

Audited Financial Statements and  
Other Financial Information

**Town of Limerick, Maine**

December 31, 2022



*Proven Expertise & Integrity*

TOWN OF LIMERICK, MAINE

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DECEMBER 31, 2022

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## INDEPENDENT AUDITOR'S REPORT

Selectboard  
Town of Limerick  
Limerick, Maine

### 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 the Town of Limerick, Maine, as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Town of Limerick, Maine'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 of Town of Limerick, Maine as of December 31, 2022 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are 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 of Limerick, Maine and to meet our other 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 the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of

3 Old Orchard Road, Buxton, Maine 04093  
Tel: (800) 300-7708      (207) 929-4606      Fax: (207) 929-4609  
[www.rhrsmith.com](http://www.rhrsmith.com)

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 of Limerick, Maine'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 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 and *Government Auditing Standards* 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 control. 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 GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements 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 controls 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 of Limerick, Maine'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 doubt about the Town of Limerick,

Maine'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 pages 5 through 11 and 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Limerick, Maine's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules 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 Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2023, on our consideration of the Town of Limerick, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Limerick, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Limerick, Maine's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
August 17, 2023



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**(UNAUDITED)**

The following management's discussion and analysis of the Town of Limerick, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the Town's financial statements.

**Financial Statement Overview**

The Town of Limerick'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 type of activity. The type of activity presented for the Town of Limerick 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 works, public safety, waste and sanitation, community services, education, community assistance 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 Limerick, 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 Limerick are 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 funds 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 funds balance sheet and the governmental funds 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 Limerick presents three columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund and the Limerick rescue fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

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

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

### **Required Supplementary Information**

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

### **Other Supplementary Information**

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

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

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position increased by \$421,247 from \$9,859,485 to \$10,280,732.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased to a balance of \$4,886,643 at the end of this year.

**Table 1**  
**Town of Limerick, Maine**  
**Net Position**  
**December 31,**

	<b>2022</b>	<b>2021 (Restated)</b>
<b>Assets:</b>		
Current Assets	\$ 5,334,601	\$ 4,599,773
Noncurrent Assets-Capital Assets	5,063,637	5,509,421
Total Assets	<u>10,398,238</u>	<u>10,109,194</u>
<b>Liabilities:</b>		
Current Liabilities	<u>94,287</u>	<u>226,216</u>
Total Liabilities	<u>94,287</u>	<u>226,216</u>
<b>Deferred Inflows of Resources:</b>		
Prepaid Taxes	2,067	2,219
Advanced Payment of LRAP Funding	<u>21,152</u>	<u>21,274</u>
Total Deferred Inflows of Resources	<u>23,219</u>	<u>23,493</u>
<b>Net Position:</b>		
Net Investment in Capital Assets	5,063,637	5,509,016
Restricted	330,452	180,205
Unrestricted	<u>4,886,643</u>	<u>4,170,264</u>
Total Net Position	<u>\$ 10,280,732</u>	<u>\$ 9,859,485</u>

### Revenues and Expenses

Revenues for the Town's governmental activities increased by 9.14%, while total expenses decreased by 10.77%. The main increases in revenues were in charges for services, taxes and grants and contributions not restricted to specific programs. All expense categories increased with the exception of community assistance and capital outlay.

**Table 2**  
**Town of Limerick, Maine**  
**Change in Net Position**  
**For the Years Ended December 31,**

	<u>2022</u>	<u>2021</u>
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for services	\$ 494,742	\$ 367,927
Operating grants and contributions	159,956	162,335
<i>General Revenues:</i>		
Taxes	6,182,182	5,702,343
Grants and contributions not restricted to specific programs	693,246	615,772
Miscellaneous	131,280	171,327
Total Revenues	<u>7,661,406</u>	<u>7,019,704</u>
<b>Expenses</b>		
General government	685,132	521,069
Public works	856,214	784,183
Public safety	798,324	503,414
Waste and sanitation	515,804	342,871
Community services	95,829	88,770
Education	3,655,862	3,549,647
County tax	176,888	170,933
Community assistance	9,800	9,800
Capital outlay	156,702	318,616
Unclassified	216,806	178,368
Unallocated depreciation (Note 5)	72,798	68,345
Total Expenses	<u>7,240,159</u>	<u>6,536,016</u>
Change in Net Position	421,247	483,688
Net Position - January 1, Restated	<u>9,859,485</u>	<u>9,375,797</u>
Net Position - December 31	<u>\$ 10,280,732</u>	<u>\$ 9,859,485</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 Limerick, Maine**  
**Fund Balances - Governmental Funds**  
**December 31,**

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>
General Fund:			
Nonspendable	\$ 65,520	\$ 81,188	\$ (15,668)
Committed	112,585	140,681	(28,096)
Unassigned	2,428,876	1,916,903	511,973
Total General Fund	<u>\$ 2,606,981</u>	<u>\$ 2,138,772</u>	<u>\$ 468,209</u>
Limerick Rescue Fund:			
Committed	\$ 447,165	\$ 408,148	\$ 39,017
Total Limerick Rescue Fund	<u>\$ 447,165</u>	<u>\$ 408,148</u>	<u>\$ 39,017</u>
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 313,296	\$ 163,057	\$ 150,239
Committed	89,713	50,077	39,636
Assigned	38,974	34,941	4,033
Capital Projects Funds:			
Committed	1,345,822	1,134,189	211,633
Permanent Funds:			
Restricted	17,156	17,148	8
Total Nonmajor Funds	<u>\$ 1,804,961</u>	<u>\$ 1,399,412</u>	<u>\$ 405,549</u>

The changes to total fund balances for the general fund, the Limerick rescue fund and the aggregate nonmajor funds occurred due to the regular activity of operations.

### Budgetary Highlights

The significant differences between the original and final budget for the general fund were the use of unassigned and committed fund balances.

The general fund actual revenues exceeded budgeted amounts by \$309,576. All revenue categories were received in excess of budgeted amounts with the exception of interest income.

The general fund actual expenditures were under budgeted amounts by \$538,658. All expenditure categories were within or under budgeted amounts except for transfer to other funds.

## Capital Asset and Long-Term Debt Administration

### Capital Assets

As of December 31, 2022, the net book value of capital assets recorded by the Town decreased by \$445,784 from the prior year. This is due to capital asset acquisitions of \$19,873, less net disposals of \$66,300 and current year depreciation expense of \$399,357.

**Table 4**  
**Town of Limerick, Maine**  
**Capital Assets (Net of Depreciation)**  
**December 31,**

	<u>2022</u>	<u>2021</u> <u>(Restated)</u>
Land	\$ 267,950	\$ 267,950
Buildings and improvements	787,851	837,220
Machinery and equipment	109,957	117,129
Vehicles	607,619	906,459
Infrastructure	3,290,260	3,380,663
Total	<u>\$ 5,063,637</u>	<u>\$ 5,509,421</u>

### Debt

At December 31, 2022, the Town did not have any debt.

### Currently Known Facts, Decisions or Conditions

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

The 2022 - 2023 budget could be severely impacted by the reduction of funding from the State. There is no indication of reduced funding from the State for 2022 - 2023 as of the date this report was issued.”

### 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, 55 Washington Street, Limerick, Maine 04048.

## TOWN OF LIMERICK, MAINE

STATEMENT OF NET POSITION  
DECEMBER 31, 2022

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 4,832,657
Investments	17,156
Accounts receivable (net of allowance for uncollectibles):	
Taxes	297,336
Liens	86,940
Other	34,992
Tax acquired property	<u>65,520</u>
Total current assets	<u>5,334,601</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	267,950
Buildings and equipment, net of accumulated depreciation	<u>4,795,687</u>
Total noncurrent assets	<u>5,063,637</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 10,398,238</u></b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 68,559
Accrued payroll	16,019
Due to other governments	<u>9,709</u>
Total current liabilities	<u>94,287</u>
<b>TOTAL LIABILITIES</b>	<b><u>94,287</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Prepaid taxes	2,067
Advanced payment of LRAP funding	<u>21,152</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>23,219</u></b>
<b>NET POSITION</b>	
Net investment in capital assets	5,063,637
Restricted	330,452
Unrestricted	<u>4,886,643</u>
<b>TOTAL NET POSITION</b>	<b><u>10,280,732</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b><u>\$ 10,398,238</u></b>

See accompanying independent auditor's report and notes to financial statements.



## STATEMENT B

TOWN OF LIMERICK, MAINE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 685,132	\$ 242,096	\$ -	\$ -	(443,036)
Public works	856,214	-	-	-	(856,214)
Public safety	798,324	182,079	-	-	(616,245)
Waste and sanitation	515,804	67,123	-	-	(448,681)
Community services	95,829	3,444	-	-	(92,385)
Education	3,655,862	-	-	-	(3,655,862)
County tax	176,888	-	-	-	(176,888)
Community assistance	9,800	-	-	-	(9,800)
Capital outlay	156,702	-	-	-	(156,702)
Unclassified	216,806	-	159,956	-	(56,850)
Unallocated depreciation (Note 5)*	72,798	-	-	-	(72,798)
Total government	<u>\$ 7,240,159</u>	<u>\$ 494,742</u>	<u>\$ 159,956</u>	<u>\$ -</u>	<u>(6,585,461)</u>

STATEMENT B (CONTINUED)

TOWN OF LIMERICK, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(6,585,461)
General revenues:	
Taxes:	
Property taxes, levied for general purposes	5,423,005
Excise taxes	759,177
Grants and contributions not restricted to specific programs	693,246
Miscellaneous	131,280
Total general revenues	7,006,708
Change in net position	421,247
NET POSITION - JANUARY 1, RESTATED	9,859,485
NET POSITION - DECEMBER 31	\$ 10,280,732

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF LIMERICK, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	General Fund	Limerick Rescue	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	4,059,278	\$ 360,297	\$ 413,082	\$ 4,832,657
Investments	-	-	17,156	17,156
Accounts receivable (net of allowance for uncollectibles):				
Taxes	297,336	-	-	297,336
Liens	86,940	-	-	86,940
Other	4,530	30,462	-	34,992
Tax acquired property	65,520	-	-	65,520
Due from other funds	-	56,406	1,374,723	1,431,129
<b>TOTAL ASSETS</b>	<b>\$ 4,513,604</b>	<b>\$ 447,165</b>	<b>\$ 1,804,961</b>	<b>\$ 6,765,730</b>
<b>LIABILITIES</b>				
Accounts payable	68,559	\$ -	\$ -	\$ 68,559
Accrued payroll	16,019	-	-	16,019
Due to other governments	9,709	-	-	9,709
Due to other funds	1,431,129	-	-	1,431,129
<b>TOTAL LIABILITIES</b>	<b>1,525,416</b>	<b>-</b>	<b>-</b>	<b>1,525,416</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Prepaid taxes	2,067	-	-	2,067
Advanced payment of LRAP funding	21,152	-	-	21,152
Deferred tax revenues	357,988	-	-	357,988
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>381,207</b>	<b>-</b>	<b>-</b>	<b>381,207</b>
<b>FUND BALANCES</b>				
Nonspendable	65,520	-	-	65,520
Restricted	-	-	330,452	330,452
Committed	112,585	447,165	1,435,535	1,995,285
Assigned	-	-	38,974	38,974
Unassigned	2,428,876	-	-	2,428,876
<b>TOTAL FUND BALANCES</b>	<b>2,606,981</b>	<b>447,165</b>	<b>1,804,961</b>	<b>4,859,107</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 4,513,604</b>	<b>\$ 447,165</b>	<b>\$ 1,804,961</b>	<b>\$ 6,765,730</b>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF LIMERICK, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2022

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 4,859,107
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	5,063,637
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	<u>357,988</u>
Net position of governmental activities	<u>\$ 10,280,732</u>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF LIMERICK, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Limerick Rescue	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property taxes	\$ 5,468,749	\$ -	\$ -	\$ 5,468,749
Excise taxes	759,177	-	-	759,177
Intergovernmental	693,246	-	159,956	853,202
Charges for services	312,911	178,996	2,835	494,742
Miscellaneous revenues	73,809	1,069	56,402	131,280
TOTAL REVENUES	<u>7,307,892</u>	<u>180,065</u>	<u>219,193</u>	<u>7,707,150</u>
EXPENDITURES				
Current:				
General government	685,132	-	-	685,132
Public works	552,757	-	-	552,757
Public safety	716,931	19,048	-	735,979
Waste and sanitation	510,074	-	-	510,074
Community services	94,375	-	-	94,375
Education	3,655,862	-	-	3,655,862
County tax	176,888	-	-	176,888
Community assistance	9,800	-	-	9,800
Unclassified	176,864	-	39,942	216,806
Capital outlay	-	-	156,702	156,702
TOTAL EXPENDITURES	<u>6,578,683</u>	<u>19,048</u>	<u>196,644</u>	<u>6,794,375</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>729,209</u>	<u>161,017</u>	<u>22,549</u>	<u>912,775</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	508,000	508,000
Transfers (out)	(261,000)	(122,000)	(125,000)	(508,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(261,000)</u>	<u>(122,000)</u>	<u>383,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	468,209	39,017	405,549	912,775
FUND BALANCES - JANUARY 1	<u>2,138,772</u>	<u>408,148</u>	<u>1,399,412</u>	<u>3,946,332</u>
FUND BALANCES - DECEMBER 31	<u>\$ 2,606,981</u>	<u>\$ 447,165</u>	<u>\$ 1,804,961</u>	<u>\$ 4,859,107</u>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF LIMERICK, 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 DECEMBER 31, 2022

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 912,775</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 acquisitions	19,873
Capital asset disposals	(66,300)
Depreciation expense	<u>(399,357)</u>
	<u>(445,784)</u>
Revenues in the Statement of Activities that do not provide current financial resources as revenues in the funds:	
Taxes and liens receivable	<u>(45,744)</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 421,247</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The Town of Limerick was incorporated under the laws of the State of Maine. The Town operates under the Selectboard-treasurer form of government and provides the following services: general government, public safety, public works, waste and sanitation, community services, education and community assistance.

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.

**Implementation of New Accounting Standards**

During the year ended December 31, 2022, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 98 "The Annual Comprehensive Financial Report". This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Management has determined the impact of this Statement is not material to the financial statements.

**Government-Wide and Fund Financial Statements**

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

Both the government-wide and fund financial statements categorize primary activities as governmental. The Town categorizes all activities as governmental.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column and (b) is 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

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.) excluding fiduciary activities. 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. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

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

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

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

**Measurement Focus - Basic Financial Statements and 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

1. Governmental Funds:

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



TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major Funds

- 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. The Limerick Rescue Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment associated with the rescue. The primary source of revenue for this fund is charges for services.

Nonmajor Funds

- c. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- d. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.
- e. 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.

The emphasis in fund financial statements is on the major funds in governmental activities categories. Nonmajor funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

**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.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the Town.

**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.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

The Town of Limerick has no formal investment policy but instead follows the State of Maine Statutes.

**Receivables**

Receivables include amounts due for ambulance receivables. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$188,842 as of December 31, 2022. Accounts receivable netted with allowances for uncollectible accounts were \$34,992 for the year ended December 31, 2022.

**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".

**Tax Acquired Property**

Real property becomes tax acquired when tax liens placed on property and associated costs remain unpaid eighteen months after the filing of the tax lien in accordance with 36 M.R.S.A. § 943. The amount of the taxes and associated costs become assets classified as tax acquired property receivables that are secured by the real property that foreclosed.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

After real property becomes tax acquired the Selectboard is responsible for the property and any disposition procedures allowed under the direction of the inhabitants of the Town as authorized by or the provisions of the Town article that is approved annually by the taxpayers.

**Transactions Between Funds**

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

**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. 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 capital assets are reported 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.

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 obligations 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 LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The Town has no long-term obligations.

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

**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.

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 OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 given annually by vote of the taxpayers and is expressed by the Selectboard.

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.

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. Deferred tax revenues, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes and advanced payment of LRAP funding also qualify for reporting in this category. These items are reported in both the statements of net position and governmental funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Town's property tax for the current year was levied September 1, 2022 on the assessed value listed as of April 1, 2022, for all real and personal property located in the Town. Taxes were due on October 31, 2022. Interest on unpaid taxes commenced on November 1, 2022, at 4% 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 \$87,871 for the year ended December 31, 2022.

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 (charges to customers or applicants for goods, services or privileges provided; operating or capital grants and contributions, including special assessments).

**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.

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town follows state statutes for the investment of funds, which 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. These 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 December 31, 2022, the Town's cash balance of \$4,832,657 was comprised of bank deposits amounting to \$4,946,345. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash balance. \$4,763,263 was insured by federal depository insurance. \$183,082 was uninsured and consequently is exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
NOW checking accounts	\$ 423,082
ICS accounts	4,513,263
Money market accounts	10,000
	<u>\$ 4,946,345</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.

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. Certificates of deposit held with local financial institutions for \$17,155 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.



TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At December 31, 2022, the Town's investments of \$17,155 of certificates of deposit were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

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 certificates of deposit.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2022 consisted of the following individual fund receivables and payables.

	Receivables (Due from)	Payables (Due to)
General Fund	\$ -	\$ 1,431,129
Limerick Rescue Fund	56,406	-
Nonmajor Special Revenue Funds	133,901	-
Nonmajor Capital Projects Funds	1,240,822	-
	<u>\$ 1,431,129</u>	<u>\$ 1,431,129</u>

The result of amounts owed between funds are considered to be in the course of normal operations by the Town. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at December 31, 2022 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 261,000
Limerick Rescue Fund	-	122,000
Nonmajor Capital Projects Funds	508,000	125,000
	<u>\$ 508,000</u>	<u>\$ 508,000</u>

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 4 - INTERFUND TRANSFERS (CONTINUED)

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2022:

	Balance, 1/1/22 (Restated)	Additions	Deletions	Balance, 12/31/22
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 267,950	\$ -	\$ -	\$ 267,950
	<u>267,950</u>	<u>-</u>	<u>-</u>	<u>267,950</u>
Depreciated assets:				
Buildings and improvements	1,537,534	-	-	1,537,534
Machinery and equipment	842,189	15,373	(8,300)	849,262
Vehicles	1,237,795	4,500	(265,000)	977,295
Infrastructure	5,546,524	-	-	5,546,524
	<u>9,164,042</u>	<u>19,873</u>	<u>(273,300)</u>	<u>8,910,615</u>
Less: accumulated depreciation:				
Buildings and improvements	(700,314)	(49,369)	-	(749,683)
Machinery and equipment	(725,060)	(21,845)	7,600	(739,305)
Vehicles	(501,891)	(67,185)	199,400	(369,676)
Infrastructure	(1,995,306)	(260,958)	-	(2,256,264)
	<u>(3,922,571)</u>	<u>(399,357)</u>	<u>207,000</u>	<u>(4,114,928)</u>
Net depreciated assets	<u>5,241,471</u>	<u>(379,484)</u>	<u>(66,300)</u>	<u>4,795,687</u>
Net capital assets	<u>\$ 5,509,421</u>	<u>\$ (379,484)</u>	<u>\$ (66,300)</u>	<u>\$ 5,063,637</u>
<u>Current year depreciation</u>				
Public safety			\$ 82,218	
Public works			237,157	
Waste and sanitation			5,730	
Library			1,454	
Town-wide			72,798	
Total depreciation expense			<u>\$ 399,357</u>	

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 6 - OPERATING LEASE

The Town has entered into an operating lease for a copier. Monthly payments are \$295 plus taxes through September of 2024.

The following is a summary of outstanding operating lease requirements for the fiscal years ending December 31:

NOTE 6 - OPERATING LEASE (CONTINUED)

Year Ending December 31:	
2023	\$ 3,360
2024	3,360
2025	<u>2,520</u>
Total minimum lease payments	<u>\$ 9,240</u>

NOTE 7 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at December 31, 2022/

Invested in capital assets	\$ 9,178,565
Accumulated depreciation	<u>(4,114,928)</u>
	<u>\$ 5,063,637</u>

NOTE 8 - RESTRICTED NET POSITION AND FUND BALANCES

At December 31, 2022, the Town had the following restricted net position and fund balances:

Nonmajor special revenue funds (Schedule E)	\$ 313,296
Nonmajor permanent funds (Schedule I)	<u>17,156</u>
	<u>\$ 330,452</u>

NOTE 9 - NONSPENDABLE FUND BALANCE

At December 31, 2022, the Town had the following nonspendable fund balance:

General fund:	
Tax acquired property	<u>\$ 65,520</u>

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 10 - COMMITTED FUND BALANCES

At December 31, 2022, the Town had the following committed fund balances:

General fund:	
Revaluation	\$ 30,000
Franchise fees	42,318
FEMA	5,207
Franchise capital equipment	35,060
Limerick rescue fund	447,165
Nonmajor special revenue funds (Schedule E)	89,713
Nonmajor capital projects funds (Schedule G)	1,345,822
	<u>\$ 1,995,285</u>

NOTE 11 - ASSIGNED FUND BALANCES

At December 31, 2022, the Town had the following assigned fund balances:

Nonmajor special revenue funds (Schedule E)	<u>\$ 38,974</u>
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NOTE 12 - OVERSPENT APPROPRIATIONS

At December 31, 2022, the Town had the following overspent appropriations:

Assessing (Article 30)	\$ 1,095
WC/Unemployment (Article 28)	15,537
Elections (Article 28)	297
Snow removal of roads (Article 33)	957
Per diem EMT (Article 35)	3,776
Traffic signals (Article 35)	451
Grange Hall (Article 28)	486
Capital projects/equipment (Article 37)	1,163
Franchise fees (Article 38)	13,238
Transfers to other funds	95,000
	<u>\$ 132,000</u>

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 13 - OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At December 31, 2022, the Town's share was approximately:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
RSU #57	\$ 15,466,656	12.58%	<u>\$ 1,945,365</u>

NOTE 14 - RISK MANAGEMENT

The Town faces a full realm of risks typical of a thriving entity. Liabilities associated with torts and protections against damage of loss of assets are the general categories of risk for which the Town carries commercial insurance. Specific insurance related to these categories includes general, police and public official's liability coverage, workers compensation and automobile insurance. The Town is liable for deductibles ranging up to \$50,000 for settlements exceeding the limits of coverage, which range from \$1,000 to \$4,288,163.

Based on the coverage provided by the pools described above, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2022. 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 15 - CONTINGENCIES

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

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

TOWN OF LIMERICK, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE 16 - RELATED PARTY TRANSACTIONS

A member of the Selectboard is the son of the Transfer station manager. A Selectboard member is related to J.P. Carroll whose company J.P. Carroll was paid \$41,825 during the fiscal year ending December 31, 2022 for services rendered.

NOTE 17 - COMPARATIVE DATA/RECLASSIFICATIONS

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

NOTE 18 - RESTATEMENT

In 2021, an asset was over depreciated. Therefore, a restatement of the 2021 government-wide financial statements was required. Noncurrent capital assets were increased by \$405. The resulting restatement increased governmental activities net position from \$9,859,080 to \$9,859,485.

## Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental 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 LIMERICK, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, January 1	\$ 2,138,772	\$ 2,138,772	\$ 2,138,772	\$ -
Resources (Inflows):				
Property taxes	5,436,193	5,436,193	5,468,749	32,556
Excise taxes	710,000	710,000	759,177	49,177
Intergovernmental	664,403	664,403	693,246	28,843
Charges for services	135,000	135,000	312,911	177,911
Interest income	27,500	27,500	24,365	(3,135)
Miscellaneous revenues	-	25,220	49,444	24,224
Amounts Available for Appropriation	<u>9,111,868</u>	<u>9,137,088</u>	<u>9,446,664</u>	<u>309,576</u>
Charges to Appropriations (Outflows):				
General government	778,491	778,491	685,132	93,359
Public works	969,215	969,215	552,757	416,458
Public safety	716,931	716,931	716,931	-
Waste and sanitation	559,884	559,884	510,074	49,810
Community services	97,337	97,337	94,375	2,962
Education	3,655,862	3,655,862	3,655,862	-
County tax	176,888	176,888	176,888	-
Community assistance	9,800	9,800	9,800	-
Unclassified	223,688	247,933	176,864	71,069
Transfers to other funds	6,000	166,000	261,000	(95,000)
Total Charges to Appropriations	<u>7,194,096</u>	<u>7,378,341</u>	<u>6,839,683</u>	<u>538,658</u>
Budgetary Fund Balance, December 31	<u>\$ 1,917,772</u>	<u>\$ 1,758,747</u>	<u>\$ 2,606,981</u>	<u>\$ 848,234</u>
Utilization of unassigned fund balance	\$ 221,000	\$ 221,000	\$ -	\$ (221,000)
Utilization of committed fund balance	-	159,025	-	(159,025)
	<u>\$ 221,000</u>	<u>\$ 380,025</u>	<u>\$ -</u>	<u>\$ (380,025)</u>

See accompanying independent auditor's report and notes to financial statements.



## Other Supplementary Information

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

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

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND REVENUES  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
General tax revenues:				
Property taxes	\$ 5,436,193	\$ 5,436,193	\$ 5,468,749	\$ 32,556
Vehicle excise taxes	700,000	700,000	750,264	50,264
Boat/plane excise taxes	10,000	10,000	8,913	(1,087)
Intergovernmental revenues:				
State revenue sharing	418,000	418,000	431,667	13,667
Homestead exemption	192,347	192,347	174,479	(17,868)
Veteran's exemption	-	-	2,451	2,451
Tree growth	-	-	24,142	24,142
BETE reimbursement	13,056	13,056	13,092	36
Urban renewal	41,000	41,000	42,426	1,426
General assistance	-	-	4,989	4,989
Charges for services:				
Agent fees	15,000	15,000	18,367	3,367
Clerk fees	4,000	4,000	4,403	403
Code enforcement	55,000	55,000	206,699	151,699
Board of appeals	-	-	250	250
Transfer station	55,000	55,000	67,123	12,123
Fire department	500	500	273	(227)
Public safety	-	-	2,400	2,400
Animal control	-	-	410	410
Recreation registrations	3,500	3,500	2,983	(517)
Town hall rentals	-	-	200	200
Copies	-	-	3,492	3,492
Planning board	2,000	2,000	5,850	3,850
Library	-	-	461	461
Investment income:				
Investment income	7,500	7,500	8,331	831
Interest/fees on taxes	20,000	20,000	16,034	(3,966)
Other income:				
Lien costs	-	-	4,085	4,085
Cable franchise fees	-	25,220	40,408	15,188
Other	-	-	4,951	4,951
<b>TOTAL REVENUES</b>	<b>\$ 6,973,096</b>	<b>\$ 6,998,316</b>	<b>\$ 7,307,892</b>	<b>\$ 309,576</b>

See accompanying independent auditor's report and notes to financial statements.

SCHEDULE B

TOWN OF LIMERICK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General Government:					
Treasurer	\$ 69,891	\$ -	\$ 69,891	\$ 60,830	\$ 9,061
Town clerk/tax collector	125,242	-	125,242	117,613	7,629
Administration payroll	88,736	-	88,736	82,000	6,736
Administration	39,345	-	39,345	37,516	1,829
Legal/audit/liability insurance	132,746	-	132,746	87,206	45,540
Qualified health	70,538	-	70,538	50,585	19,953
Assessing	51,394	-	51,394	52,489	(1,095)
General assistance	11,000	-	11,000	8,946	2,054
W/C/Unemployment	62,269	-	62,269	77,706	(15,437)
Board of appeals	1,521	-	1,521	635	886
Elections	12,051	-	12,051	12,348	(297)
Code enforcement officer	88,779	-	88,779	88,700	79
Planning board	9,979	-	9,979	8,558	1,421
Contingency	15,000	-	15,000	-	15,000
	<u>778,491</u>	<u>-</u>	<u>778,491</u>	<u>685,132</u>	<u>93,359</u>
Public Works:					
Repair of highways	198,000	-	198,000	123,667	74,333
Tarring	300,000	-	300,000	-	300,000
Buildings	62,460	-	62,460	40,353	22,107
Snow removal:					
Snow removal of roads	354,380	-	354,380	355,337	(957)
Snow removal sidewalks	54,375	-	54,375	33,400	20,975
	<u>969,215</u>	<u>-</u>	<u>969,215</u>	<u>552,757</u>	<u>416,458</u>

SCHEDULE B (CONTINUED)

TOWN OF LIMERICK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
<b>Public Safety:</b>					
Fire department	160,579	-	160,579	157,350	3,229
Hydrant rental	44,530	-	44,530	44,528	2
Per diem EMT	472,239	-	472,239	476,015	(3,776)
E.M.A.	4,088	-	4,088	4,040	48
Traffic signals	19,500	-	19,500	19,951	(451)
Animal control	15,995	-	15,995	15,047	948
	<u>716,931</u>	<u>-</u>	<u>716,931</u>	<u>716,931</u>	<u>-</u>
<b>Waste and Sanitation:</b>					
Sanitation and recycling facility	183,384	-	183,384	151,325	32,059
Door to Door	240,000	-	240,000	240,000	-
Household tipping fees	136,500	-	136,500	118,749	17,751
	<u>559,884</u>	<u>-</u>	<u>559,884</u>	<u>510,074</u>	<u>49,810</u>
<b>Community Services:</b>					
Library	78,378	-	78,378	77,817	561
Recreation	18,959	-	18,959	16,558	2,401
	<u>97,337</u>	<u>-</u>	<u>97,337</u>	<u>94,375</u>	<u>2,962</u>

SCHEDULE B (CONTINUED)

TOWN OF LIMERICK, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Education	3,655,862	-	3,655,862	3,655,862	-
County Tax	176,888	-	176,888	176,888	-
Community Assistance:					
Charity organizations	9,800	-	9,800	9,800	-
	9,800	-	9,800	9,800	-
Unclassified:					
Town Hall	44,400	-	44,400	23,531	20,869
Public places	28,957	-	28,957	28,405	552
Municipal buildings	58,460	-	58,460	57,043	1,417
Grange Hall	2,000	-	2,000	2,486	(486)
Moore building	2,000	-	2,000	928	1,072
Capital projects/equipment	-	12,123	12,123	13,286	(1,163)
Franchise fees	-	12,122	12,122	25,360	(13,238)
Overlay	87,871	-	87,871	25,825	62,046
	223,688	24,245	247,933	176,864	71,069
Transfers to Other Funds:					
Capital projects funds	6,000	160,000	166,000	261,000	(95,000)
Total Departmental Operations	\$ 7,194,096	\$ 184,245	\$ 7,378,341	\$ 6,839,683	\$ 538,658

See accompanying independent auditor's report and notes to financial statements.

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 308,082	\$ 105,000	\$ -	\$ 413,082
Investments	-	-	17,156	17,156
Due from other funds	133,901	1,240,822	-	1,374,723
<b>TOTAL ASSETS</b>	<b>\$ 441,983</b>	<b>\$ 1,345,822</b>	<b>\$ 17,156</b>	<b>\$ 1,804,961</b>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	313,296	-	17,156	330,452
Committed	89,713	1,345,822	-	1,435,535
Assigned	38,974	-	-	38,974
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>441,983</b>	<b>1,345,822</b>	<b>17,156</b>	<b>1,804,961</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 441,983</b>	<b>\$ 1,345,822</b>	<b>\$ 17,156</b>	<b>\$ 1,804,961</b>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Intergovernmental	\$ 159,956	\$ -	\$ -	\$ 159,956
Charges for services	2,835	-	-	2,835
Interest income	-	-	8	8
Other	54,394	2,000	-	56,394
<b>TOTAL REVENUES</b>	<u>217,185</u>	<u>2,000</u>	<u>8</u>	<u>219,193</u>
<b>EXPENDITURES</b>				
Capital outlay	-	156,702	-	156,702
Other	23,277	16,665	-	39,942
<b>TOTAL EXPENDITURES</b>	<u>23,277</u>	<u>173,367</u>	<u>-</u>	<u>196,644</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>193,908</u>	<u>(171,367)</u>	<u>8</u>	<u>22,549</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	508,000	-	508,000
Transfers (out)	-	(125,000)	-	(125,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>383,000</u>	<u>-</u>	<u>383,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	193,908	211,633	8	405,549
<b>FUND BALANCES - JANUARY 1</b>	<u>248,075</u>	<u>1,134,189</u>	<u>17,148</u>	<u>1,399,412</u>
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 441,983</u>	<u>\$ 1,345,822</u>	<u>\$ 17,156</u>	<u>\$ 1,804,961</u>

See accompanying independent auditor's 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.

1. Business Park
2. Lakes Environmental Grant
3. Recreation Donations
4. Outreach
5. Library Book Sales
6. United Way Contribution
7. Misc. Relief Indigent
8. ARPA
9. Transfer Station Grant
10. May Safety Grant
11. State of Maine Swap Shop
12. Limerick Christmas
13. Fire Department Donations
14. Tibbetts Memorial Fund
15. 2020 Block Party
16. Transfer Station Donations



TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2022

	Business Park	Lakes Environmental Grant	Recreation Donations	Outreach	Library Book Sales
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	89,713	256	2,098	663	840
<b>TOTAL ASSETS</b>	<b>\$ 89,713</b>	<b>\$ 256</b>	<b>\$ 2,098</b>	<b>\$ 663</b>	<b>\$ 840</b>
<b>LIABILITIES</b>					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	256	-	663	-
Committed	89,713	-	-	-	-
Assigned	-	-	2,098	-	840
Unassigned	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>89,713</b>	<b>256</b>	<b>2,098</b>	<b>663</b>	<b>840</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 89,713</b>	<b>\$ 256</b>	<b>\$ 2,098</b>	<b>\$ 663</b>	<b>\$ 840</b>

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2022

	United Way Contribution	Misc. Relief Indigent	ARPA	Transfer Station Grant
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 308,082	\$ -
Due from other funds	1,550	2,700	1,742	581
<b>TOTAL ASSETS</b>	<b>\$ 1,550</b>	<b>\$ 2,700</b>	<b>\$ 309,824</b>	<b>\$ 581</b>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	309,824	581
Committed	-	-	-	-
Assigned	1,550	2,700	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>1,550</b>	<b>2,700</b>	<b>309,824</b>	<b>581</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,550</b>	<b>\$ 2,700</b>	<b>\$ 309,824</b>	<b>\$ 581</b>

SCHEDULE E (CONTINUED)

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2022

	May Safety Grant	State of Maine Swap Shop	Limerick Christmas	Fire Dept Donations
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,964	-	-	24,050
<b>TOTAL ASSETS</b>	<b>\$ 1,964</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,050</b>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	1,964	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	24,050
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>1,964</b>	<b>-</b>	<b>-</b>	<b>24,050</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,964</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,050</b>

SCHEDULE E (CONTINUED)

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2022

	Tibbetts Memorial Fund	2020 Block Party	Transfer Station Donations	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 308,082
Due from other funds	635	8	7,101	133,901
<b>TOTAL ASSETS</b>	<u>\$ 635</u>	<u>\$ 8</u>	<u>\$ 7,101</u>	<u>\$ 441,983</u>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	8	-	313,296
Committed	-	-	-	89,713
Assigned	635	-	7,101	38,974
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>635</u>	<u>8</u>	<u>7,101</u>	<u>441,983</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 635</u>	<u>\$ 8</u>	<u>\$ 7,101</u>	<u>\$ 441,983</u>

See accompanying independent auditor's report and notes to financial statements.

SCHEDULE F

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Business Park	Lakes Environmental Grant	Recreation Donations	Outreach	Library Book Sales
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	2,835
Other	39,713	-	4,885	-	-
TOTAL REVENUES	<u>39,713</u>	<u>-</u>	<u>4,885</u>	<u>-</u>	<u>2,835</u>
EXPENDITURES					
Other	-	-	3,476	-	5,507
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>3,476</u>	<u>-</u>	<u>5,507</u>
NET CHANGE IN FUND BALANCES	39,713	-	1,409	-	(2,672)
FUND BALANCES - JANUARY 1	50,000	256	689	663	3,512
FUND BALANCES - DECEMBER 31	<u>\$ 89,713</u>	<u>\$ 256</u>	<u>\$ 2,098</u>	<u>\$ 663</u>	<u>\$ 840</u>

SCHEDULE F (CONTINUED)

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	United Way Contribution	Misc Relief Indigent	ARPA	Transfer Station Grant
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 159,956	\$ -
Charges for services	-	-	-	-
Other	-	2,000	-	-
TOTAL REVENUES	-	2,000	159,956	-
EXPENDITURES				
Other	-	-	9,717	-
TOTAL EXPENDITURES	-	-	9,717	-
NET CHANGE IN FUND BALANCES	-	2,000	150,239	-
FUND BALANCES - JANUARY 1	1,550	700	159,585	581
FUND BALANCES - DECEMBER 31	\$ 1,550	\$ 2,700	\$ 309,824	\$ 581

SCHEDULE F (CONTINUED)

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	May Safety Grant	Limerick Christmas	Fire Dept Donations
REVENUES			
Intergovernmental	\$ -	\$ -	-
Charges for services	-	-	-
Other	-	-	6,830
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>6,830</b>
EXPENDITURES			
Other	-	77	4,500
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>77</b>	<b>4,500</b>
NET CHANGE IN FUND BALANCES	-	(77)	2,330
FUND BALANCES - JANUARY 1	1,964	77	21,720
FUND BALANCES - DECEMBER 31	\$ 1,964	\$ -	\$ 24,050

SCHEDULE F (CONTINUED)

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Tibbetts Memorial Fund	2020 Block Party	Transfer Station Donations	Total
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 159,956
Charges for services	-	-	-	2,835
Other	-	-	966	54,394
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>966</b>	<b>217,185</b>
EXPENDITURES				
Other	-	-	-	23,277
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,277</b>
NET CHANGE IN FUND BALANCES	-	-	966	193,908
FUND BALANCES - JANUARY 1	635	8	6,135	248,075
FUND BALANCES - DECEMBER 31	\$ 635	\$ 8	\$ 7,101	\$ 441,983

See accompanying independent auditor's 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.

1. Business Association
2. Fire Station Capital Reserve
3. Capital Reserve

TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2022

	Business Association	Capital Reserve	Capital Reserve	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 105,000	\$ -	\$ 105,000
Due from other funds	2,024	537,298	701,500	1,240,822
<b>TOTAL ASSETS</b>	<u>\$ 2,024</u>	<u>\$ 642,298</u>	<u>\$ 701,500</u>	<u>\$ 1,345,822</u>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	2,024	642,298	701,500	1,345,822
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>2,024</u>	<u>642,298</u>	<u>701,500</u>	<u>1,345,822</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,024</u>	<u>\$ 642,298</u>	<u>\$ 701,500</u>	<u>\$ 1,345,822</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Business Association	Fire Station Capital Reserve	Capital Reserve	Total
REVENUES				
Other	\$ -	-	\$ 2,000	\$ 2,000
TOTAL REVENUES	-	-	2,000	2,000
EXPENDITURES				
Capital outlay	-	156,702	-	156,702
Other	-	-	16,665	16,665
TOTAL EXPENDITURES	-	156,702	16,665	173,367
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(156,702)	(14,665)	(171,367)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	508,000	508,000
Transfers (out)	-	-	(125,000)	(125,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	383,000	383,000
NET CHANGE IN FUND BALANCES	-	(156,702)	368,335	211,633
FUND BALANCES - JANUARY 1	2,024	799,000	333,165	1,134,189
FUND BALANCES - DECEMBER 31	\$ 2,024	\$ 642,298	\$ 701,500	\$ 1,345,822

See accompanying independent auditor's report and notes to financial statements.

## Permanent Funds

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

1. Hillside Cemetery
2. Elizabeth Felch Durrell

## TOWN OF LIMERICK, MAINE

COMBINING BALANCE SHEET- NONMAJOR PERMANENT FUNDS  
DECEMBER 31, 2022

	Hillside Cemetery	Elizabeth Felch Durrell	Total
<b>ASSETS</b>			
Investments	\$ 8,306	\$ 8,850	\$ 17,156
<b>TOTAL ASSETS</b>	<b><u>\$ 8,306</u></b>	<b><u>\$ 8,850</u></b>	<b><u>\$ 17,156</u></b>
<b>LIABILITIES</b>			
Due to other funds	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	8,306	8,850	17,156
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>TOTAL FUND BALANCES</b>	<b><u>8,306</u></b>	<b><u>8,850</u></b>	<b><u>17,156</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 8,306</u></b>	<b><u>\$ 8,850</u></b>	<b><u>\$ 17,156</u></b>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF LIMERICK, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Hillside Cemetery	Elizabeth Felch Durrell	Total
REVENUES			
Interest income	\$ 3	\$ 5	\$ 8
TOTAL REVENUES	<u>3</u>	<u>5</u>	<u>8</u>
EXPENDITURES			
Other	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	3	5	8
FUND BALANCES - JANUARY 1	<u>8,303</u>	<u>8,845</u>	<u>17,148</u>
FUND BALANCES - DECEMBER 31	<u>\$ 8,306</u>	<u>\$ 8,850</u>	<u>\$ 17,156</u>

See accompanying independent auditor's 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.

SCHEDULE K

TOWN OF LIMERICK, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
DECEMBER 31, 2022

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
Fire Department	\$ 10,270	\$ 111,207	\$ 1,676,418	\$ -	\$ 1,797,895
Public Works	-	41,854	35,635	5,397,478	5,474,967
Transfer Station	-	60,000	6,100	36,900	103,000
Library	-	7,000	5,280	-	12,280
Town-wide	257,680	1,317,473	103,124	112,146	1,790,423
Total General Capital Assets	267,950	1,537,534	1,826,557	5,546,524	9,178,565
Less: Accumulated Depreciation	-	(762,789)	(1,108,981)	(2,243,158)	(4,114,928)
Net General Capital Assets	\$ 267,950	\$ 774,745	\$ 717,576	\$ 3,303,366	\$ 5,063,637

See accompanying independent auditor's report and notes to financial statements.



SCHEDULE L

TOWN OF LIMERICK, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Capital Assets 1/1/22 (Restated)	Additions	Deletions	General Capital Assets 12/31/22
Fire Department	\$ 2,051,322	\$ 19,873	\$ (273,300)	\$ 1,797,895
Public Works	5,474,967	-	-	5,474,967
Transfer Station	103,000	-	-	103,000
Library	12,280	-	-	12,280
Town-wide	1,790,423	-	-	1,790,423
<b>Total General Capital Assets</b>	<b>9,431,992</b>	<b>19,873</b>	<b>(273,300)</b>	<b>9,178,565</b>
<b>Less: Accumulated Depreciation</b>	<b>(3,922,571)</b>	<b>(399,357)</b>	<b>207,000</b>	<b>(4,114,928)</b>
<b>Net General Capital Assets</b>	<b>\$ 5,509,421</b>	<b>\$ (379,484)</b>	<b>\$ (66,300)</b>	<b>\$ 5,063,637</b>

See accompanying independent auditor's report and notes to financial statements.



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Selectboard  
Town of Limerick  
Limerick, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Limerick, Maine as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Town of Limerick, Maine's basic financial statements and have issued our report thereon dated August 17, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Limerick, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Limerick, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Limerick, Maine's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Limerick, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Town of Limerick, Maine in a separate letter dated July 31, 2023.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buxton, Maine  
August 17, 2023