TOWN OF LOWELL, MAINE

AUDIT REPORT

For the Year Ended January 31, 2019
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<td>I</td>
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</tr>
</tbody>
</table>
INDEPENDENT AUDITOR’S REPORT

To the Board of Selectmen
Town of Lowell, Maine

We have audited the accompanying financial statements of the governmental activities of the Town of Lowell, Maine, as of and for the year ended January 31, 2019, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Town of Lowell, Maine, as of January 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 3 through 8 and 27 through 29 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 preparing the information and comparing the information for consistency with management’s responses to our inquires, 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.

Brewer, ME
July 17, 2019
TOWN OF LOWELL, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS

(UNAUDITED)

As management of the Town of Lowell, we offer readers of the Town of Lowell’s financial statements this narrative overview and analysis of the financial activities of the Town of Lowell for the fiscal year ended January 31, 2019. This discussion will contain more comparative analysis in future years when prior year information is available.

FINANCIAL HIGHLIGHTS

The assets of the Town of Lowell exceeded its liabilities at January 31, 2019, by $1,818,398. Of this amount, the unrestricted net position of $489,527 may be used to meet the government’s ongoing obligations to citizens and creditors.

The total net position increased $129,139 during the current fiscal year.

As of the close of the current fiscal year, the Town of Lowell’s governmental funds reported combined ending balances of $1,214,957, an increase of $67,407 in comparison with the prior year. Of this amount, $414,474 is unreserved and available for spending, but $800,483 has been designated for specific future uses by the Town.

At the end of the current fiscal year, unreserved fund balance for the General Fund was $412,860 or 42% of total General Fund expenditures.

The Town of Lowell’s total debt obligation increased by the net of $0.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town of Lowell’s basic financial statements. The Town’s basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Town of Lowell’s finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of
the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of include general government, public safety, recreation, community services, education, and other charges.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of can be divided into two categories: governmental funds and fiduciary funds.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near term financing requirements.

Because the focus of governmental funds is narrower than that of the 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 the two.

The Town maintains two individual government funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Permanent Endowment Fund, which are considered the major funds.

The Town of adopts an annual budget for its General Fund. Budgetary statements have been provided for the General Fund to demonstrate compliance with the fiscal year 2019 budget.

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 fund financial statements.
OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. The combining and individual fund statements referred to earlier in connection with non-major funds are presented immediately after the basic financial statements. Also, included are budget comparisons for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. At January 31, 2019, the Town’s assets exceeded liabilities by $1,818,398. By far the largest portion of the Town’s net position (29%) reflects its investments in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Following is a Statement of Net Position:

Table 1
Town of Lowell, Maine
Net Position

<table>
<thead>
<tr>
<th></th>
<th>1/31/19</th>
<th>1/31/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current and Other Assets</td>
<td>$1,300,446</td>
<td>$1,241,497</td>
</tr>
<tr>
<td>Capital Assets (Net)</td>
<td>1,107,237</td>
<td>1,116,567</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,407,683</td>
<td>2,358,064</td>
</tr>
<tr>
<td>Current and Other Liabilities</td>
<td>47,281</td>
<td>85,953</td>
</tr>
<tr>
<td>Long-Term Liabilities</td>
<td>542,004</td>
<td>582,852</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>589,285</td>
<td>668,805</td>
</tr>
<tr>
<td>Net Position:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in Capital Assets, Net of Related Debt</td>
<td>523,903</td>
<td>452,877</td>
</tr>
<tr>
<td>Restricted</td>
<td>804,968</td>
<td>695,044</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>489,527</td>
<td>541,338</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>$1,818,398</td>
<td>$1,689,259</td>
</tr>
</tbody>
</table>


Table 2  
Town of Lowell, Maine  
Changes in Net Position

<table>
<thead>
<tr>
<th></th>
<th>1/31/19</th>
<th>1/31/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$12,039</td>
<td>$5,872</td>
</tr>
<tr>
<td>Operating Grants and Contributions</td>
<td>48,370</td>
<td>42,399</td>
</tr>
<tr>
<td>Capital Grants and Contributions</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td><strong>General Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>904,931</td>
<td>825,453</td>
</tr>
<tr>
<td>Homestead Exemption</td>
<td>19,877</td>
<td>16,304</td>
</tr>
<tr>
<td>State Revenue Sharing</td>
<td>18,224</td>
<td>16,873</td>
</tr>
<tr>
<td>State Tree Growth</td>
<td>31,687</td>
<td>32,107</td>
</tr>
<tr>
<td>State Veterans’ Reimbursement</td>
<td>320</td>
<td>656</td>
</tr>
<tr>
<td>Interest Earned</td>
<td>2,866</td>
<td>1,013</td>
</tr>
<tr>
<td>Costs on Liens</td>
<td>4,699</td>
<td>3,980</td>
</tr>
<tr>
<td>Miscellaneous/Transfers</td>
<td>8,902</td>
<td>21,884</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>1,051,915</td>
<td>966,541</td>
</tr>
</tbody>
</table>

| **Expenses:**             |           |           |
| General Government        | 128,818   | 119,358   |
| Public Safety             | 77,385    | 41,607    |
| Health & Sanitation       | 36,710    | 33,000    |
| Public Works              | 119,040   | 128,063   |
| Cemeteries                | 7,359     | 8,372     |
| General Assistance        | 408       | --        |
| Education                 | 451,208   | 411,315   |
| County Tax                | 67,506    | 61,959    |
| Recreation                | --        | --        |
| Social Services           | --        | --        |
| Unclassified              | 8,461     | 4,009     |
| Interest on Long-Term Debt| 25,881    | 22,662    |
| Total Expenses            | 922,776   | 830,345   |

| Changes in Net Position   | 129,139   | 136,196   |
| Net Position – Beginning  | 1,689,259 | 1,553,063 |
| Net Position - Ending     | $1,818,398 | $1,689,259 |
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town of uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental Funds:** The purpose of the Town’s governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At January 31, 2019, the Town’s governmental funds reported combined ending fund balances of $1,214,957, an increase of $67,407 in comparison with the prior year. Of this amount, $1,176,805 (97%) is unreserved General Fund balance, which is available for spending at the government’s discretion. Of the unreserved fund balance $762,331 has been designated by the Town for subsequent years’ expenditures and other uses leaving an unreserved undesignated amount of $414,474. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed for reserve for other projects, $38,152.

The fund balance of the Town’s General Fund increased by $67,407 during the current fiscal year. Although the revenues increased by 6% and the expenditures decreased by 77%, the resulting increase of revenues over expenditures is $197,803.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The appropriated budget, as per the fiscal year commitment, is $1,033,194. The Town carries, from year to year, the unspent balances in certain departmental accounts. The amount carried from fiscal year 2018 for these accounts was $625,044.

After the budget amendments, the General Fund expenditures were under budget by $762,332, of which $716,269 is designated for subsequent years’ expenditures for the various accounts.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

The Town’s investment in capital assets for its governmental activities at January 31, 2019, amounts to $1,107,237 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure (roads and streets), buildings, improvements, and equipment.
Table 3

Major capital asset events during the current fiscal year included the following:

Additions for Fiscal Year 2019 $ 47,496
Depreciation for Fiscal Year 2019 (56,826)
Net Change in Capital Assets (9,330)
Net Capital Assets - Beginning 1,116,567
Net Capital Assets - Ending $1,107,237

LONG-TERM DEBT

At the end of the current fiscal year, the Town had $583,334 in outstanding debt consisting of general obligation bonds.

Additional information on the Town’s long-term debt can be found in the notes to the financial statements.

The Town’s outstanding long-term liabilities decreased $80,356 in fiscal year 2019.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The Board of Selectmen & Budget Committee considered numerous factors when determining the fiscal year 2020 budget. Recent State of Maine fiscal deficits and changes in school funding were additional considerations.

We are anticipating a reduction in State subsidies, which could increase our tax rate.

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 monies it receives. If you have questions about this report or need additional financial information, contact the Town Office at the Town of Lowell, P.O. Box 144, Lowell, ME 04493.
Town of Lowell, Maine  
Statement of Net Position  
January 31, 2019

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Governmental Activities and Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalent</td>
<td>$ 1,125,235</td>
</tr>
<tr>
<td>Taxes Receivables - (Net of Allowance for Uncollectible)</td>
<td>165,460</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>5,266</td>
</tr>
<tr>
<td>Investment in Joint Venture</td>
<td>4,485</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>1,300,446</td>
</tr>
</tbody>
</table>

Capital Assets, Net:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$ 75,762</td>
</tr>
<tr>
<td>Buildings</td>
<td>898,696</td>
</tr>
<tr>
<td>Equipment</td>
<td>196,162</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>760,269</td>
</tr>
<tr>
<td>Total Capital Assets</td>
<td>1,930,889</td>
</tr>
<tr>
<td>Less Accumulated Depreciations</td>
<td>(823,652)</td>
</tr>
<tr>
<td>Net Capital Assets</td>
<td>1,107,237</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,407,683</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Interest</td>
<td>5,015</td>
</tr>
<tr>
<td>Taxes Collected In Advance</td>
<td>936</td>
</tr>
<tr>
<td>Notes Due Within One Year</td>
<td>41,330</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>47,281</td>
</tr>
<tr>
<td>Notes Due in More than One Year</td>
<td>542,004</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>589,285</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET POSITION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested in Capital Assets, Net of Related Debt</td>
<td>523,903</td>
</tr>
<tr>
<td>Restricted For:</td>
<td></td>
</tr>
<tr>
<td>Town Office/Fire Building</td>
<td>10,389</td>
</tr>
<tr>
<td>Forest Fire Reserve</td>
<td>17,500</td>
</tr>
<tr>
<td>Fire Vehicle Reserve</td>
<td>9,506</td>
</tr>
<tr>
<td>Trust Endowments</td>
<td>757</td>
</tr>
<tr>
<td>Ensuing Years' Expenditures</td>
<td>762,331</td>
</tr>
<tr>
<td>Investment in Joint Venture</td>
<td>4,485</td>
</tr>
<tr>
<td>Total Restricted Funds</td>
<td>804,968</td>
</tr>
<tr>
<td>Unrestricted:</td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>487,913</td>
</tr>
<tr>
<td>Trust Fund</td>
<td>1,614</td>
</tr>
<tr>
<td>Total Unrestricted Funds</td>
<td>489,527</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>$ 1,818,398</td>
</tr>
</tbody>
</table>

The notes to the financial statements are an integral part of this statement.
## Statement of Activities

**For the Year Ended January 31, 2019**

<table>
<thead>
<tr>
<th>FUNCTIONS/PROGRAMS</th>
<th>Expenses</th>
<th>Charge For Services</th>
<th>Operating Grants &amp; Contributions</th>
<th>Capital Grants &amp; Contribution</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Governmental Activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Government</td>
<td>$128,818</td>
<td>$3,924</td>
<td>$</td>
<td>$</td>
<td>$(124,894)</td>
</tr>
<tr>
<td>Public Safety</td>
<td>77,385</td>
<td>8,015</td>
<td></td>
<td></td>
<td>(69,370)</td>
</tr>
<tr>
<td>Health &amp; Sanitation</td>
<td>36,710</td>
<td></td>
<td></td>
<td></td>
<td>(36,710)</td>
</tr>
<tr>
<td>Public Works</td>
<td>119,040</td>
<td>-</td>
<td>13,392</td>
<td></td>
<td>(105,648)</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>7,359</td>
<td>100</td>
<td></td>
<td></td>
<td>(7,259)</td>
</tr>
<tr>
<td>General Assistance</td>
<td>408</td>
<td>-</td>
<td></td>
<td></td>
<td>(408)</td>
</tr>
<tr>
<td>Education</td>
<td>451,208</td>
<td>-</td>
<td>34,978</td>
<td></td>
<td>(416,230)</td>
</tr>
<tr>
<td>County Tax</td>
<td>67,506</td>
<td>-</td>
<td></td>
<td></td>
<td>(67,506)</td>
</tr>
<tr>
<td>Recreation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Social Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Unclassified</td>
<td>8,461</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(8,461)</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Interest on Long-Term Debt</td>
<td>25,881</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(25,881)</td>
</tr>
<tr>
<td><strong>Total Governmental Activities</strong></td>
<td>$922,776</td>
<td>$12,039</td>
<td>$48,370</td>
<td>$</td>
<td>(862,367)</td>
</tr>
</tbody>
</table>

### GENERAL REVENUES

- Property Taxes: $838,165
- Excise Taxes: $66,766
- Homestead Exemption: $19,877
- State Revenue Sharing: $18,224
- State Veterans' Reimbursement: $320
- Interest on Investments: $2,866
- Cost on Liens: $4,699
- State Tree Growth: $31,687
- Miscellaneous: $8,902

**Total General Revenues:** $991,506

- Change in Net Position: $129,139

**Net Position - Beginning:** $1,689,259

**Net Position - Ending:** $1,818,398

The notes to the financial statements are an integral part of this statement.
## Town of Lowell, Maine
### Balance Sheet - Governmental Funds
#### January 31, 2019

<table>
<thead>
<tr>
<th>Assets</th>
<th>General Fund</th>
<th>Permanent Fund</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$1,123,214</td>
<td>$2,021</td>
<td>$1,125,235</td>
</tr>
<tr>
<td>Taxes Receivables (Net of Uncollectibles)</td>
<td>165,460</td>
<td>-</td>
<td>165,460</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>5,266</td>
<td>-</td>
<td>5,266</td>
</tr>
<tr>
<td>Due From Other Funds</td>
<td>-</td>
<td>350</td>
<td>350</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,293,940</strong></td>
<td><strong>$2,371</strong></td>
<td><strong>$1,296,311</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Taxes Paid in Advance</td>
<td>936</td>
<td>-</td>
<td>936</td>
</tr>
<tr>
<td>Due to Other Funds</td>
<td>350</td>
<td>-</td>
<td>350</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$1,286</strong></td>
<td>-</td>
<td><strong>1,286</strong></td>
</tr>
</tbody>
</table>

| Deferred Inflow of Resources | 80,068 | - | 80,068 |
| Unavailable Revenue-Property Taxes | - | - | - |

<table>
<thead>
<tr>
<th>Fund Balances</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restricted</td>
<td>-</td>
<td>757</td>
<td>757</td>
</tr>
<tr>
<td>Committed</td>
<td>37,395</td>
<td>1,614</td>
<td>39,009</td>
</tr>
<tr>
<td>Assigned</td>
<td>762,331</td>
<td>-</td>
<td>762,331</td>
</tr>
<tr>
<td>Unassigned</td>
<td>412,860</td>
<td>-</td>
<td>412,860</td>
</tr>
<tr>
<td><strong>Total Fund Balances</strong></td>
<td><strong>1,212,586</strong></td>
<td><strong>2,371</strong></td>
<td><strong>1,214,957</strong></td>
</tr>
</tbody>
</table>

| Total Liabilities, Deferred Inflows of Resources and Fund Balances | $1,293,940 | $2,371 | $1,296,311 |

The notes to the financial statements are an integral part of this statement.
Balance Sheet - Total Fund Balance

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital Assets (net of accumulated depreciation) used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.

Some liabilities, including bonds payable ($583,334) are not due and payable in the current period and, therefore, are not reported in the funds.

Interest Payable on long-term debt did not require current financial resources; therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Net Position of Governmental Activities

$ 1,818,398
Town of Lowell, Maine  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances -  
Governmental Funds  
For the Year Ended January 31, 2019

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>General Fund</th>
<th>Total</th>
<th>Other Governmental Fund</th>
<th>Endowment Fund</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$ 846,819</td>
<td></td>
<td></td>
<td>$</td>
<td>$ 846,819</td>
</tr>
<tr>
<td>Excise Taxes</td>
<td>66,766</td>
<td></td>
<td></td>
<td></td>
<td>66,766</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>118,782</td>
<td></td>
<td></td>
<td></td>
<td>118,782</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>12,039</td>
<td></td>
<td></td>
<td></td>
<td>12,039</td>
</tr>
<tr>
<td>Interests/Costs on Taxes/Liens</td>
<td>4,699</td>
<td></td>
<td></td>
<td></td>
<td>4,699</td>
</tr>
<tr>
<td>Clerk Fees</td>
<td>213</td>
<td></td>
<td></td>
<td></td>
<td>213</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>2,866</td>
<td>3</td>
<td></td>
<td>2,869</td>
<td>2,869</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>7,826</td>
<td></td>
<td></td>
<td></td>
<td>7,826</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>1,060,010</td>
<td>3</td>
<td></td>
<td></td>
<td>1,060,013</td>
</tr>
</tbody>
</table>

| Expenditures:                 |              |       |                         |                |              |
| General Government            | 117,889      |       |                         |                | 117,889      |
| Protection                    | 108,814      |       |                         |                | 108,814      |
| Health & Sanitation           | 36,710       |       |                         |                | 36,710       |
| Public Works                  | 89,210       |       |                         |                | 89,210       |
| Cemeteries                    | 7,359        |       |                         |                | 7,359        |
| General Assistance            | 408          |       |                         |                | 408          |
| Education                     | 451,208      |       |                         |                | 451,208      |
| County Tax                    | 67,506       |       |                         |                | 67,506       |
| Recreation                    |              |       |                         |                |              |
| Social Services               |              |       |                         |                |              |
| Unclassified                  | 8,461        |       |                         |                | 8,461        |
| Debt Service                  | 105,041      |       |                         |                | 105,041      |
| Total Expenditures            | 992,606      |       |                         |                | 992,606      |

Excess Revenues Over (Under) Expenditures 67,404  3  67,407

Other Financing Sources (Uses)

| Transfers In                  | 2,500        |       |                         |                | 2,500        |
| Transfers (Out)               | (2,500)      |       |                         |                | (2,500)      |

Net Change in Fund Balance 67,404  3  67,407

Fund Balance - Beginning 1,145,182  2,368  1,147,550

Fund Balance - Ending $ 1,212,586 $ 2,371 $ 1,214,957

The notes to the financial statements are an integral part of this statement.
Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balance - Total Governmental Funds. $ 67,407

Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. (9,330)

Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds. (9,850)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities. In the current period these amounts are:

Bond repayments 80,356

Governmental funds do not report the change in investment in joint venture. In contrast, the statement of activity treats the change as an increase or reduction of revenue. 556

Changes in Net Position of Governmental Activities $ 129,139

The notes to the financial statements are an integral part of this statement.
Town of Lowell, Maine  
Notes to the Basic Financial Statements  
January 31, 2019  

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  

The accounting policies of the Town of Lowell, Maine, conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Town of Lowell, Maine.  

A. Reporting Entity  

The Town of Lowell, Maine, was incorporated in 1837 and operates under a selectmen form of government and provides the following services as authorized by its charter: Public Safety, Fire, Highways and Streets, Sanitation Health and Social Services, Recreation, Education, and General Administrative Services. In evaluating how to define the reporting entity, for financial purposes, management has considered all potential component units. The criteria used to determine which entities are part of the Town’s operations include how the budget is adopted, whether debt is secured by general obligation of the Town, the Town’s duty to cover any deficits that may occur, and supervision over the accounting functions. Based upon all pertinent facts derived from the analysis of the above criteria, it was determined that no additional entities should be included as part of these financial statements.  

B. Government-wide and Fund Financial Statements  

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.  

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among program, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.  

Separate fund financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund meets criteria as the major governmental fund. Each major fund is reported in separate columns in the fund financial statements. The amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance.
C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures, related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

The Town reports the following major governmental funds:

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

**Permanent Endowment Funds** account for assets held by the Town in a trustee capacity or as an agent on behalf of others. The Municipal Trust includes Cemetery Maintenance Funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town’s public service fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

1. Deposits and Investments

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

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. Town policy prohibits the investment in so-called “derivative instruments”.

The Town had no investments at end of current year.

2. Receivables/Allowance for Uncollectible Accounts

General fund accounts receivables at January 31, 2019 amounted to $5,266.

Receivables accounts that experience uncollectible are shown net of an allowance for doubtful accounts. Management believes there are no current provisions required for possible bad debts.

3. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of fiscal year are referred to as either “due to/from other funds”, (i.e., the non-current portion of interfund loans) or “advances to/from other funds”, (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

4. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g. roads, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial aggregate project cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.
Capital assets of the Town are depreciated using a straight-line method over the following estimated useful lives:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>20 to 30</td>
</tr>
<tr>
<td>Equipment</td>
<td>5 to 30</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>20 to 60</td>
</tr>
</tbody>
</table>

5. **Compensated Absences**

Vested or accumulated vacation leave that is expected to liquidate with expendable available financial resources is reported in an expenditure and fund liability of the governmental fund that will pay it. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

The Town does not have compensated absences.

6. **Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position Bond premiums and discounts, as well as issuance costs if material to basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

7. **Fund Equity**

In the fund financial statements, governmental funds report fund balances in one of five possible classifications. Classification is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which the funds can be spent. The categories are as follows:

- Nonspendable fund balance cannot be spent.
- Restricted fund balances are subject to externally enforceable legal restrictions.
- Committed fund balances are subject to limitations the Town Selectmen has imposed, that are binding unless removed in the same manner.
- Assigned fund balances reflect the intended use of the resources.
- Unassigned fund balances are resources which have not been classified in any other category. Only the General Fund can report a positive unassigned fund
balance amount.

Should there be multiple sources of funding available for a particular purpose, it is the Town’s policy to expend currently budgeted resources first, then after use other sources in the order of restricted, then committed, then assigned amounts.

8. **Use of Estimates**

Preparation of the Town’s financial statements requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

9. **Deferred Inflows of Resources**

In addition to liabilities, the balance sheet will sometimes 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 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, which arises under modified accrual basis of accounting that qualifies for reporting in this category, unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

**II. Reconciliation of Government-wide and Fund Financial Statements**

**A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

The government fund balance sheet includes a reconciliation between fund balance for total governmental funds and net position as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that, “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.” The details of this $(588,349)$ difference are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds payable</td>
<td>$(583,334)</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>$(5,015)</td>
</tr>
</tbody>
</table>

Net adjustment to reduce fund balance---
total government funds to arrive at net
position--governmental activities $(588,349)

**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances--total
governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation indicates that “governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of capital assets is allocated over their estimate useful lives and reported as depreciation expense” on capital outlays for Town owned assets only. The details of this $(56,826) difference are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation expense</td>
<td>$(56,826)</td>
</tr>
<tr>
<td>Net adjustment to increase (decrease) net changes in fund balances -- total governmental funds to arrive at changes in net position of governmental activities</td>
<td>$(56,826)</td>
</tr>
</tbody>
</table>

III. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds, except the special revenues, capital projects, and fiduciary funds. These are not budgeted. All annual appropriations lapse at fiscal year end, unless a carry-forward of unexpended amounts is approved by the Selectmen.

The Budget Committee submits to the Board of Selectmen a proposed operating budget for the ensuing year. The Selectmen hold public meetings and a final budget is prepared and adopted.

The budget is adopted at the department level through the passage of appropriation resolves. The Board of Selectmen may make transfers of appropriations within a department. Transfers between departments or additional appropriations require the approval of the Board of Selectmen.

B. Reconciliation of Budgetary Basis Statements

The following schedule reconciles the General Fund amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual-Budgetary Basis to the amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balance, Governmental Funds.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficiency of revenues over expenditures and other financing sources and uses (Budget)</td>
<td>$ 67,407</td>
</tr>
<tr>
<td>Deficiency of revenues and other financing sources over expenditures and other uses (GAAP)</td>
<td>$ 67,407</td>
</tr>
</tbody>
</table>
C. Excess of Expenditures Over Appropriations

For the year ended January 31, 2019, no General Fund departments were over-expended.

IV. Detailed Notes On All Funds

A. Deposits

Deposits at January 31, 2019 consist of the following:

<table>
<thead>
<tr>
<th>Deposits</th>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in Bank</td>
<td>$ 1,125,235</td>
</tr>
<tr>
<td>Total Cash</td>
<td>$ 1,125,235</td>
</tr>
</tbody>
</table>

Custodial Credit Risk - Deposits
Custodial credit risk is the risk that in event of bank failure, the Town’s deposits may not be returned. The Town does not have a policy with respect to custodial risk for deposit accounts. The Town does maintain insurance coverage to protect deposits other than the $250,000 provided by the Federal Deposit Insurance Corporation (FDIC).

Interest Credit Risk
In accordance with the Town’s investment policy, the Town manages its exposure to declines in fair value by limiting the average maturity of its investments.

Credit Risk
Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and certain corporate stocks and bonds.

Concentration of Credit Risk
The Town’s investment policy does not allow the Town to invest in debt securities that are not insured, registered or backed by U.S. government securities.

B. Property Tax

The Town's property tax was levied August 10, 2018, on the assessed value listed as of April 1, 2018, for all real and personal property located in the Town. The assessed value for the list of $46,137,095, upon which the 2018 levy was based on, was $853,536. Taxes were due and payable on January 31, 2019, with interest at the rate of 5% being charged on taxes unpaid after that date.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred revenues. Tax liens placed on real property within eight 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 the tax lien and associated costs remain unpaid.
C.  Capital Assets

Capital asset activity for the year ended January 31, 2019, was as follows:

<table>
<thead>
<tr>
<th>Governmental Activities:</th>
<th>Balance at 2/1/18</th>
<th>Additions</th>
<th>Retirement and Transfers</th>
<th>Balance at 1/31/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Assets, not being Depreciated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$75,762</td>
<td></td>
<td>$</td>
<td>$75,762</td>
</tr>
<tr>
<td>Capital Assets, being Depreciated:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and Improvements</td>
<td>898,696</td>
<td></td>
<td>-</td>
<td>898,696</td>
</tr>
<tr>
<td>Equipment</td>
<td>148,666</td>
<td>47,496</td>
<td>-</td>
<td>196,162</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>760,269</td>
<td></td>
<td>-</td>
<td>760,269</td>
</tr>
<tr>
<td>Total Capital Assets</td>
<td>1,807,631</td>
<td>47,496</td>
<td>-</td>
<td>1,855,127</td>
</tr>
<tr>
<td>Less - Accumulated Depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Accumulated Depreciation</td>
<td>(336,526)</td>
<td>(23,043)</td>
<td>-</td>
<td>(359,569)</td>
</tr>
<tr>
<td>Total Capital Assets, Being Depreciated - Net</td>
<td>1,040,805</td>
<td>(9,330)</td>
<td>-</td>
<td>1,031,475</td>
</tr>
<tr>
<td>Governmental Activities: Capital Assets, Net</td>
<td>$1,116,567</td>
<td>(9,330)</td>
<td>$</td>
<td>$1,107,237</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Building</th>
<th>Equipment</th>
<th>Infrastructure</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$10,929</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Public Works</td>
<td>5,191</td>
<td>24,639</td>
<td>29,830</td>
</tr>
<tr>
<td>Public Safety</td>
<td>6,923</td>
<td>9,144</td>
<td>-</td>
</tr>
<tr>
<td>Totals</td>
<td>$23,043</td>
<td>$9,144</td>
<td>$24,639</td>
</tr>
</tbody>
</table>

D.  Long-Term Debt

The Town issues general obligation notes to provide funds for the acquisition and construction of major capital additions. General obligation notes have been issued for governmental type activities. General obligation notes are direct obligations and pledge the full faith and credit of the government. These notes are issued as 3 to 20 year notes with varying amounts of principal maturing each year.
The original amount of general obligation notes issued is $785,000. The following is a summary of general obligation note transactions of the Town for the fiscal year ended January 31, 2019:

Notes payable at January 31, 2018  $ 663,690
Add: Principal additions
Less: Principal repayments (80,356)
Bonds and notes payable at January 31, 2019  $ 583,334

Notes payable at January 31, 2019, are comprised of the following:

<table>
<thead>
<tr>
<th>Long-term Debt</th>
<th>Fiscal Year of Maturity</th>
<th>Interest Rate</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Town Office Building</td>
<td>2037</td>
<td>3.550%</td>
<td>$ 453,837</td>
</tr>
<tr>
<td>Town Office Building</td>
<td>2037</td>
<td>3.500%</td>
<td>89,097</td>
</tr>
<tr>
<td>Tannery Bridge Replacement</td>
<td>2020</td>
<td>2.990%</td>
<td>9,371</td>
</tr>
<tr>
<td>Tannery Road Paving</td>
<td>2022</td>
<td>3.490%</td>
<td>31,029</td>
</tr>
<tr>
<td>Total Notes</td>
<td></td>
<td></td>
<td>$ 583,334</td>
</tr>
</tbody>
</table>

Annual debt service requirements to maturity for general obligation bonds and notes payable are as follows:

<table>
<thead>
<tr>
<th>Fiscal Year Ending January 31</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Principal</td>
</tr>
<tr>
<td>2020</td>
<td>$ 41,330</td>
</tr>
<tr>
<td>2021</td>
<td>33,051</td>
</tr>
<tr>
<td>2022</td>
<td>34,284</td>
</tr>
<tr>
<td>2023</td>
<td>24,434</td>
</tr>
<tr>
<td>2024</td>
<td>25,314</td>
</tr>
<tr>
<td>2025-2029</td>
<td>140,865</td>
</tr>
<tr>
<td>2030-2034</td>
<td>168,231</td>
</tr>
<tr>
<td>2035-2037</td>
<td>115,825</td>
</tr>
<tr>
<td>Total</td>
<td>$ 583,334</td>
</tr>
</tbody>
</table>

**Overlapping Debt**

The Town’s proportionate share of Penobscot County’s debt (determined by the percentage of the Town’s state valuation to the County’s state valuation) is not reported in the Town’s financial statements. Debt service is included in the annual county assessment of the Town.

The Town is subject to the State of Maine laws and regulations that limit the amount of long-term debt to a percentage of its last-full state valuation. At January 31, 2019, the Town is in compliance with these laws and regulations.
Legal Debt Margin

The Town is subject to the laws of the State of Maine, which limits the amount of long-term debt to 15% of the state’s assessed valuation. At January 31, 2019, the statutory limit for the Town was $7,267,500. The Town’s outstanding long-term debt of $583,334 at January 31, 2019, was within the statutory limit.

E. Interfund Transactions

Individual fund interfund receivable and payable balances at January 31, 2019, were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Interfund Receivable</th>
<th>Interfund Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$ –</td>
<td>$ 350</td>
</tr>
<tr>
<td>Trust Funds</td>
<td>$ 350</td>
<td>$ –</td>
</tr>
<tr>
<td>Total</td>
<td>$ 350</td>
<td>$ 350</td>
</tr>
</tbody>
</table>

F. Subsequent Events

In preparing the financial statements, the Town has evaluated events and transactions for potential recognition or disclosure. Town of Lowell did not have any subsequent events or transactions requiring recording or disclosure in the financial statements through July 17, 2019, the date that the financial statements were available to be issued.

Other Information

A. Risk Management

The Town of Lowell is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, natural disasters, and general liability for which the Town of Lowell either carries commercial insurance or is effectively self-insured.

The Town is a member of the Maine Municipal Association – Worker Compensation Trust Fund (“Fund”). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund’s membership, obtain lower costs for worker’s compensation coverage and develop a comprehensive loss control program. The Town pays an annual premium to the Fund for its worker’s compensation coverage. The Town’s agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will provide, through commercial companies’ reinsurance contracts, individual stop loss coverage for member Town’s claims in excess of $400,000 with an excess limit of $2,000,000.

The Town is also a member of the Maine Municipal Association – property and Casualty Pool (“Pool”). As with the Fund above, the Pool was created to obtain lower rates for its members. The Town pays an annual premium for its property and liability coverage.
Under the property coverage portion of the Pool, coverage is provided after the deductible is met, to $200,000,000. Under the liability portion of the Pool, coverage is provided after the deductible is met, to $100,000,000.

The Town is also a member of the Maine Municipal Association – Unemployment Compensation Fund ("Fund"). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund’s membership, obtain lower costs for unemployment compensation coverage and develop a comprehensive loss control program. The Town contributes to the Fund based on the first $12,000 of wages for unemployment compensation. Each member has its reserve, which is determined by the actuary. The annual rate set by the Fund’s actuary is based on the member’s reserve and on estimated future claims. Each member is responsible for its’ own excess of claims over reserve.

The Town is not aware of any material, actual or potential, claim liabilities which should be reported at January 31, 2019.

B. Retirement

The Town participates in the Social Security Retirement program. The Town’s contribution to Social Security was $3,384 for the year ended January 31, 2019.

C. Fund Balances

As of January 31, 2019, the following funds were unexpended and were carried forward into the operations of the 2020 fiscal year.

Designated for Ensuing Years' Expenditures:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tannery Road Paving</td>
<td>$6,645</td>
</tr>
<tr>
<td>Bridge ADM Account</td>
<td>9,931</td>
</tr>
<tr>
<td>Roads - LRAP</td>
<td>39,714</td>
</tr>
<tr>
<td>Tannery Bridge Replacement</td>
<td>3,146</td>
</tr>
<tr>
<td>Winter Roads</td>
<td>93,920</td>
</tr>
<tr>
<td>Photocopier</td>
<td>2,551</td>
</tr>
<tr>
<td>Building Siding</td>
<td>28,000</td>
</tr>
<tr>
<td>Education</td>
<td>532,362</td>
</tr>
<tr>
<td><strong>Total Designated Fund Balance</strong></td>
<td><strong>$716,269</strong></td>
</tr>
</tbody>
</table>
D. Fund Balance by Purpose

Following is more detailed information on the governmental fund balances:

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Other Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable for:</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Restricted for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cemetery Perpetual Care</td>
<td>--</td>
<td>757</td>
<td>757</td>
</tr>
<tr>
<td>Committed to:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest Fire Reserve</td>
<td>17,500</td>
<td>--</td>
<td>17,500</td>
</tr>
<tr>
<td>Fire Vehicle Reserve</td>
<td>9,506</td>
<td>--</td>
<td>9,506</td>
</tr>
<tr>
<td>Town Office/Fire Building</td>
<td>10,389</td>
<td>--</td>
<td>10,389</td>
</tr>
<tr>
<td>Transfer Station</td>
<td>4,485</td>
<td>--</td>
<td>4,485</td>
</tr>
<tr>
<td>Assigned:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated Carried</td>
<td>716,269</td>
<td>--</td>
<td>716,269</td>
</tr>
<tr>
<td>Designated Carried (Article 9)</td>
<td>46,062</td>
<td>--</td>
<td>46,062</td>
</tr>
<tr>
<td>Unassigned</td>
<td>487,913</td>
<td>1,614</td>
<td>489,527</td>
</tr>
<tr>
<td>Total Fund Balances</td>
<td>$1,292,124</td>
<td>$ 2,371</td>
<td>$1,294,495</td>
</tr>
</tbody>
</table>

For flow assumption policy regarding use of fund balance types, refer to Note D (7).

E. Investment in Joint Venture

The Town of Lowell and the Town of Burlington have each invested 50% in a joint venture, the Burlington – Lowell Transfer Station, an independent, quasi-municipal corporation. Gains and losses from the operation of this joint venture are shared equally. Activity for the Town’s share is accounted for in the capital assets as none of the investment is considered available and expendable by the Town.

The Burlington – Lowell Transfer Station activity is reported by the transfer station in the Town’s annual report and a copy of the financial statements may be viewed at the town office.

The Town, as part of its General Fund budget, paid the transfer station $36,710 for the Town usage of the facility.

The Town’s share of the activity for the transfer station for the fiscal year ended January 31, 2019, consists of the following:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$ 3,929</td>
</tr>
<tr>
<td>Fiscal Year 2019 (Loss)</td>
<td>556</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$ 4,485</td>
</tr>
</tbody>
</table>
Town of Lowell, Maine  
Notes to Required Supplementary Information  
January 31, 2019

Budgetary Data

The voters of the Town of adopt an annual legal budget which covers the Town’s Municipal General Fund. All unencumbered appropriations lapse at fiscal year end except certain carried departmental accounts. By vote of the Town, unencumbered appropriations are unreserved, designated for subsequent years’ expenditures. The budgets for the General Fund of the Town are prepared on the modified accrual basis and include debt principal retirements and capital outlays as expenses. The statements comparing budget and actual amounts for these governmental funds include adjustments to those budgetary bases for the departmental funds carried over from accumulated prior years. Budgetary level of control is exercised by the Town Manager.

The Budgetary Comparison Schedule, “Statement of Revenues, Expenditures, and Changes in Funds Balance - Budget and Actual”, included in the required supplementary information presents a comparison of budgetary data to actual results of operations for the General Fund of the Town, for which an annual operating budget is legally adopted. This fund utilizes the same basis of accounting for both budgetary purposes and actual results.

The General Fund Payables are added to the actual expenditures for budgetary comparison.
Town of Lowell, Maine  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual - General Fund  
For the Year Ended January 31, 2019

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Original Budget W/Carried</th>
<th>Budgeted Revenue</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$830,883</td>
<td>$</td>
<td>$830,883</td>
<td>$846,819</td>
<td>$15,936</td>
</tr>
<tr>
<td>Excise Taxes</td>
<td>65,000</td>
<td>-</td>
<td>65,000</td>
<td>66,766</td>
<td>1,766</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>39,877</td>
<td>48,370</td>
<td>88,247</td>
<td>118,782</td>
<td>30,535</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>-</td>
<td>8,115</td>
<td>8,115</td>
<td>12,039</td>
<td>3,924</td>
</tr>
<tr>
<td>Interest/Costs on Taxes/Liens</td>
<td>-</td>
<td>1,845</td>
<td>1,845</td>
<td>4,699</td>
<td>2,854</td>
</tr>
<tr>
<td>Clerk Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>213</td>
<td>213</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,866</td>
<td>2,866</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>5,405</td>
<td>5,405</td>
<td>7,826</td>
<td>2,421</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>935,760</td>
<td>63,735</td>
<td>999,495</td>
<td>1,060,010</td>
<td>60,515</td>
</tr>
</tbody>
</table>

| Expenditures:                            |                           |                  |              |        |                            |
| General Government                       | 117,676                   | 1,845            | 119,521      | 117,889 | 1,632                      |
| Protection                               | 112,349                   | 8,105            | 120,454      | 108,814 | 11,640                     |
| Health & Sanitation                      | 45,500                    | 3,515            | 49,015       | 36,710  | 12,305                     |
| Public Works                             | 224,649                   | 13,392           | 238,041      | 89,210  | 148,831                    |
| Cemeteries                               | 10,000                    | 100              | 10,100       | 7,359   | 2,741                      |
| General Assistance                       | 408                       | -                | 408          | 408     | -                          |
| Education                                | 948,592                   | 34,978           | 983,570      | 451,208 | 532,362                    |
| County Tax                               | 67,506                    | -                | 67,506       | 67,506  | -                          |
| Recreation                               | -                         | -                | -            | -       | -                          |
| Social Services                          | -                         | -                | -            | -       | -                          |
| Debt Service                             | 105,041                   | -                | 105,041      | 105,041 | -                          |
| Unclassified                             | 59,482                    | 1,800            | 61,282       | 8,461   | 52,821                     |
| Total Expenditures                       | 1,691,203                 | 63,735           | 1,754,938    | 992,606 | 762,332                    |

The notes to the financial statement are an integral part of this statement.
<table>
<thead>
<tr>
<th></th>
<th>Original Budget W/Carried</th>
<th>Budget Revenue</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Excess Revenues Over (Under) Expenditures</strong></td>
<td>(755,443)</td>
<td></td>
<td>(755,443)</td>
<td>67,404</td>
<td>822,847</td>
</tr>
<tr>
<td><strong>Other Financial Sources &amp; Uses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carried Balances</td>
<td>625,044</td>
<td></td>
<td>625,044</td>
<td></td>
<td>(625,044)</td>
</tr>
<tr>
<td>Transfers In</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Other Financing Sources &amp; Uses</td>
<td>625,044</td>
<td></td>
<td>625,044</td>
<td></td>
<td>(625,044)</td>
</tr>
<tr>
<td><strong>Excess Revenues &amp; Sources Over (Under) Expenditures and Uses</strong></td>
<td>(130,399)</td>
<td></td>
<td>(130,399)</td>
<td>67,404</td>
<td>197,803</td>
</tr>
<tr>
<td><strong>Fund Balance - Beginning</strong></td>
<td>1,145,182</td>
<td></td>
<td>1,145,182</td>
<td>1,145,182</td>
<td></td>
</tr>
<tr>
<td><strong>Fund Balance - Ending</strong></td>
<td>$ 1,014,783</td>
<td></td>
<td>$ 1,014,783</td>
<td>$ 1,212,586</td>
<td>$ 197,803</td>
</tr>
</tbody>
</table>

The notes to the financial statement are an integral part of this statement.
Town of Lowell, Maine  
Statement of Department Expenditures - Budget and Actual  
For the Year Ended January 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Budget Revenues</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>W/Carried</td>
<td></td>
<td></td>
<td></td>
<td>Article 9</td>
</tr>
<tr>
<td>General Government</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incidentalts</td>
<td>$24,918</td>
<td>$1,845</td>
<td>$26,763</td>
<td>$26,424</td>
<td>$339 $</td>
</tr>
<tr>
<td>Town Officers</td>
<td>50,088</td>
<td>-</td>
<td>50,088</td>
<td>49,277</td>
<td>811</td>
</tr>
<tr>
<td>Town Office Equipment</td>
<td>1,200</td>
<td>-</td>
<td>1,200</td>
<td>503</td>
<td>697</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>5,500</td>
<td>-</td>
<td>5,500</td>
<td>7,000</td>
<td>(1,500)</td>
</tr>
<tr>
<td>Assessing &amp; Tax Map</td>
<td>5,800</td>
<td>-</td>
<td>5,800</td>
<td>5,800</td>
<td>-</td>
</tr>
<tr>
<td>Town Office</td>
<td>30,170</td>
<td>-</td>
<td>30,170</td>
<td>28,885</td>
<td>1,285</td>
</tr>
<tr>
<td>Total General Government</td>
<td>117,676</td>
<td>1,845</td>
<td>119,521</td>
<td>117,889</td>
<td>1,632</td>
</tr>
<tr>
<td>Protection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Department</td>
<td>26,365</td>
<td>5,154</td>
<td>31,519</td>
<td>21,769</td>
<td>9,750</td>
</tr>
<tr>
<td>Ambulance Start Up</td>
<td>58,500</td>
<td>-</td>
<td>58,500</td>
<td>57,804</td>
<td>696</td>
</tr>
<tr>
<td>Ambulance Operating</td>
<td>15,334</td>
<td>2,861</td>
<td>18,195</td>
<td>16,922</td>
<td>1,273</td>
</tr>
<tr>
<td>911 Compliance</td>
<td>200</td>
<td>-</td>
<td>200</td>
<td>85</td>
<td>115</td>
</tr>
<tr>
<td>Insurance</td>
<td>12,000</td>
<td>90</td>
<td>12,090</td>
<td>13,297</td>
<td>(1,207)</td>
</tr>
<tr>
<td>EMA</td>
<td>750</td>
<td>-</td>
<td>750</td>
<td>135</td>
<td>615</td>
</tr>
<tr>
<td>Street Lights</td>
<td>500</td>
<td>-</td>
<td>500</td>
<td>434</td>
<td>66</td>
</tr>
<tr>
<td>Animal Control</td>
<td>1,200</td>
<td>-</td>
<td>1,200</td>
<td>868</td>
<td>332</td>
</tr>
<tr>
<td>Total Protection</td>
<td>114,849</td>
<td>8,105</td>
<td>122,954</td>
<td>111,314</td>
<td>11,640</td>
</tr>
<tr>
<td>Health and Sanitation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solid Waste</td>
<td>45,500</td>
<td>3,515</td>
<td>49,015</td>
<td>36,710</td>
<td>12,305</td>
</tr>
</tbody>
</table>

The notes to the financial statement are an integral part of this statement.
<table>
<thead>
<tr>
<th>Department</th>
<th>Original Budget</th>
<th>Budgeted Revenues</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>W/Carried</td>
<td></td>
<td></td>
<td></td>
<td>Article 9</td>
</tr>
<tr>
<td>Public Works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Carried</td>
</tr>
<tr>
<td>Town Roads</td>
<td>7,400</td>
<td>-</td>
<td>7,400</td>
<td>3,625</td>
<td>3,775</td>
</tr>
<tr>
<td>Winter Roads</td>
<td>171,074</td>
<td>-</td>
<td>171,074</td>
<td>77,154</td>
<td>-</td>
</tr>
<tr>
<td>Tannery Road Paving</td>
<td>6,645</td>
<td>-</td>
<td>6,645</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tannery Bridge Replacement</td>
<td>3,146</td>
<td>-</td>
<td>3,146</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>URIP</td>
<td>33,384</td>
<td>13,392</td>
<td>46,776</td>
<td>7,062</td>
<td>-</td>
</tr>
<tr>
<td>Sand Shed</td>
<td>3,000</td>
<td>-</td>
<td>3,000</td>
<td>1,369</td>
<td>1,631</td>
</tr>
<tr>
<td>Total Public Works</td>
<td>224,649</td>
<td>13,392</td>
<td>238,041</td>
<td>89,210</td>
<td>5,406</td>
</tr>
<tr>
<td>Cemeteries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Maintenance</td>
<td>8,000</td>
<td>100</td>
<td>8,100</td>
<td>7,359</td>
<td>741</td>
</tr>
<tr>
<td>Tannery Road Capital</td>
<td>2,000</td>
<td>-</td>
<td>2,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Cemeteries</td>
<td>10,000</td>
<td>100</td>
<td>10,100</td>
<td>7,359</td>
<td>2,741</td>
</tr>
<tr>
<td>General Assistance</td>
<td>408</td>
<td>-</td>
<td>408</td>
<td>408</td>
<td>-</td>
</tr>
<tr>
<td>Education</td>
<td>948,592</td>
<td>34,978</td>
<td>983,570</td>
<td>451,208</td>
<td>-</td>
</tr>
<tr>
<td>County Tax</td>
<td>67,506</td>
<td>-</td>
<td>67,506</td>
<td>67,506</td>
<td>-</td>
</tr>
<tr>
<td>Debt Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tannery Road Paving</td>
<td>11,086</td>
<td>-</td>
<td>11,086</td>
<td>11,086</td>
<td>-</td>
</tr>
<tr>
<td>Tannery Bridge Replacement</td>
<td>53,062</td>
<td>-</td>
<td>53,062</td>
<td>53,062</td>
<td>-</td>
</tr>
<tr>
<td>Municipal Building</td>
<td>40,893</td>
<td>-</td>
<td>40,893</td>
<td>40,893</td>
<td>-</td>
</tr>
<tr>
<td>Total Debt Service</td>
<td>105,041</td>
<td>-</td>
<td>105,041</td>
<td>105,041</td>
<td>-</td>
</tr>
<tr>
<td>Unclassified</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td>8,000</td>
<td>-</td>
<td>8,000</td>
<td>7,586</td>
<td>414</td>
</tr>
<tr>
<td>Junk Yard Costs</td>
<td>5,000</td>
<td>-</td>
<td>5,000</td>
<td>-</td>
<td>5,000</td>
</tr>
</tbody>
</table>

The notes to the financial statement are an integral part of this statement.
<table>
<thead>
<tr>
<th>Original Budget W/Carried</th>
<th>Budgeted Revenues</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance with Final Budget Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Article 9</td>
</tr>
<tr>
<td>Unclassified</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Webb Cove Hyd. Plow</td>
<td>500</td>
<td>-</td>
<td>500</td>
<td>375</td>
</tr>
<tr>
<td>Vets Honor Roll</td>
<td>300</td>
<td>-</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Bridge Admin. Account</td>
<td>10,131</td>
<td>-</td>
<td>10,131</td>
<td>200</td>
</tr>
<tr>
<td>Photocopier</td>
<td>2,551</td>
<td>-</td>
<td>2,551</td>
<td>-</td>
</tr>
<tr>
<td>Building Siding</td>
<td>28,000</td>
<td>-</td>
<td>28,000</td>
<td>-</td>
</tr>
<tr>
<td>Legal Reserve</td>
<td>5,000</td>
<td>1,800</td>
<td>6,800</td>
<td>-</td>
</tr>
<tr>
<td>Total Unclassified</td>
<td>59,482</td>
<td>1,800</td>
<td>61,282</td>
<td>8,461</td>
</tr>
<tr>
<td>Total All Departments</td>
<td>$1,693,703</td>
<td>$63,735</td>
<td>$1,757,438</td>
<td>$995,106</td>
</tr>
</tbody>
</table>

The notes to the financial statement are an integral part of this statement.
Town of Lowell, Maine  
General Fund  
Schedule of Property Valuation, Assessments, and Collections  
For the Year Ended January 31, 2019

<table>
<thead>
<tr>
<th>Taxable Valuation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>$45,968,983</td>
</tr>
<tr>
<td>Personal Property</td>
<td>168,112</td>
</tr>
<tr>
<td><strong>Total Taxable Valuation</strong></td>
<td><strong>$46,137,095</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assessment</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable Valuation</td>
<td>$46,137,095</td>
</tr>
<tr>
<td>Tax Rate</td>
<td>0.018500</td>
</tr>
<tr>
<td>Tax Commitment</td>
<td>$853,536</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Collections &amp; Credits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Receipts &amp; Transfers</td>
<td>$(708,300)</td>
</tr>
<tr>
<td>2018 Taxes Receivable, January 31, 2019</td>
<td><strong>$145,236</strong></td>
</tr>
</tbody>
</table>

Tax commitment

<table>
<thead>
<tr>
<th>Requirements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Appropriation</td>
<td>$508,760</td>
</tr>
<tr>
<td>Education</td>
<td>456,928</td>
</tr>
<tr>
<td>County Tax</td>
<td>67,506</td>
</tr>
<tr>
<td><strong>Total Requirements</strong></td>
<td><strong>1,033,194</strong></td>
</tr>
</tbody>
</table>

Less: State Revenue Sharing

| Other Revenues | 172,434 |

| Total Deductions | 182,434 |

Net Requirements

| Overlay | 2,776 |

| **Total Commitment** | **$853,536** |

The notes to the financial statements are an integral part of this statement.
Town of Lowell, Maine
Schedule Taxes Receivable and Tax Liens
For the Year Ended January 31, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2016</th>
<th>2017</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes Receivable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>$145,236</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Liens</td>
<td></td>
<td>1,743</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td>18,481</td>
<td></td>
</tr>
<tr>
<td>Total Taxes &amp; Tax Liens Receivable</td>
<td></td>
<td></td>
<td></td>
<td>$165,460</td>
</tr>
</tbody>
</table>

The notes to the financial statements are an integral part of this statement.
### TOWN OF LOWELL
### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
### FOR THE FISCAL YEAR ENDED January 31, 2019

<table>
<thead>
<tr>
<th>Program</th>
<th>CFDA No.</th>
<th>Grant Period</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Entitlement IDEA</td>
<td>84.027A</td>
<td>7/1/18-6/30/19</td>
<td>$ 8,129</td>
</tr>
<tr>
<td>Total Department of Education</td>
<td></td>
<td></td>
<td>8,129</td>
</tr>
<tr>
<td>Totals Federal Awards</td>
<td></td>
<td></td>
<td>$ 8,129</td>
</tr>
</tbody>
</table>

**Note A - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal
grant activity of the School and is presented on the accrued basis of accounting. The
information in the schedule is presented only for the requirements of Title 20-A
MRSA §6051, sub-1 (K) a recently change in the law that requires all school administrative
units to include a schedule of expenditures of federal awards.

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