	<u>1,545,276</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	705,000
Buildings, equipment and infrastructure net of accumulated depreciation	2,534,110
Total noncurrent assets	<u>3,239,110</u>
TOTAL ASSETS	<u><u>\$ 4,784,386</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ -
Payroll liabilities	20
Due to other governments	6,219
Current portion of long-term obligations	108,807
Total current liabilities	<u>115,046</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	342,000
Capital leases payable	3,800
Total noncurrent liabilities	<u>345,800</u>
TOTAL LIABILITIES	<u>460,846</u>
DEFERRED INFLOWS OF RESOURCES	
Prepaid taxes	5,992
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>5,992</u>
NET POSITION	
Net investment in capital assets	2,797,542
Restricted	75,537
Unrestricted	1,444,469
TOTAL NET POSITION	<u>4,317,548</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 4,784,386</u></u>

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

TOWN OF WAYNE, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Revenue & Changes in Net Position
					Governmental Activities
Governmental activities:					
General government	\$ 321,090	\$ 9,129	\$ -	\$ -	\$ (311,961)
Public safety	87,079	-	-	-	(87,079)
Highways and roads	364,087	-	30,532	-	(333,555)
Sanitation	114,293	-	-	-	(114,293)
Cobbossee watershed	2,233	-	-	-	(2,233)
Recreation	24,184	-	-	-	(24,184)
Organizations and social services	21,611	-	-	-	(21,611)
Unclassified	143,210	-	-	-	(143,210)
Education	1,774,654	-	-	-	(1,774,654)
County tax	179,882	-	-	-	(179,882)
Overlay	7,913	-	-	-	(7,913)
Interest on long-term debt	3,944	-	-	-	(3,944)
Total government	<u>\$ 3,044,180</u>	<u>\$ 9,129</u>	<u>\$ 30,532</u>	<u>\$ -</u>	<u>\$ (3,004,519)</u>

TOWN OF WAYNE, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>(3,004,519)</u>
General revenues:	
Taxes:	
Property taxes, levied for general purposes	2,612,712
Excise taxes	235,388
Grants and contributions not restricted to specific programs	78,218
Miscellaneous	<u>174,481</u>
Total general revenues	<u>3,100,799</u>
Change in net position	96,280
NET POSITION - JULY 1	<u>4,221,268</u>
NET POSITION - JUNE 30	<u><u>\$ 4,317,548</u></u>

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

TOWN OF WAYNE, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	All Nonmajor Funds	Totals Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,289,894	\$ 72,698	\$ 1,362,592
Investments	-	14,788	14,788
Accounts receivable (net of allowance for uncollectibles):			
Taxes	105,842	-	105,842
Liens	60,776	-	60,776
Other	1,278	-	1,278
Due from other funds	567	271,505	272,072
TOTAL ASSETS	\$ 1,458,357	\$ 358,991	\$ 1,817,348
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Payroll liabilities	20	-	20
Due to other governments	6,219	-	6,219
Due to other funds	271,505	567	272,072
TOTAL LIABILITIES	277,744	567	278,311
DEFERRED INFLOWS OF RESOURCES			
Deferred tax revenue	88,759	-	88,759
Prepaid taxes	5,992	-	5,992
TOTAL DEFERRED INFLOWS OF RESOURCES	94,751	-	94,751
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	75,537	75,537
Committed	-	-	-
Assigned	-	283,429	283,429
Unassigned	1,085,862	(542)	1,085,320
TOTAL FUND BALANCES	1,085,862	358,424	1,444,286
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,458,357	\$ 358,991	\$ 1,817,348

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

TOWN OF WAYNE, MAINE

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

	Total Governmental Funds
Total Fund Balances	\$ 1,444,286
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	3,239,110
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	88,759
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(436,000)
Capital leases payable	(5,568)
Accrued compensated absences	(13,039)
	\$ 4,317,548
Net position of governmental activities	

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

TOWN OF WAYNE, MAINE

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

	General Fund	All Nonmajor Funds	Totals Governmental Funds
REVENUES			
Taxes:			
Property	\$ 2,692,777	\$ -	\$ 2,692,777
Excise	235,388	-	235,388
Intergovernmental	108,750	-	108,750
Charges for services	9,129	-	9,129
Miscellaneous revenues	38,472	136,009	174,481
TOTAL REVENUES	3,084,516	136,009	3,220,525
EXPENDITURES			
Current:			
General government	304,307	-	304,307
Public safety	65,790	-	65,790
Highways and roads	309,772	-	309,772
Sanitation	114,293	-	114,293
Cobbossee watershed	2,233	-	2,233
Recreation	15,446	-	15,446
Organizations and social services	21,611	-	21,611
Unclassified	19,318	123,892	143,210
Education	1,774,654	-	1,774,654
County tax	179,882	-	179,882
Overlay	7,913	-	7,913
Capital outlay	5,100	730,489	735,589
Debt service:			
Principal	34,000	-	34,000
Interest	3,944	-	3,944
TOTAL EXPENDITURES	2,858,263	854,381	3,712,644
EXCESS REVENUES OVER (UNDER) EXPENDITURES	226,253	(718,372)	(492,119)
OTHER FINANCING SOURCES (USES)			
Bond proceeds	-	300,000	300,000
Transfers in	30,000	207,579	237,579
Transfers (out)	(193,300)	(44,279)	(237,579)
TOTAL OTHER FINANCING SOURCES (USES)	(163,300)	463,300	300,000
NET CHANGE IN FUND BALANCES	62,953	(255,072)	(192,119)
FUND BALANCES - JULY 1,	1,022,909	613,496	1,636,405
FUND BALANCES - JUNE 30	\$ 1,085,862	\$ 358,424	\$ 1,444,286

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

TOWN OF WAYNE, 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>\$ (192,119)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset purchases	735,589
Depreciation expense	<u>(98,095)</u>
	<u>637,494</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>(80,065)</u>
Debt proceeds provide current financial resources to governmental funds, but long-term liabilities in the Statement of Net Position	
	<u>(300,000)</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>(4,797)</u>
	<u>(4,797)</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 Position	
	<u>35,767</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 96,280</u></u>

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Wayne was incorporated under the laws of the State of Maine. The Town operates under Town manager form of government and provides the following services: general government, public safety, highways and roads, sanitation, education, and recreation.

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 either governmental or business-type. All activities for the Town are categorized as governmental.

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

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Both fiduciary funds and component units that are fiduciary in nature have been excluded from these financial statements.

The following fund types are used by the Town:

1. Governmental Funds:

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

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Board of Selectmen 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 Wayne has no formal investment policy but instead follows the State of Maine Statutes. They are in the process of adopting a more detailed investment policy.

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".

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$0 as of June 30, 2015.

Capital Assets

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

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

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 do permit 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 \$13,039.

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 WAYNE, 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 Board of Selectmen.

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

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

Deferred Outflows and Inflows of Resources

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied August 12, 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 three installments on October 1, 2014, January 31, 2015 and April 1, 2015. Interest on unpaid taxes commenced on October 2, 2014, February 2, 2015 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 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 \$21,337 for the year ended June 30, 2015.

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.

Program Revenues

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

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating/Non-operating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund.

Encumbrance Accounting

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

Use of Estimates

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

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town's investment policies, which follow state statutes, require that all investments be made considering 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.

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 deposits amounting to \$1,362,592 were comprised of bank deposits of \$1,374,546. Of these deposits, \$291,308 were fully insured by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining deposits of \$1,083,238 were collateralized with securities held by the financial institution in the Town's name.

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 48,233
Sweep account	1,083,238
Savings accounts	243,075
	<u>\$ 1,374,546</u>

Investments:

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

At June 30, 2015, the Town's investments balance of \$14,788 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk.

<u>Investment Type</u>	<u>Fair Value</u>	<u>N/A</u>	<u>< 1 Year</u>	<u>1 - 5 Years</u>
Certificates of deposit	\$ 14,788	\$ -	\$ 14,788	\$ -
	<u>\$ 14,788</u>	<u>\$ -</u>	<u>\$ 14,788</u>	<u>\$ -</u>

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

	<u>Receivables (Due from)</u>	<u>Payables (Due to)</u>
General Fund	\$ 567	\$ 271,505
Nonmajor Special Revenue Funds	38,717	542
Nonmajor Capital Projects Funds	225,677	25
Nonmajor Permanent Funds	7,111	-
	<u>\$ 272,072</u>	<u>\$ 272,072</u>

NOTE 4 - CAPITAL ASSETS

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

	<u>Balance, 7/1/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance, 6/30/15</u>
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 705,000	\$ -	\$ -	\$ 705,000
	<u>705,000</u>	<u>-</u>	<u>-</u>	<u>705,000</u>
Depreciated assets:				
Buildings and improvements	654,914	3,316	-	658,230
Equipment, vehicles furniture & fixtures	469,755	366,722	-	836,477
Infrastructure	4,698,102	365,551	-	5,063,653
	<u>5,822,771</u>	<u>735,589</u>	<u>-</u>	<u>6,558,360</u>
Less: accumulated depreciation	<u>(3,926,155)</u>	<u>(98,095)</u>	<u>-</u>	<u>(4,024,250)</u>
	<u>1,896,616</u>	<u>637,494</u>	<u>-</u>	<u>2,534,110</u>
Net capital assets	<u>\$ 2,601,616</u>	<u>\$ 637,494</u>	<u>\$ -</u>	<u>\$ 3,239,110</u>
<u>Current year depreciation</u>				
General government				\$ 13,753
Public safety				21,289
Public works				54,315
Recreation				8,738
Total depreciation expense				<u>\$ 98,095</u>

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – LONG TERM DEBT

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

	Balance, 7/1/14	Additions	Deletions	Balance, 6/30/15	Current Portion
Bonds payable	\$ 170,000	\$ 300,000	\$ (34,000)	\$ 436,000	\$ 94,000
Capital leases payable	7,335	-	(1,767)	5,568	1,768
Accrued compensated absences	8,242	4,797	-	13,039	13,039
Totals	<u>\$ 185,577</u>	<u>\$ 304,797</u>	<u>\$ (35,767)</u>	<u>\$ 454,607</u>	<u>\$ 108,807</u>

The following is a summary of the bonds outstanding as of June 30, 2015:

Bonds payable:

\$170,000 - 2013 Bond with TD Bank due in annual principal and interest payments through August of 2018. The interest rate is set at 2.32% per annum.	\$ 136,000
\$300,000 - 2014 Bond with Camden National Bank due in annual principal and interest payments through August of 2019. The interest rate is set at 2.21% per annum.	<u>300,000</u>
Total Bonds Payable	<u>\$ 436,000</u>

The annual principal and interest requirements to amortize the bonds are as follows:

Year Ending June 30,	Governmental Activities		Total Debt Service
	Principal	Interest	
2016	\$ 94,000	\$ 9,785	\$ 103,785
2017	94,000	7,676	101,676
2018	94,000	5,551	99,551
2019	94,000	3,441	97,441
2020	60,000	1,326	61,326
	<u>\$ 436,000</u>	<u>\$ 27,779</u>	<u>\$ 463,779</u>

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – LONG TERM DEBT (CONTINUED)

A summary of the outstanding capital leases payable is as follows:

The Town leases a copier under a non-cancelable lease agreement dated May of 2013. The term of the lease is for a five year period expiring in July of 2017. Annual principal and interest payments are \$1,948.

Future minimum payments, by year and in the aggregate, under these leases are as follows:

2016	\$	1,948
2017		1,948
2018		1,948
2019		-
2020		-
Total minimum lease payments		<u>5,844</u>
Less: Amount representing interest		<u>(276)</u>
Present value of future minimum lease payments	\$	<u><u>5,568</u></u>

NOTE 6 – RESTRICTED FUND BALANCES

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

Nonmajor permanent funds (Schedule H)	\$	<u><u>75,537</u></u>
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NOTE 7 – ASSIGNED FUND BALANCES

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

Nonmajor special revenue funds (Schedule D)	\$	41,325
Nonmajor capital projects funds (Schedule F)		<u>242,104</u>
	\$	<u><u>283,429</u></u>

NOTE 8 – RISK MANAGEMENT – PARTICIPATION IN A PUBLIC ENTITY RISK POOL

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 carries commercial insurance or participates in a public entity and self-insured risk pool sponsored by the Maine Municipal Association.

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 – RISK MANAGEMENT – PARTICIPATION IN A PUBLIC ENTITY RISK POOL (CONTINUED)

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.

NOTE 9 – OVERLAPPING DEBT

The Town is responsible for its proportionate share of County and Regional School Unit debt. At June 30, 2015, the County of Kennebec had no outstanding debt. The Town's share of school debt was as follows:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
RSU #38	4,509,311	16.06%	<u>\$ 724,195</u>

NOTE 10 – DEFERRED COMPENSATION PLAN

INTERNATIONAL CITY MANAGERS ASSOCIATION RETIREMENT CORPORATION

A. Plan Description

The Town contributes to a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 through the International City Management Association Retirement Corporation (ICMA-RC). The plan, available to all full-time Town employees, permits them to defer a portion of their salary, in addition to Town contributions, until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. The plan is being maintained by ICMA Retirement Corporation.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

TOWN OF WAYNE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 10 – DEFERRED COMPENSATION PLAN (CONTINUED)

B. Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the Town's Board of Selectmen. The Town will contribute up to 5% of annual salary for employees that participate in the Town's defined benefit plan.

The Town's contributions to the plan including employee contributions for 2015, 2014, and 2013 were \$1,504, \$313, and \$3,446, respectively.

NOTE 11 - EXPENDITURES OVER APPROPRIATIONS

The following appropriations were exceeded by actual expenditures:

	<u>Excess</u>
Contractual	\$ 23,595
Street lights	941
Transfer station	3,334
Snowmobile	589
	<u>\$ 28,459</u>

NOTE 12 – DEFICIT FUND BALANCES

At June 30, 2015, the Town had the following funds with deficit fund balances:

Boat Launch	<u>\$ 542</u>
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NOTE 13 - CONTINGENCIES

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.

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.

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 WAYNE, MAINE

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

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,022,909	\$ 1,022,909	\$ 1,022,909	\$ -
Resources (Inflows):				
Property taxes	2,597,744	2,597,744	2,692,777	95,033
Excise taxes	202,000	202,000	235,388	33,388
Intergovernmental	110,821	110,821	108,750	(2,071)
Charge for services	6,500	6,500	9,129	2,629
Interest on taxes	12,000	12,000	18,717	6,717
Interest income	1,000	1,000	1,752	752
Other revenues	14,300	14,300	18,003	3,703
Transfers from other funds	30,000	30,000	30,000	-
Amounts Available for Appropriation	<u>3,997,274</u>	<u>3,997,274</u>	<u>4,137,425</u>	<u>140,151</u>
Charges to Appropriations (Outflows):				
General government	290,021	290,021	304,307	(14,286)
Public safety	66,262	66,262	65,790	472
Highways and roads	318,853	318,853	309,772	9,081
Sanitation	110,959	110,959	114,293	(3,334)
Cobbossee watershed	2,233	2,233	2,233	-
Recreation	18,200	18,200	15,446	2,754
Organizations and social services	22,220	22,220	21,611	609
Unclassified	22,344	22,344	19,318	3,026
Education	1,774,654	1,774,654	1,774,654	-
Capital improvements	5,100	5,100	5,100	-
County tax	179,882	179,882	179,882	-
Overlay	21,337	21,337	7,913	13,424
Debt service:				
Principal	95,056	95,056	34,000	61,056
Interest	3,944	3,944	3,944	-
Transfers to other funds	193,300	193,300	193,300	-
Total Charges to Appropriations	<u>3,124,365</u>	<u>3,124,365</u>	<u>3,051,563</u>	<u>72,802</u>
Budgetary Fund Balance, June 30	<u>\$ 872,909</u>	<u>\$ 872,909</u>	<u>\$ 1,085,862</u>	<u>\$ 212,953</u>
Utilization of Unassigned Fund Balance	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ (150,000)</u>

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

Other Supplementary Information

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

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

TOWN OF WAYNE, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES					
General government:					
Salaries	\$ 175,445	\$ -	\$ 175,445	\$ 169,383	\$ 6,062
Operating	34,276	-	34,276	33,914	362
Contractual	50,800	-	50,800	74,395	(23,595)
Utilities	2,800	-	2,800	2,549	251
Contingency	5,000	-	5,000	3,983	1,017
Assessing	19,700	-	19,700	19,700	-
Elections/hearings	2,000	-	2,000	383	1,617
	<u>290,021</u>	<u>-</u>	<u>290,021</u>	<u>304,307</u>	<u>(14,286)</u>
Public safety:					
Ambulance	9,512	-	9,512	9,512	-
Law enforcement	4,000	-	4,000	4,000	-
Fire department	34,900	-	34,900	34,900	-
PSAP/Dispatch	11,850	-	11,850	10,437	1,413
Street lights	6,000	-	6,000	6,941	(941)
	<u>66,262</u>	<u>-</u>	<u>66,262</u>	<u>65,790</u>	<u>472</u>
Highway:					
Roads	318,853	-	318,853	309,772	9,081
	<u>318,853</u>	<u>-</u>	<u>318,853</u>	<u>309,772</u>	<u>9,081</u>
Sanitation:					
Transfer station	110,959	-	110,959	114,293	(3,334)
Cobbossee watershed	2,233	-	2,233	2,233	-

TOWN OF WAYNE, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
County tax	179,882	-	179,882	179,882	-
Recreation	18,200	-	18,200	15,446	2,754
Organizations and social service agencies:					
Humane Society	1,900	-	1,900	1,891	9
Cemetery Association	3,500	-	3,500	3,500	-
Library	6,000	-	6,000	6,000	-
Messenger	1,200	-	1,200	1,200	-
Archival Board	600	-	600	-	600
Rural Community Action	3,300	-	3,300	3,300	-
Senior Spectrum - KAA	1,004	-	1,004	1,004	-
Hospice of Kennebec	1,000	-	1,000	1,000	-
Maine Public Broadcasting	100	-	100	100	-
Kennebec Valley Mental Health	1,600	-	1,600	1,600	-
Red Cross	1,200	-	1,200	1,200	-
Crisis Support Center	416	-	416	416	-
Food Pantry	400	-	400	400	-
	<u>22,220</u>	<u>-</u>	<u>22,220</u>	<u>21,611</u>	<u>609</u>

TOWN OF WAYNE, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Unclassified:					
General assistance	5,000	-	5,000	1,385	3,615
Snowmobile	-	-	-	589	(589)
Six month budget installments	17,344	-	17,344	17,344	-
	<u>22,344</u>	<u>-</u>	<u>22,344</u>	<u>19,318</u>	<u>3,026</u>
Education	<u>1,774,654</u>	<u>-</u>	<u>1,774,654</u>	<u>1,774,654</u>	<u>-</u>
Capital improvements:					
Fire Department	5,100	-	5,100	5,100	-
	<u>5,100</u>	<u>-</u>	<u>5,100</u>	<u>5,100</u>	<u>-</u>
Debt service:					
Principal	95,056	-	95,056	34,000	61,056
Interest	3,944	-	3,944	3,944	-
	<u>99,000</u>	<u>-</u>	<u>99,000</u>	<u>37,944</u>	<u>61,056</u>
Transfers:					
Capital projects funds	188,500	-	188,500	188,500	-
Special revenue funds	4,800	-	4,800	4,800	-
	<u>193,300</u>	<u>-</u>	<u>193,300</u>	<u>193,300</u>	<u>-</u>
Overlay	<u>21,337</u>	<u>-</u>	<u>21,337</u>	<u>7,913</u>	<u>13,424</u>
Total Expenditures	<u>\$ 3,124,365</u>	<u>\$ -</u>	<u>\$ 3,124,365</u>	<u>\$ 3,051,563</u>	<u>\$ 72,802</u>

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

TOWN OF WAYNE, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,608	\$ 16,452	\$ 53,638	\$ 72,698
Investments	-	-	14,788	14,788
Due from other funds	38,717	225,677	7,111	271,505
TOTAL ASSETS	<u>41,325</u>	<u>\$ 242,129</u>	<u>\$ 75,537</u>	<u>\$ 358,991</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	542	25	-	567
TOTAL LIABILITIES	<u>542</u>	<u>25</u>	<u>-</u>	<u>567</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	75,537	75,537
Committed	-	-	-	-
Assigned	41,325	242,104	-	283,429
Unassigned	(542)	-	-	(542)
TOTAL FUND BALANCES	<u>40,783</u>	<u>242,104</u>	<u>75,537</u>	<u>358,424</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 41,325</u>	<u>\$ 242,129</u>	<u>\$ 75,537</u>	<u>\$ 358,991</u>

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

TOWN OF WAYNE, 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				
Interest income	\$ -	\$ 609	\$ 150	\$ 759
Other income	100,850	24,200	10,200	135,250
TOTAL REVENUES	<u>100,850</u>	<u>24,809</u>	<u>10,350</u>	<u>136,009</u>
EXPENDITURES				
Capital outlay	-	730,489	-	730,489
Other	91,903	30,256	1,733	123,892
TOTAL EXPENDITURES	<u>91,903</u>	<u>760,745</u>	<u>1,733</u>	<u>854,381</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>8,947</u>	<u>(735,936)</u>	<u>8,617</u>	<u>(718,372)</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	300,000	-	300,000
Transfers in	9,996	197,583	-	207,579
Transfers (out)	(11,737)	(32,542)	-	(44,279)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,741)</u>	<u>465,041</u>	<u>-</u>	<u>463,300</u>
NET CHANGE IN FUND BALANCES	7,206	(270,895)	8,617	(255,072)
FUND BALANCES - JULY 1	<u>33,577</u>	<u>512,999</u>	<u>66,920</u>	<u>613,496</u>
FUND BALANCES - JUNE 30	<u>\$ 40,783</u>	<u>\$ 242,104</u>	<u>\$ 75,537</u>	<u>\$ 358,424</u>

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

Special Revenue Funds

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

TOWN OF WAYNE, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUES FUNDS
JUNE 30, 2015

	Fire Ponds	Comprehensive Plan	Maine State Preamble	ADA Compliance	Animal Control	Pandemic Supplies
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-	2,100	-
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -	\$ 2,100	\$ -
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	2,100	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	-	-	-	-	2,100	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 2,100	\$ -

TOWN OF WAYNE, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUES FUNDS
 JUNE 30, 2015

	Conservation Committee	Water Quality	Wayne Rescue	Muni Building Study	Farmers Market
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	2,654	-	-	754
TOTAL ASSETS	\$ -	\$ 2,654	\$ -	\$ -	\$ 754
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	2,654	-	-	754
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	-	2,654	-	-	754
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 2,654	\$ -	\$ -	\$ 754

TOWN OF WAYNE, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUES FUNDS
 JUNE 30, 2015

	Wayne History Project	Andro Lake Improvement	Ladd Rec Center Operations	Boat Launch	Soccer
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	3,973	-	26,197	-	1,882
TOTAL ASSETS	\$ 3,973	\$ -	\$ 26,197	\$ -	\$ 1,882
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	542	-
TOTAL LIABILITIES	-	-	-	542	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	3,973	-	26,197	-	1,882
Unassigned	-	-	-	(542)	-
TOTAL FUND BALANCES	3,973	-	26,197	(542)	1,882
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,973	\$ -	\$ 26,197	\$ -	\$ 1,882

TOWN OF WAYNE, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUES FUNDS
 JUNE 30, 2015

	<u>Softball</u>	<u>Baseball</u>	<u>Cemetery Lot Sales</u>	<u>Community Directory</u>	<u>North Wayne School House</u>	<u>Totals</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,608	\$ 2,608
Due from other funds	635	452	-	70	-	38,717
TOTAL ASSETS	<u>\$ 635</u>	<u>\$ 452</u>	<u>\$ -</u>	<u>\$ 70</u>	<u>\$ 2,608</u>	<u>\$ 41,325</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	542
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>542</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	635	452	-	70	2,608	41,325
Unassigned	-	-	-	-	-	(542)
TOTAL FUND BALANCES	<u>635</u>	<u>452</u>	<u>-</u>	<u>70</u>	<u>2,608</u>	<u>40,783</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 635</u>	<u>\$ 452</u>	<u>\$ -</u>	<u>\$ 70</u>	<u>\$ 2,608</u>	<u>\$ 41,325</u>

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

TOWN OF WAYNE, MAINE

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

	Fire Ponds	Comprehensive Plan	Maine State Preamble	ADA Compliance	Animal Control	Pandemic Supplies
REVENUES						
Other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Other	-	125	-	-	144	-
TOTAL EXPENDITURES	<u>-</u>	<u>125</u>	<u>-</u>	<u>-</u>	<u>144</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(125)</u>	<u>-</u>	<u>-</u>	<u>(144)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	(1,633)	-	(966)	(1,450)	-	(5,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,633)</u>	<u>-</u>	<u>(966)</u>	<u>(1,450)</u>	<u>-</u>	<u>(5,000)</u>
NET CHANGE IN FUND BALANCES	(1,633)	(125)	(966)	(1,450)	(144)	(5,000)
FUND BALANCES - JULY 1	<u>1,633</u>	<u>125</u>	<u>966</u>	<u>1,450</u>	<u>2,244</u>	<u>5,000</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,100</u>	<u>\$ -</u>

TOWN OF WAYNE, MAINE

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

	<u>Conservation Committee</u>	<u>Water Quality</u>	<u>Wayne Rescue</u>	<u>Muni Building Study</u>	<u>Farmers Market</u>
REVENUES					
Other income	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Other	-	-	-	-	309
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>309</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(309)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	2,654	-	-	-
Transfers (out)	(812)	-	(200)	(800)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(812)</u>	<u>2,654</u>	<u>(200)</u>	<u>(800)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(812)	2,654	(200)	(800)	(309)
FUND BALANCES - JULY 1	<u>812</u>	<u>-</u>	<u>200</u>	<u>800</u>	<u>1,063</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ 2,654</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 754</u>

TOWN OF WAYNE, MAINE

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

	Wayne History Project	Andro Lake Improvement	Ladd Rec Center Operations	Boat Launch	Soccer
REVENUES					
Other income	\$ -	\$ -	\$ 97,870	\$ -	\$ 395
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>97,870</u>	<u>-</u>	<u>395</u>
EXPENDITURES					
Other	-	-	89,212	-	395
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>89,212</u>	<u>-</u>	<u>395</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>8,658</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	4,300	2,542	167
Transfers (out)	-	(876)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(876)</u>	<u>4,300</u>	<u>2,542</u>	<u>167</u>
NET CHANGE IN FUND BALANCES	-	(876)	12,958	2,542	167
FUND BALANCES - JULY 1	<u>3,973</u>	<u>876</u>	<u>13,239</u>	<u>(3,084)</u>	<u>1,715</u>
FUND BALANCES - JUNE 30	<u>\$ 3,973</u>	<u>\$ -</u>	<u>\$ 26,197</u>	<u>\$ (542)</u>	<u>\$ 1,882</u>

TOWN OF WAYNE, MAINE

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

	<u>Softball</u>	<u>Baseball</u>	<u>Cemetery Lot Sales</u>	<u>Community Directory</u>	<u>North Wayne School House</u>	<u>Totals</u>
REVENUES						
Other income	\$ -	\$ 590	\$ -	\$ 70	\$ 1,925	\$ 100,850
TOTAL REVENUES	<u>-</u>	<u>590</u>	<u>-</u>	<u>70</u>	<u>1,925</u>	<u>100,850</u>
EXPENDITURES						
Other	-	590	550	15	563	91,903
TOTAL EXPENDITURES	<u>-</u>	<u>590</u>	<u>550</u>	<u>15</u>	<u>563</u>	<u>91,903</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(550)</u>	<u>55</u>	<u>1,362</u>	<u>8,947</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	166	167	-	-	-	9,996
Transfers (out)	-	-	-	-	-	(11,737)
TOTAL OTHER FINANCING SOURCES (USES)	<u>166</u>	<u>167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,741)</u>
NET CHANGE IN FUND BALANCES	166	167	(550)	55	1,362	7,206
FUND BALANCES - JULY 1	<u>469</u>	<u>285</u>	<u>550</u>	<u>15</u>	<u>1,246</u>	<u>33,577</u>
FUND BALANCES - JUNE 30	<u>\$ 635</u>	<u>\$ 452</u>	<u>\$ -</u>	<u>\$ 70</u>	<u>\$ 2,608</u>	<u>\$ 40,783</u>

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.

TOWN OF WAYNE, MAINE

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

	Transfer Station	Voting Machine	Road Reserve	Fire Truck Reserve	Sand/Salt Shed
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 16,452	\$ -
Due from other funds	43,572	6,500	47,314	-	2,918
TOTAL ASSETS	\$ 43,572	\$ 6,500	\$ 47,314	\$ 16,452	\$ 2,918
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	25	-
TOTAL LIABILITIES	-	-	-	25	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	43,572	6,500	47,314	16,427	2,918
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	43,572	6,500	47,314	16,427	2,918
TOTAL LIABILITIES AND FUND BALANCES	\$ 43,572	\$ 6,500	\$ 47,314	\$ 16,452	\$ 2,918

TOWN OF WAYNE, MAINE

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

	<u>Paving Reserve</u>	<u>Fire Equipment</u>	<u>Building Maintenance</u>	<u>Fire Station Addition</u>	<u>Lord Road Paving</u>	<u>Foot Bridge</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	6,246	152	1,592	30,411	3,767
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 6,246</u>	<u>\$ 152</u>	<u>\$ 1,592</u>	<u>\$ 30,411</u>	<u>\$ 3,767</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	6,246	152	1,592	30,411	3,767
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>6,246</u>	<u>152</u>	<u>1,592</u>	<u>30,411</u>	<u>3,767</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 6,246</u>	<u>\$ 152</u>	<u>\$ 1,592</u>	<u>\$ 30,411</u>	<u>\$ 3,767</u>

TOWN OF WAYNE, MAINE

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

	Hardscrabble Road	Lovejoy Pond Dam	Land & Buildings	Cemetery Stone Cleaning	Future Town Office	Besse Road Chip Seal
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	2,811	18,184	4,328	9,900	32,250	4,800
TOTAL ASSETS	<u>\$ 2,811</u>	<u>\$ 18,184</u>	<u>\$ 4,328</u>	<u>\$ 9,900</u>	<u>\$ 32,250</u>	<u>\$ 4,800</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	2,811	18,184	4,328	9,900	32,250	4,800
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,811</u>	<u>18,184</u>	<u>4,328</u>	<u>9,900</u>	<u>32,250</u>	<u>4,800</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,811</u>	<u>\$ 18,184</u>	<u>\$ 4,328</u>	<u>\$ 9,900</u>	<u>\$ 32,250</u>	<u>\$ 4,800</u>

TOWN OF WAYNE, MAINE

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

	<u>Village Improvements</u>	<u>Technology</u>	<u>GIS Map</u>	<u>Emergency Management</u>	<u>Fire Pond</u>	<u>Totals</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,452
Due from other funds	2,281	718	1,100	5,200	1,633	225,677
TOTAL ASSETS	<u>\$ 2,281</u>	<u>\$ 718</u>	<u>\$ 1,100</u>	<u>\$ 5,200</u>	<u>\$ 1,633</u>	<u>\$ 242,129</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	25
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	2,281	718	1,100	5,200	1,633	242,104
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,281</u>	<u>718</u>	<u>1,100</u>	<u>5,200</u>	<u>1,633</u>	<u>242,104</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,281</u>	<u>\$ 718</u>	<u>\$ 1,100</u>	<u>\$ 5,200</u>	<u>\$ 1,633</u>	<u>\$ 242,129</u>

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

TOWN OF WAYNE, MAINE

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

	Transfer Station	Voting Machine	Road Reserve	Fire Truck Reserve	Sand/Salt Shed
REVENUES					
Interest income	\$ -	\$ -	\$ -	\$ 609	\$ -
Other income	-	-	-	-	-
TOTAL REVENUES	-	-	-	609	-
EXPENDITURES					
Capital outlay	-	-	253,696	338,868	-
Other	-	-	1,505	-	-
TOTAL EXPENDITURES	-	-	255,201	338,868	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(255,201)	(338,259)	-
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	300,000	-	-
Transfers in	-	-	-	70,000	-
Transfers (out)	(30,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(30,000)	-	300,000	70,000	-
NET CHANGE IN FUND BALANCES	(30,000)	-	44,799	(268,259)	-
FUND BALANCES - JULY 1	73,572	6,500	2,515	284,686	2,918
FUND BALANCES - JUNE 30	\$ 43,572	\$ 6,500	\$ 47,314	\$ 16,427	\$ 2,918

TOWN OF WAYNE, MAINE

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

	Paving Reserve	Fire Equipment	Building Maintenance	Fire Station Addition	Lord Road Paving	Foot Bridge
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	24,000	-	-	-	-
TOTAL REVENUES	-	24,000	-	-	-	-
EXPENDITURES						
Capital outlay	111,855	22,754	-	-	-	-
Other	-	-	-	-	-	-
TOTAL EXPENDITURES	111,855	22,754	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(111,855)	1,246	-	-	-	-
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	-	-	-	-
Transfers in	60,000	5,000	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	60,000	5,000	-	-	-	-
NET CHANGE IN FUND BALANCES	(51,855)	6,246	-	-	-	-
FUND BALANCES - JULY 1	51,855	-	152	1,592	30,411	3,767
FUND BALANCES - JUNE 30	\$ -	\$ 6,246	\$ 152	\$ 1,592	\$ 30,411	\$ 3,767

TOWN OF WAYNE, MAINE

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

	<u>Hardscrabble Road</u>	<u>Lovejoy Pond Dam</u>	<u>Land & Buildings</u>	<u>Cemetery Stone Cleaning</u>	<u>Future Town Office</u>	<u>Besse Road Chip Seal</u>
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Capital outlay	-	-	3,316	-	-	-
Other	-	-	6,650	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>9,966</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(9,966)</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	10,000	2,500	17,250	-
Transfers (out)	-	-	(2,542)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>7,458</u>	<u>2,500</u>	<u>17,250</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	(2,508)	2,500	17,250	-
FUND BALANCES - JULY 1	<u>2,811</u>	<u>18,184</u>	<u>6,836</u>	<u>7,400</u>	<u>15,000</u>	<u>4,800</u>
FUND BALANCES - JUNE 30	<u>\$ 2,811</u>	<u>\$ 18,184</u>	<u>\$ 4,328</u>	<u>\$ 9,900</u>	<u>\$ 32,250</u>	<u>\$ 4,800</u>

TOWN OF WAYNE, MAINE

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

	Village Improvements	Technology	GIS Map	Emergency Management	Fire Pond	Totals
REVENUES						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609
Other income	200	-	-	-	-	24,200
TOTAL REVENUES	<u>200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,809</u>
EXPENDITURES						
Capital outlay	-	-	-	-	-	730,489
Other	2,919	2,282	16,900	-	-	30,256
TOTAL EXPENDITURES	<u>2,919</u>	<u>2,282</u>	<u>16,900</u>	<u>-</u>	<u>-</u>	<u>760,745</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,719)</u>	<u>(2,282)</u>	<u>(16,900)</u>	<u>-</u>	<u>-</u>	<u>(735,936)</u>
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	-	-	-	300,000
Transfers in	5,000	3,000	18,000	5,200	1,633	197,583
Transfers (out)	-	-	-	-	-	(32,542)
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,000</u>	<u>3,000</u>	<u>18,000</u>	<u>5,200</u>	<u>1,633</u>	<u>465,041</u>
NET CHANGE IN FUND BALANCES	2,281	718	1,100	5,200	1,633	(270,895)
FUND BALANCES - JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>512,999</u>
FUND BALANCES - JUNE 30	<u>\$ 2,281</u>	<u>\$ 718</u>	<u>\$ 1,100</u>	<u>\$ 5,200</u>	<u>\$ 1,633</u>	<u>\$ 242,104</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 Wayne, 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.

TOWN OF WAYNE, MAINE

COMBINING BALANCE SHEET – NONMAJOR PERMANENT FUNDS
JUNE 30, 2015

	Jaworksi Fund	Ladd Recreation	Ruth Lee	Ladd Special	Totals
ASSETS					
Cash and cash equivalents	\$ 1,140	\$ 22,904	\$ 8,474	\$ 21,120	\$ 53,638
Investments	-	14,788	-	-	14,788
Due from other funds	-	3,785	-	3,326	7,111
TOTAL ASSETS	\$ 1,140	\$ 41,477	\$ 8,474	\$ 24,446	\$ 75,537
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	1,140	41,477	8,474	24,446	75,537
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	1,140	41,477	8,474	24,446	75,537
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,140	\$ 41,477	\$ 8,474	\$ 24,446	\$ 75,537

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

TOWN OF WAYNE, MAINE

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

	Jaworksi Fund	Ladd Recreation	Ruth Lee	Ladd Special	Totals
REVENUES					
Interest income	\$ 1	\$ 104	\$ 13	\$ 32	\$ 150
Other income	-	5,500	-	4,700	10,200
TOTAL REVENUES	<u>1</u>	<u>5,604</u>	<u>13</u>	<u>4,732</u>	<u>10,350</u>
EXPENDITURES					
Other	-	-	-	1,733	1,733
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,733</u>	<u>1,733</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1</u>	<u>5,604</u>	<u>13</u>	<u>2,999</u>	<u>8,617</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	1	5,604	13	2,999	8,617
FUND BALANCES - JULY 1	<u>1,139</u>	<u>35,873</u>	<u>8,461</u>	<u>21,447</u>	<u>66,920</u>
FUND BALANCES - JUNE 30	<u>\$ 1,140</u>	<u>\$ 41,477</u>	<u>\$ 8,474</u>	<u>\$ 24,446</u>	<u>\$ 75,537</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 WAYNE, 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	\$ 190,000	\$ 132,379	\$ -	\$ 574,241	\$ 896,620
Public safety	40,000	263,497	813,860	-	1,117,357
Public works	-	3,316	-	4,489,412	4,492,728
Recreation	100,000	259,038	22,617	-	381,655
Cemeteries	210,000	-	-	-	210,000
Town-wide	165,000	-	-	-	165,000
Total General Capital Assets	705,000	658,230	836,477	5,063,653	7,263,360
Less: Accumulated Depreciation	-	(413,217)	(423,056)	(3,187,977)	(4,024,250)
Net General Capital Assets	<u>\$ 705,000</u>	<u>\$ 245,013</u>	<u>\$ 413,421</u>	<u>\$ 1,875,676</u>	<u>\$ 3,239,110</u>

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

TOWN OF WAYNE, 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	\$ 896,620	\$ -	\$ -	\$ 896,620
Public safety	750,635	366,722	-	1,117,357
Public works	4,123,861	368,867	-	4,492,728
Recreation	381,655	-	-	381,655
Cemeteries	210,000	-	-	210,000
Town-wide	165,000	-	-	165,000
Total General Capital Assets	6,527,771	735,589	-	7,263,360
Less: Accumulated Depreciation	<u>(3,926,155)</u>	<u>(98,095)</u>	<u>-</u>	<u>(4,024,250)</u>
Net General Capital Assets	<u>\$ 2,601,616</u>	<u>\$ 637,494</u>	<u>\$ -</u>	<u>\$ 3,239,110</u>

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